

BY-LAWS
OF
STORM MEADOWS "300-400" CONDOMINIUM ASSOCIATION

The name of the organization shall be Storm Meadows "300-400" Condominium Association.

ARTICLE I

OBJECT

(Plan of Ownership)

1. The purpose for which this non-profit Association is formed is to govern the condominium properties situate in the County of Routt, State of Colorado, described in the Condominium Declaration for Storm Meadows "300-400".

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

ARTICLE II

MEMBERSHIP, VOTING, MAJORITY OF OWNERS, QUORUM, PROXIES

1. Membership. Any person on becoming an owner of a condominium unit shall automatically become a member of this Association and be subject to these By-Laws. Such membership shall terminate without any formal Association action whenever such person ceases to own a condominium unit, but such termination shall not relieve or release any such former owner from any liability or obligation incurred under or in any way connected with the Association during the period of such ownership and membership in this Association, or impair any rights or remedies which the Board of Managers of the Association 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.

2. Voting. The owner or owners of each condominium unit shall be entitled a number of votes equal to his or their percentage or fractional interest in and to the general common elements and the aggregate of all of the undivided interests submitted to and making up the total condominium project shall be considered one hundred percent for such voting purposes.

3. Quorum. A quorum shall be constituted by those members present in person or by proxy. An affirmative vote of the members representing a majority of the total votes present, either in person or by proxy, shall be required to transact business.

4. Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting.

ARTICLE III

ADMINISTRATION

1. Association Responsibilities. The owners will constitute the Storm Meadows "300-400" Condominium Association, hereinafter referred to as 'Association', who will have the responsibility of administering the project through a Board of Managers or Managing Agent.

2. Place of Meetings. Meetings of the Association shall be held at such place as the Board of Managers may determine.

3. Annual Meetings. The first annual meeting of the Association, at which time the members of the Board of Managers shall be elected, shall be held during the month of November 1973. Thereafter, the annual meetings of the Association shall be held in December of each succeeding year.

4. Special Meetings. It shall be the duty of the President to call a special meeting of the owners as directed by resolution of the Board of Managers or upon a petition signed by a majority of the owners and having been presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. Any such meeting shall be held within thirty (30) days after receipt by the President of such resolution or petition.

5. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place it is to be held, to each owner of record, at least twenty (20) but not more than thirty (30) days prior to such meeting. The mailing of a notice in the manner provided in this paragraph shall be considered notice served.

6. Performance of Functions by Declarant. Until the date of the first annual meeting of the Association as is provided in paragraph 3 of this Article III or until all of the condominium units which Declarant, Storm Meadows East Corporation, contemplates building have been sold, whichever date is later, the rights, duties and functions of the Board of Managers shall, at the Declarant's option, be exercised by itself by its selection of the board members.

ARTICLE IV

BOARD OF MANAGERS

1. Number and Qualification. Until the first meeting of owners, the affairs of this Association shall be governed

by the initial Board of Managers. At the first meeting of the owners, there shall be elected to the Board of Managers five owners of condominium units in Storm Meadows "300-400" and thereafter the Board of Managers shall consist of five persons.

2. Election of Board Members. The respective candidates for the office of Manager shall be elected by members who own units in Storm Meadows "300-400". A majority of the eligible votes cast, either in person or by proxy, shall determine an election of a Manager.

3. Powers and Duties. The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation, rental and maintenance of a first class condominium complex.

4. Other Powers and Duties. The Board of Managers shall be empowered and shall have the duties as follows:

(a) To administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations and all other provisions set forth in the Condominium Declaration and supplements thereto submitting the properties 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, rental, use and occupancy of all of the condominium properties with the right to amend same from time to time. The unit owners may, either at any annual meeting or at a special meeting called for such purpose, amend the house rules and may adopt new house rules. A copy of all such house rules shall be delivered or mailed to each member promptly upon adoption thereof.

