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CEMENT CREEK CONDOMINIUMS ASSOCIATION
a Colorado non-profit association

ARTICLE I.

Purposes and Objects

Section 1. Purposes and Objects. The purpose for which this non-profit corporation is formed is to govern Cement Creek Condominiums, a condominium, situate in Gunnison County, Colorado, in accordance with the terms and conditions of the Consolidated Condominium Declaration for Cement Creek Condominims, the Articles of Incorporation and the Bylaws of this Corporation.

Sectin 2. Compliance. All present or future owners, tenants, future tenants or any other person who might use the facilities of the project in any manner, are subject to the regulations set forth in these Bylaws. The mere acquisition or rental of any of the condominium units of that project or the mere act of occupancy of said units will signify that these Bylaws are accepted, ratified and will be complied with.

ARTICLE II.

Membership

Section 1. Automatic Membership. The owner of a condominium unit, upon becoming such owner, shall be entitled and required to be a member of the Association and shall remain a member for the period of his ownership.

Section 2. One Membership. There shall be one membership in the Association for each condominium unit. That membership shall be appurtenant to the condominium unit and shall be transferred automatically by a conveyance of that condominium unit to any new owner. Each membership shall be entitled to one vote in accordance with the ownership interest in the general common elements appurtenant to the unit for which the vote is cast, as set forth in the Consolidated Condominium Declaration. In the event that the membership is held by more than one owner the vote may be cast only as a single unit and split or divided votes of membership shall not be allowed.

Section 3. Transfer. No person other than an owner may be a member of the Association and a membership may not be transferred except in connection with the conveyance or transfer of the condominium unit; provided, however, that such membership may be assigned to the holder of a mortgage as further security for the loan secured by the lien of the mortgage holder upon the condominium unit.

Section 4. Person. The term "person" for the purpose of membership shall include a corporation, partnership, trust, joint venture or other legal entity which has valid title to any condominium unit. Any officer, manager or partner of such entity may exercise the membership rights of the entity and shall further be entitled to serve on the board of managers and as an officer of the corporation.

Section 5. Termination. Such membership shall terminate without any formal corporate action whenever such person ceases to own a condominium unit, but such termination shall not relieve or release any such former unit from any liability or obligation incurred under or in any way connected with Cement Creek Condominiums during the period

of such ownership and membership in this corporation, or impair any rights or remedies which the board of managers of the corporation or others may have against such former owner and member arising out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto.

ARTICLE III.

Meetings

Section 1. Annual Meeting. The annual meeting of the membership shall be held on the last Monday in the month of March of each year, beginning with the year 1990, at the hour of 9:00 o'clock a.m., unless otherwise fixed in the notice of such meeting. At the annual meeting the membership shall elect the board of managers and transact such other business as may properly come before the meeting.

Section 2. Special Meetings. Special meetings may be called at any time by the board of managers or upon a petition signed by the majority of the members. No business shall be transacted at a special meeting except as stated in the notice unless by consent of three-fourths of the owners present, either in person or proxy.

Section 3. Notice of Meetings. Each member shall be furnished with a copy of the Bylaws, and this section is notice of the annual meeting unless changed by the board of managers. In the event of change, notice of the date, place and time of the annual meeting, or any special meeting, shall be given to each member either by delivering such notice to the member personally, or by mailing the same to him by United States mail, which notice shall be given not later than ten days prior to the date of the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the membership register of the corporation, with postage prepaid thereon.

Section 4. Quorum. A majority of the members of the corporation in good standing and in actual attendance in person or by proxy at any annual or special meeting of the corporation shall constitute a quorum at such meeting for the purpose of transacting business. If a quorum be present, the affirmative vote of the majority of the members present at such meeting in person or by proxy and entitled to vote on the subject matter shall be the act of the membership, unless the vote of a greater number is required by the Articles of Incorporation, the laws of the State of Colorado, or the Consolidated Condominium Declaration for Cement Creek Condominiums.

Section 5. Voting of Proxies. At all meetings of the members, a member may vote by proxy executed in writing by the member or by his duly authorized attorney in fact. Such proxy shall be filed with the secretary-treasurer of the corporation before or at the time of the meeting. No proxy shall be valid after eleven months from the date of its execution unless otherwise provided in the proxy.

Section 6. Cumulative Voting. Cumulative voting for managers shall not be allowed.

Section 7. Allocation of Votes. There shall be one membership in the Association for each unit. Each member shall be entitled to cast a vote in accordance with the ownership interest in the general common elements appurtenant to the member's unit.