(c) To keep in good order, condition and repair all of the general and limited common elements, the interiors of the units including the fixtures, and all items of personal property located therein.

(d) To insure and keep insured all of the insurable general common elements of the properties (and also all fixtures; interior walls and partitions; decorated and finished surface of perimeter walls, floors and ceilings; doors; windows and other elements or materials comprising a part of the apartment units) in an amount equal to 80% of their maximum replacement value as is provided in the Declaration. Further, to obtain and maintain comprehensive liability insurance covering the entire premises in amounts not less than \$100,000.00 per person and \$300,000.00 per accident and \$50,000.00 property damages. To insure and keep insured all of the fixtures, equipment and personal property acquired by the Association for the benefit of the Association and the owners of the condominium units and their first mortgagees.

(e) To fix, determine, levy and collect the monthly prorated assessments to be paid by each of the owners towards the common expenses of the entire premises and condominium project and to adjust, decrease or increase the amount of the monthly

assessments. To levy and collect special assessments whenever in the opinion of the Board 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.

(f) To maintain a working capital account which shall be treated as an escrow account for each individual owner.

(g) To collect delinquent assessments by suit or otherwise and to enjoin or seek damages from an owner as is provided in the Declaration and these By-Laws.

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

(i) To borrow funds for any purpose in connection with their duties and to execute all such instruments evidencing such indebtedness as is expressly authorized. Any such indebtedness shall be the several obligations of all of the unit owners only in the same proportion as their voting interest.

(j) To enter into contracts in order to carry out its duties.

(k) To establish a bank account or accounts for the common treasury and for all separate funds which are required or may be deemed advisable.

(l) 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 owners.

(m) To meet at least twice each year.

(n) Through a Managing Agent to designate the personnel necessary for the maintenance and operation of the general common elements and the operation of the units.

(o) To control and manage the use of the parking area.

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

5. No Waiver of Rights. The omission or failure of the Association or any condominium unit owner to enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations or other provision of the Condominium Declaration, the By-Laws or the regulations and house rules adopted pursuant thereto, shall not constitute or be deemed a waiver, modification or release thereof, and the Board of Managers or the Managing Agent shall have the right to enforce the same thereafter.

6. Management Agent. The Board of Managers shall employ for the Association a management-rental agent at a compensation established by the Board to perform the duties listed in paragraph 4 of this Article IV.

7. Election and Term of Office. At the annual meeting of the Association the term of office of two Managers shall be fixed for three years; the term of office of two Managers shall be fixed for two years; and the term of office of one Manager shall be fixed for one year. At the expiration of the initial term of office of each respective Manager, his successor shall be elected to serve a term of three years. The Managers shall hold office until their qualified successors have been elected and hold their first meeting.

8. Vacancies. Vacancies in the Board of Managers caused by any reason other than the removal of a Manager by a vote of the Association shall be filled by vote of the majority of the remaining Managers, even though they may constitute less than a quorum; and each person so elected shall be a Manager until a successor is elected at the next annual meeting of the Association. Each vacancy shall be filled consistent with the qualifications set forth in paragraph 1 of this Article IV.

9. Removal of Managers. At any regular or special meeting of the Association duly called, any one or more of the Managers may be removed with or without cause by the majority of the owners, and, consistent with the qualifications set forth in paragraph 1 of this Article IV, a successor may then and there be elected to fill the vacancy thus created. Any Manager whose removal has been proposed by the owners shall be given an opportunity to be heard at the meeting.

10. Organization Meeting of Managers. The Board of Managers shall hold an organization meeting within ten days after the annual meeting of the Association at such place as shall be fixed by the Board of Managers at said annual meeting and no notice shall be necessary to the incumbent or the newly elected Managers in order legally to constitute such meeting, providing a majority of the whole Board shall be present.

11. Regular Meetings. Regular meetings of the Board of Managers may be held at such time and place as shall be determined, from time to time, by a majority of the Managers, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Managers shall be given to each Manager, personally or by mail, telephone or telegraph, at least three days prior to the day named for such meeting.

12. Special Meetings. Special meetings of the Board of Managers may be called by the President on five days notice to each Manager, given personally, or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting. Special meetings of the Board of Managers shall be called by the President or Secretary in like manner and on like notice on the written request of at least two Managers.

13. Waiver of Notice. Before or at any meeting of the Board of Managers, any Manager may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Manager at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Managers are present

at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

14. Board of Managers' Quorum. At all meetings of the Board of Managers, a majority of the Managers shall constitute a quorum for the transaction of business, and the acts of the majority of the Managers present at a meeting at which a quorum is present shall be the acts of the Board of Managers. If, at any meeting of the Board of Managers, 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.

15. Fidelity Bonds. The Board of Managers may require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Association.

ARTICLE V

FISCAL MANAGEMENT

The provision for fiscal management of the condominium units for and in behalf of all of the unit owners as set forth in the Condominium Declaration may be supplemented by the following provisions:

1. Accounts. The funds and expenditures of the unit owners by and through the Association shall be credited and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be common expenses:

(a) Current expense, which shall include all funds and expenditures within the year for which the funds are budgeted, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves or to additional improvements.

(b) Reserve for deferred maintenance, which shall include funds for maintenance items which occur less frequently than annually.

(c) Reserve for replacement, which shall include funds for repair or replacement required because of damage, wear or obsolescence.

ARTICLE VI

COMMITTEES

The Board of Managers may appoint the following committees: Executive Committee, Nominations Committee, Maintenance Committee, Audit Committee, and such other committees as in the judgment of the Board of Managers are necessary.

ARTICLE VII

OFFICERS

1. Designation. The officers of the Association shall be a President, a Vice-President, a Secretary, and a Treasurer, all of whom shall be elected by and from the Board of Managers, and such assistant officer positions as the Board of Managers may, from time to time, direct be filled. The office of Assistant Secretary need not be a member or unit owner or Board member.

2. Election of Officers. The officers of the Association shall be elected annually by the Board of Managers at the organization meeting of each Board and shall hold office at the pleasure of the Board.

3. Removal of Officers. Upon an affirmative vote of a majority of the members of the Board of Managers, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Managers, or any special meeting of the Board called for such purpose.

4. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Managers. He shall have all of the general powers and duties which are usually vested in the office of president of an association, including but not limited to the power to appoint committees, except as is otherwise provided in these By-Laws, from among the owners from time to time as he may in his discretion decide is appropriate.

5. Vice President. The Vice President shall have all the powers and authority and perform all the functions and duties of the President, in the absence of the President, or his inability for any reason to exercise such powers and functions or perform such duties.

6. Secretary. The Secretary shall keep all the minutes of the meetings of the Board of Managers and the minutes of all meetings of the Association; he shall have charge of such books and papers as the Board of Managers may direct; and he shall, in general, perform all the duties incident to the office of Secretary.

The Secretary shall compile and keep up to date at the principal office of the Association a complete list of members and their registered mailing addresses. Such list shall also show opposite each member's name the number or other appropriate designation of the unit owned by such member. Such list shall be open to inspection by members and other persons lawfully entitled to inspect the same at reasonable times during regular business hours.

7. Treasurer. The Treasurer shall cause to be furnished to him monthly a copy of the receipts and disbursements in proper accounting form. The Treasurer shall delegate the responsibility for the deposit of all monies and all valuable effects to the Managing Agent, and the Treasurer, from time

to time, shall review such deposits.