Section 8. Order of Business. The order of business at the annual meeting, and as applicable at any special meeting shall be as follows:

1. Roll call,
2. Proof of notice of meeting, if changed from Bylaws,
3. Reading and approval of any unapproved minutes,
4. Reports of officers and committees,
5. Election of managers,
6. Unfinished business,
7. Adjournment.

ARTICLE IV.

Board of Managers

Section 1. Number of Managers. The number of managers shall be three, which number shall include a president, vice president, secretary and treasurer.

Section 2. Powers and Duties. The board of managers shall have the powers and duties necessary for the administration of the affairs of the corporation and for the operation and maintenance of a condominium project. Such powers and duties shall include, but not be limited to, the following:

(a) To administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations and all other provisions set forth in the Consolidated Condominium Declaration submitting the property to the provisions of the Condominium Ownership Act of the State of Colorado.

(b) To establish, make and enforce compliance with such reasonable house rules as may be necessary for the operation, use and occupancy of this condominium project with the right to amend the same from time to time. A copy of such rules and regulations shall be delivered or mailed to each member promptly upon the adoption thereof.

(c) To keep in good order, condition, and repair all of the general and limited common elements and all items of personal property, if any, used in the enjoyment of the entire premises. Maintenance, repair, replacement, or improvement of the general or common elements and personal property, if any, shall not require the prior approval of the membership, except as required in the Consolidated Condominium Declaration.

(d) To insure and keep insured all of the insurable general common elements as provided in the Consolidated Condominim Declaration.

(e) To fix, determine, levy and collect the monthly prorated assessments to be paid by each of the owners towards the gross expenses of the entire premises and by majority vote of the board of managers to adjust, decrease or increase the amount of the monthly assessments over expenses and cash reserves due the owners at the end of each operating year. To levy and collect special assessments whenever in the opinion of the board of managers it is necessary to do so in order to meet increased operating or maintenance expenses or costs, or additional capital expenses, or because of emergencies. All monthly or other assessments shall be in itemized statement form and shall set forth the detail of the various expenses for which the assessments are being made, including a list of all services provided by the corporation paid out of the regular assessment.

(f) To collect delinquent assessments by suit or otherwise enjoin or seek damages from an owner as is provided in the Consolidated Declaration and these Bylaws.

(g) To protect and defend the entire premises from loss and damage by suit or otherwise.

(h) To borrow funds in order to pay for any expenditure or outlay required and to execute all such instruments evidencing such indebtedness as the board of managers may deem necessary and such indebtedness shall be the several obligation of all the owners in the same proportion as their interest in the general common elements.

(i) To enter into contracts within the scope of its duties and powers.

(j) To establish a bank account for the common treasury and for all separate funds which are required or may be deemed advisable by the board of managers.

(k) To 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 owners, and to prepare and deliver annual financial statements.

(l) To perpare and deliver annually to each owner a sttement showing all receipts, expenses or disbursements since the last such statement.

(m) To designate, hire, and remove the personnel necessary for the operation, maintenance, repair, and replacement of the common elements, including the power to engage a managing agent and to delegate to such agent the powers of the board of managers to manage the Association on a day to day basis.

(n) To adopt a schedule of monetary penalties for violations of any of the rules and regulations of the Association.

(o) In general, to carry on the administration of this corporation and to do all of those things necessary and reasonable in order to carry out the communal aspect of condominium ownership.

Section 3. Tenure. Each manager shall hold office for a term of one year from the date of his election and until his successor shall have been elected and qualified to office, subject only to the provisions of Article IV, Section 5.

Section 4. Qualification. The managers shall be members of the corporation.

Section 5. Term of Office. Managers shall be elected at each annual meeting and shall serve for a term of one year, as above provided.

Section 6. Elections. Elections for the board of managers shall be by ballot, either oral or written, with the person receiving the highest number of ballots cast for such manager vacancy being declared elected.

Section 7. Vacancies. The board of managers is empowered to fill any vacancy that may occur in its own body, or among the officers of the corporation, and the person so appointed to such office shall hold that office until the expiration of the term of the person he succeeds.

Section 8. Compensation. No manager shall be entitled to receive any compensation as a manager of the corporation; provided, however, that he may be reimbursed for any actual expenses incurred in the performance of his duties as such manager.

Section 9. Chairman and Secretary. The president of the corporation shall be the chairman of the board of managers and the secretary of the corporation shall be the secretary of the board of managers.

Section 10. Regular Meetings. The regular meeting of the board of managers shall be held without other other notice than this Bylaw immediately after, and at the same place as, the annual meeting of the members of the corporation. Additional meetings may be held at a time and place to be designated in the notice of said meeting.