ARTICLE VIII

INDEMNIFICATION OF OFFICERS, MANAGERS AND MANAGING AGENT

1. Indemnification. The Association shall indemnify every manager, officer, managing agent, their respective successors, personal representatives and heirs, against all loss, costs and expenses, 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 a manager, officer or managing agent 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. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his duty as such manager, officer or managing agent in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such manager, officer or managing agent may be entitled. All liability, loss, damage, cost and expense incurred or suffered by the Association by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as common expenses; provided, however, that nothing in this Article VIII contained shall be deemed to obligate the Association to indemnify any member or owner of a condominium unit who is or has been a manager or officer of the Association with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of the Condominium Declaration.

2. Other. Contracts or other commitments made by the Board of Managers, officers or the managing agent shall be made as agent for the unit owners, and they shall have no personal responsibility on any such contract or commitment (except as unit owners), and the liability of any unit 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 unit owner bears to the aggregate common interest of all of the unit owners, except that any losses incurred by the Association because of its inability to collect such proportionate share of the total liability from a particular member shall be shared proportionately by the other members.

ARTICLE IX

OBLIGATION OF THE OWNERS

1. Assessments. All owners shall be obligated to pay the monthly assessments imposed by the Association to meet all of the expenses incurred by this Association, and payment thereof shall be made not later than on the tenth day follow-

ing the mailing of the monthly statement to the registered mailing address of the owner. The assessments shall be made pro rata and shall be due monthly in advance. A member shall be deemed to be in good standing and entitled to vote at any annual or at a special meeting of members, within the meaning of these By-Laws, if and only if he shall have fully paid all assessments made or levied against him and the condominium unit owned by him.

2. Notice of Lien or Suit. An owner shall give notice to the Association of every lien or encumbrance upon his condominium unit, other than for taxes and special assessments, and notice of every suit or other proceeding which may affect the title to his condominium unit, and such notice shall be given within five days after the owner has knowledge thereof.

3. Maintenance and Repair.

(a) Every owner shall be obligated for the expense of all maintenance and repair work within his own unit, which, if omitted, would affect the habitability of the unit. The Managing Agent shall cause the necessary work to be accomplished in order to maintain the unit in a first class condition.

(b) All maintenance and repairs of internal installations within the unit such as water, light, gas, power, sewage, telephones, sanitary installations, doors, windows, electrical fixtures and all other accessories, equipment and fixtures including furniture and other items of personal property, shall be at the unit owner's expense.

(c) An owner shall be obligated to reimburse the Association or another unit owner promptly upon receipt of a statement for any expenditures incurred by the Association or other unit owner or both in repairing, replacing or restoring any general common element or the interior or any part of a unit damaged as a result of his negligence or the negligence of his tenants or agents.

4. Mechanic's Lien. Each owner agrees to indemnify and to hold each of the other owners harmless from any and all claims of mechanic's lien filed against other apartment units and the appurtenant general common elements for labor, materials, services or other products incorporated in the owner's apartment unit. In the event such a lien is filed and/or a suit for foreclosure of mechanic's lien is commenced, then within twenty days thereafter such owner shall be required to deposit with the Association cash or negotiable securities equal to one and one-half of the amount of such claim plus interest for one year together with the sum of One Hundred Fifty Dollars, which latter sum may be used by the Association for any costs and expenses incurred, including attorney's fees. Except as is otherwise provided, such sum or securities shall be held by the Association pending final adjudication or settlement of the claim or litigation. Disbursement of such funds or proceeds shall be made by the Association to insure payment of or on account of such final judgment or settlement. Any deficiency shall be paid forthwith by the subject owner, and

his failure to so pay shall entitle the Association to make such payment, and the amount thereof shall be a debt of the owner and a lien against his condominium unit which may be foreclosed as is provided. All costs and expenses incurred by the Association shall be forthwith reimbursed to it by such owner(s).

5. General.

(a) Each owner shall comply strictly with the provisions of all legal and other documents affecting his unit and the general common elements, including these By-Laws.

(b) Each owner shall always endeavor to observe and promote the cooperative purposes for which the condominium improvements were built.

6. Use of Units - Internal Changes.

(a) All units shall be utilized only for residential occupancy by the owner, his family and guests and by persons renting the units.

(b) An owner shall not make structural modifications or alterations to his unit or installations located therein without previously notifying the Association in writing through the Managing Agent, or the Resident Manager or through the President of the Board of Managers. The Association shall have the obligation to answer within ten days after such notice, and failure to do so within such time shall mean that there is no objection to the proposed modification or alteration.

7. Use of General Common Elements and Limited Common Elements.

Each owner may use the general common elements and the limited common elements of the completed condominium project in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights of the other owners.

Each owner in the respective buildings shall be entitled to the use of those parts of the general common elements such as walks and other such facilities, all of which are intended to enhance the utility and value of each of the condominium units in the condominium complex; subject however to the rules and regulations established or to be made with the right to amend same from time to time.

8. Right of Entry.

(a) An owner shall grant the right of entry to the Managing Agent or to any person authorized by the Board of Managers in case of any emergency originating in or threatening his unit, whether the owner is present at the time or not.

(b) An owner shall permit other owners, or their representatives, when so required, to enter his unit for the purpose of performing installations, alterations or repairs to the mechanical or electrical services, provided that requests for entry are made in advance and that such entry is at a time convenient to the owner. In case of an emergency,

such right of entry shall be immediate.

9. Rules and Regulations.

(a) No person shall post any advertisement, or posters of any kind in or on the premises except as authorized by the Association.

(b) Owners and occupants of units shall exercise extreme care to avoid making or permitting to be made loud or objectionable noises, and in using or playing or permitting to be used or played, musical instruments, radios, phonographs, television sets, amplifiers and any other instruments or devices in such manner as may disturb or tend to disturb owners, tenants or other occupants of units.

(c) It is prohibited to hang garments, rugs, and other materials from the windows or from any of the facades of the project.

(d) It is prohibited to dust rugs or other materials from the windows or to clean rugs by beating on the exterior part of the project.

(e) It is prohibited to throw garbage or trash outside the disposal installations provided for such purposes.

(f) No owner, resident or lessee shall install wiring for electrical or telephone installations, television antennae, machines or air conditioning units on the exterior of the project or that protrude through the walls or the roof of the project except as expressly authorized by the Association.

(g) The Managing Agent or if there is no Managing Agent, then the Board of Managers shall retain a passkey to each unit. No owner shall alter any lock or install a new lock on any door leading into the unit without the express written permission of the Managing Agent or Board of Managers.

The Board of Managers reserves the power to establish, make and enforce compliance with such additional house rules as may be necessary for the operation, use and occupancy of this condominium project with the right to amend same from time to time.

ARTICLE X

AMENDMENTS TO BY-LAWS

1. By-Laws. These By-Laws may be amended by the Board of Managers of the Association at a meeting duly constituted for such purpose.

ARTICLE XI

MORTGAGES SALES

1. Notice to Association. An owner who intends to sell or mortgage his unit shall notify the Association through the Managing Agent or the Secretary of the Board of Managers prior thereto, giving the name and address of his purchaser or mortgagee. The Association shall maintain such information in its files.

2. Notice of Unpaid Assessments. The Association shall at the request of a purchaser or mortgagee of a unit report any unpaid assessments due from the owner of such unit.

ARTICLE XII

EVIDENCE OF OWNERSHIP, REGISTRATION OF MAILING ADDRESS AND REQUIRED PROXIES

1. Proof of Ownership. Any person on becoming an owner of a condominium unit shall furnish to the Managing Agent or Board of Managers a photo copy or a certified copy of the recorded instrument vesting that person with an interest or ownership which instrument shall remain in the files of the Association. A member shall not be deemed to be in good standing nor shall he be entitled to vote at any annual or at a special meeting of members unless this requirement is first met.