Section 11. Special Meetings. Special meetings of the board of managers may be called by the president or any two managers. Such special meeting shall be held at a time and place designated in the notice of such meeting.

Section 12. Telephonic Meetings. One or more members of the board of managers may participate in a meeting of the board by means of conference telephone or similar communications equipment by which all persons participating in the meeting can hear each other at the same time. Such participation shall constitute presence in person at the meeting.

Section 13. Quorum. A majority of the board of managers, as provided in Section 1 of this Article, shall constitute a quorum for the transaction of business at any meeting of the board of managers. The act of the majority of the managers present at a meeting at which a quorum is present shall be the act of the board of managers, unless the act of a greater number of managers is required by the Articles of Incorporation, the statutes of the State of Colorado, or the Consolidated Condominium Declaration of Cement Creek Condominiums.

Section 14. Notice. Notice of any meeting of the board of managers shall be given by any means of communication. Any manager may waive notice of any meeting. The attendance of a manager at a meeting shall constitute a waiver of notice of such meeting, except where a manager attends a meeting for the expressed purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted, nor the purpose of any regular or special meeting of the board of managers need be specified in the notice of such meeting.

Section 15. Removal. Managers may only be removed at a meeting of the membership called in accordance with the requirements of Article III, Section 2 and 3 hereof. The entire board of managers or a lesser number may be removed, with or without cause, by vote of a majority of the members present at such meeting in person or by proxy and in good standing.

ARTICLE V.

Officers

Section 1. Number. The officers of the corporation shall be a president, a vice president, a secretary and a treasurer. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the board of managers. Any two or more offices may be held by the same person, except the offices of president and secretary.

Section 2. Tenure. The officers set forth in Section 1 of this Article shall be elected at the annual meeting of the board of managers of the corporation shall hold office until the next annual meeting of the board of managers and until their successors have been elected and qualified.

Section 3. Qualifications. The officers, president, vice president, secretary and treasurer shall be members of the board of managers. Any additional officers elected or appointed by the board of managers need not be members of the board of managers of the corporation.

Section 4. Election. The officers of the corporation shall be elected by the board of managers by ballot, oral or written, with the person receiving the majority of the ballots cast for such office being declared elected.

Section 5. Vacancy. A vacancy in any office because of the death, resignation, removal, disqualification or inability to act shall be filled by the board of managers for the unexpired portion of the term of that office.

Section 6. President. The president shall be the principal executice officer of the corporation and, subject to the control of the board of managers, shall in general supervise and control all of the business and affairs or the corporation. He shall, when present, preside at all meetings of the members and of the board of managers. He may sign, with the secretary or any other proper officer of the corporation thereunto authorized by the board of managers, deeds, mortgages, contracts or other instruments, and in general, shall perform all duties as may be prescribed by the board of managers from time to time.

Section 7. Vice President. In the absence of the president, or in the event of his death or inability or refusal to act, the vice president shall perform the duties of the president, and when so acting, shall have all of the powers of and be subject to all the restrictions upon the president and shall perform such other duties as from time to time may be assigned to him by the president or by the board of managers.

Section 8. Secretary. The secretary shall: (a) keep the minutes of the members' meetings and of the board of managers' meetings in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws; (c) be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents, the execution of which on behalf of the corporation under its seal, is duly authorized and (d) in general, perform all duties incident to the office of secretary and such other duties as from time to time may be assigned by the president or by the board of managers.

Section 9. Treasurer. The treasurer shall: (a) if required by the board of managers, the treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties, as the board of managers shall determine; (b) he shall be responsible for all funds of the corporation; receive and give receipts for monies due and payable to the corporation from any source whatsoever; deposit all such monies in the name of the corporation from any source whatsoever; deposit all such ones in the name of the corporation in such banks as shall be selected in accordance with the provisions of Article VI of the Bylaws; sign checks and drafts for the payment of corporate funds; and, (c) in general perform all of the duties as from time to time may be assigned to him by the president or by the board of managers.

Section 10. Salaries. Officers of the corporation may receive salary or compensation for their services in such office, if in the discretion of the board of managers, it is deemed necessary and reasonable.

Section 11. Removal. Any officer may be removed by the board of managers whenever in its judgement the best interests of the corporation would be served thereby. Such removal can be accomplished at any special meeting of the board of managers called in accordance with the requirements of Article IV, Sections 11 and 13. Such removal shall be without prejudice to the contract rights, if any, of the officer so removed.

ARTICLE VI.

Contract, Loans, Checks and Deposits

Section 1. Contracts. The board of managers may authorize, by resolution, any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the board of managers. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for payment of money, notes, or other evidences of indebtedness issued in the name of the corporation shall be signed by any one of the following officers of the corporation:

President
Vice President
Secretary
Treasurer

Section 4. Deposits. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the board of managers may elect.

ARTICLE VII.

Fiscal Year

The fiscal year of the corporation shall begin on the first day of January and terminate on the 31st day of December of each year.

ARTICLE VIII.

Seal

The board of managers shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the corporation and the state of incorporation and the word, "SEAL".

ARTICLE IX

Idemnification of Officers and Managers

The corporation shall indemnify every officer or manager, his heirs, executors and administrators, against all loss, costs and expense, including counsel fees, 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 an officer or manager of the corporation, 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. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the corporation is advised by councel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his duties as such officer or manager in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such officer or manager may be entitled. All liability, loss, damage, costs and expenses incurred or suffered by the corporation by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the corporation as common expenses; provided, however, that nothing in this Article shall be deemed to obligate the corporation to indemnify any member or owner of a condominium unit who is or has been an officer or manager of the corporation with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of the Consolidated Condominium Declaration for Cement Creek Condominiums as a member or owner of a condominium unit covered hereby.

ARTICLE XI.

Obligation of the Owners

Section 1. Assessments. Except as is otherwise provided in the Consolidated Condominium Declaration for Cement Creek Condominiums, all owners shall be obligated to pay the monthly assessments imposed by the corporation to meet the common expenses. The assessments shall be made pro rata according to percentage interest in and to the general common elements and shall be due monthly in advance. A member shall be deemed to be in good standing and entitled to vote at any annual meeting or at a special meeting of members, within the meaning of these Bylaws, if and only if he shall have fully paid all assessments made or levied against him and the condominium unit owned by him.

Section .2. Rules and Regulations. The board of managers shall have the power to establish, make and enforce compliance with such rules and regulations as may be necessary for the operation, use and occupancy of the condominium project with the right to amend the same from time to time.

ARTICLE XII.

Amendments

These Bylaws may be altered, amended or repealed and new bylaws adopted by the board of managers at any regular meeting upon an affirmative vote of not less than two-thirds of the entire membership of he board of managers.

ARTICLE XIII.

Recreational Facilities

On the date of adoption hereof, there are no major recreational facilities owned or managed by the Cement Creek Condominiums Association, except only hot tub facilities, sun deck, and trout pond.

ARTICLE XIV.

Inspection of Records

The board of managers, or its appointed manager, as applicable, shall keep detailed records of the receipts and expenditures affecting the general and limited common elements, which records shall be available for examination by the unit owners and their mortgagees at convenient week-day business hours at the principal office of the corporation.

ARTICLE VI.

Statement of Account

Upon payment of a reasonable fee, and upon the written request of any owner, prospective owner, or holder of a mortgage of a condominium unit, the corporation shall issue a written statement setting forth the amount of the unpaid common expenses, if any, with respect to the subject unit, the amount of the current monthly assessment and the date that such assessments become due, including but not limited to insurance premiums, which statement shall be conclusive upon the corporation in favor of all persons who rely thereon in good faith. Unless such request for a statement shall be complied with within ten days of such request, then such requesting party shall not be liable for, nor shall the unit if conveyed, be subject to any lien for any unpaid assessments against the subject unit. The provisions contained in this paragraph shall not apply upon the initial transfer of the unit by the Declarant.

ARTICLE XVI.

Assumed Obligations

Upon conveyance of a unit to any unit owner, the same shall be subject to all unpaid assessments of the corporation thereon except as provided in Article XV hereof, and the same are deemed assumed by the unit owner upon conveyance thereof to him, together with any and all other liens and encumbrances placed thereon in accordance with applicable law.

ARTICLE XVII.

Liens Upon Common Elements

None of the provisions of the Consolidated Condominium Declaration, the Articles of Incorporation of this corporation or these Bylaws prevent the imposition of liens, including mechanic's liens, assessment liens, or tax liens upon the general or limited common elements within Cement Creek Condominums.

ARTICLE XIX.

Additions to Common Elements,
Recreational Facilities

In the event of the construction of additions to either general or limited common elements within Cement Creek Condominiums, including new recreational facilities, the board of managers may increase the assessment payable by each unit owner.

Such additions shall not alter or affect the appurtenant undivided ownership interest of each unit owner in the general and limited common elements including new general and limited common elements not a unit owner's voting rights in the corporation, except only as provided by Article 37 of the Consolidated Condominium Declaration.

Adopted this 9 day of March, 1988.

Katharine W. Sachs
Secretary