2. Registration of Mailing Address. The owners of each condominium unit shall have one and the same registered mailing address to be used by the Managing Agent or the Association for mailing of monthly statements, notices, demands and all other communications, and such registered address shall be the only mailing address of a person or persons, firm, corporation, partnership, association, or other legal entity or any combination thereof to be used by the Association. Such registered address of an owner or owners shall be furnished by such owners to the Secretary within five days after transfer of title, such registration shall be in a written form and signed by all of the owners of the condominium unit or by such persons as are authorized by law to represent the interests of (all of) the owners thereof.

3. Required Proxies. If title to a condominium unit is held by more than one person or by a firm, corporation, partnership, association, or other legal entity, or any combination thereof, such owners shall execute a proxy appointing and authorizing one person or alternate persons to attend all annual and special meetings of members and thereat to cast whatever vote the owner himself might cast if he were personally present. Such proxy shall be effective and remain in force unless voluntarily revoked, amended or sooner terminated by operation of law; provided, however, that within thirty days after such revocation, amendment or termination, the owner shall reappoint and authorize one person or alternate persons to attend all annual and special meetings as is provided by this paragraph 3. The requirements herein contained

in this Article XII shall be first met before an owner shall be deemed in good standing and entitled to vote at any annual or special meeting of members.

ARTICLE XIII

ABATEMENT AND ENJOINMENT OF VIOLATIONS BY UNIT OWNERS

1: Abatement and Enjoinment. The violation of any rule or regulation adopted by the Board of Managers, or the breach of any By-Law, or the breach of any provisions of the Declaration, shall give the Board of Managers or the Managing Agent the right, in addition to any other rights set forth therein, (a) to enter the unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting unit owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions thereof, and the Board of Managers or Managing Agent shall not be deemed guilty in any manner of trespass or any other civil or legal violation; (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach.

ARTICLE XIV

This Association is not organized for profit. No member, member of the Board of Managers or person from whom the Association may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operation thereof, and in no event shall any part of the funds or assets of the Association be paid as salary or compensation to, or distributed to, or inure to the benefit of any member of the Board of Managers; provided, however, always (1) that reasonable compensation may be paid to any member or manager while acting as an agent or employee of the Association for services rendered in effecting one or more of the purposes of the Association, and (2) that any member or manager may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

ARTICLE XV

The persons who shall be authorized to execute any and all instruments of conveyance under the provisions of the Declaration shall be the President and the Secretary or Assistant Secretary of the Association, and the same persons shall be authorized to execute promissory notes as is provided in paragraph 4(i) of Article IV of these By-Laws.

ARTICLE XVI

Condominium unit owners shall have the right to irrevocably constitute and appoint the beneficiary of a trust deed their true and lawful attorney to vote their unit membership

in this Association at any and all meetings of the Association and to vest in such beneficiary or his nominee any and all rights, privileges and powers that they have as unit owners under the Certificate of Incorporation and By-Laws of this Association or by virtue of the recorded Condominium Declaration. Such proxy shall become effective upon the filing of notice by the beneficiary with the Secretary of the Association at such time or times as the beneficiary shall deem its security in jeopardy by reason of the failure, neglect or refusal of the Association, the Managing Agent or the unit owners to carry out their duties as set forth in the Condominium Declaration. A release of the beneficiary's deed of trust shall operate to revoke such proxy. Nothing herein contained shall be construed to relieve condominium unit owners, as mortgagors, of their duties and obligations as condominium unit owners or to impose upon the beneficiary of the deed of trust the duties and obligations of a unit owner.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands this 17th day of March, 1974.

BOARD OF MANAGERS

W. L. T. E. Day
Robert H. Linnert
Marvin L. Crawford

KNOW ALL MEN BY THESE PRESENTS: That the undersigned Secretary of the corporation does hereby certify that the above and foregoing By-Laws were duly adopted by the managers of said corporation as the By-Laws of said corporation on the 17th day of March, 1974 and that they do now constitute the By-Laws of said corporation.

ATTEST:

Marvin L. Crawford
Secretary

