

**BYLAWS
OF THE
PEAKS AT REDLANDS MESA HOMEOWNERS ASSOCIATION**

ARTICLE I.
NAME AND LOCATION

The name of the corporation is the Peaks at Redlands Mesa Homeowners Association (the "Association"). The principal office of the corporation shall be located at the home of the then-current President of the Association, or such other place as may be designated by the Association, but meetings of Members and the Board of Directors (the "Board") may be held at such places within the State of Colorado as may be designated by the Board.

ARTICLE II.
DEFINITIONS AND OBJECT

Any definitions set forth in the Declaration of Covenants, Conditions and Restrictions of the Peaks at Redlands Mesa (the "Declaration") recorded at Reception No. 2792723 in the records of the Mesa County Clerk and Recorder, as the same may be amended from time to time, shall apply to these Bylaws.

The Association is formed for the purpose of operating and managing the common interest community created by the Declaration and related plats. All present and future owners or tenants or any other persons that might use or benefit from the lots or common elements are subject to the provisions of the Association's documents, including the Declaration, Articles of Incorporation, and these Bylaws. Acquisition, rental or occupancy of any lot shall constitute acceptance and ratification of these Bylaws.

ARTICLE III.
MEMBERS

Any individual, corporation, partnership, association, trust or other legal entity or combination of entities owning an undivided fee simple interest in a lot shall automatically be a Member of the Association, and the Association shall not admit any other person or entity in membership. Such membership shall continue throughout the period that such ownership continues and shall terminate automatically without any Association action whenever such individual, organization or group ceases to own a lot; no Member may resign or otherwise terminate their membership, nor shall any Member be expelled or terminated by

the Association, prior to that time for any reason. Members may have their voting rights suspended summarily in the event that they are delinquent in the payment of assessments, as provided in the Declaration and the Association's documents.

ARTICLE IV. MEETINGS OF MEMBERS

Section 1. Annual Meeting. The annual meeting of the Members shall be held at a time and place to be designated by the Board.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or by a majority of the Board, or upon written request of the Members having at least twenty percent (20%) of all of the votes in the Association.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or any other person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) days before, but not greater than fifty (50) days before, such meeting to each Member entitled to vote thereat, addressed to the Member's address registered with the Association, except as otherwise provided in the Declaration. The notice shall specify the place, day and hour of the meeting, and items in the agenda. No business except as stated in the notice shall be transacted at a meeting unless by consent of the Members present in person or by proxy.

Any notice given pursuant to this Article shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his or her address registered with the Association, with postage prepaid.

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

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, twenty percent (20%) of the votes allocated under the Declaration 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.

Section 5. Record Date. For the purpose of determining the Members entitled to notice of a meeting, or to vote, in person or by proxy, at any meeting, the Board may set a record date for such determination, in accordance with Colorado law.

Section 6. Manner of Action. In any matter put before the Members at a meeting, provided a quorum is present, a vote of a majority of the Members present, in person or by proxy, is sufficient to constitute the action of the Members or for passage or approval, unless the vote of a greater number is required by these Bylaws, the Articles of Incorporation, the Declaration, or by law. Cumulative voting shall not be permitted.

In circumstances where the vote of the Members is taken by secret ballot, such ballots shall be counted by a committee of three (3) Members selected at random by the method provided below. By attending the meeting where secret ballots are used, each Member expressly volunteers to serve on the committee selected under this section, and all Members consent to the composition of the committee so selected.

The committee for counting ballot votes shall be selected as follows:

- a. all Members appearing in person shall be assigned a unique number, given sequentially or by any other means, for purposes of the meeting;
- b. in circumstances where the secret ballot involves voting for contested elections to the Board, current members of the Board, and candidates for contested elections to the Board, shall not be given numbers and may not serve on the committee;
- c. separate pieces of paper or other materials bearing the numbers so assigned, but without reference to the name of the Member to whom such number is assigned, shall be placed in a common location and jumbled, shuffled, mixed or otherwise randomized by any means;
- d. three (3) numbers shall then be drawn, and the numbers shown thereon announced; and
- e. the Members to whom the numbers so drawn were assigned shall serve on the committee for counting ballot votes.

Section 7. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies and proxy revocations shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall be deemed revoked in the event that the Member appointing a proxy appears in person at a meeting, gives a subsequent proxy appointment, or delivers a written proxy revocation. A proxy is void and of no effect if it is

obtained through fraud or misrepresentation, is not dated, or purports to be revocable without notice. A proxy terminates eleven (11) months after its date, unless the proxy provides otherwise.

Proxies given under this section shall be accepted by the Association if they appear valid on their face. The Association, acting through its Secretary, the committee for counting ballot votes as provided in Section 6, above, or any other duly appointed representative(s) for purposes of tabulating votes, may reject proxies under this section only when acting in good faith, in the observance of reasonable standards of fair dealing, and upon reasonable basis for believing the proxy appointment i) is revoked, ii) was obtained by fraud or misrepresentation, iii) bears an invalid signature, or iv) bears the signature of someone without authority.

Section 8. Action of Members Without a Meeting. Any action required to be taken, or any action which may be taken, at a meeting of the Members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by the Members representing one hundred percent (100%) of the vote with respect to the subject matter thereof.

Section 9. Action by Mail or Electronic Mail. Any action that may be taken at a meeting of the Members may also be taken without a meeting if notice complying with the requirements of this section is transmitted in writing, by mail or electronic mail, to each Member at such address as appears in the records of the Association, and each Member timely responds in writing voting in favor of, against, or abstaining from vote upon the proposed action, and fails to demand that the action be taken at a meeting. Failure to respond will be treated in the same way as though the non-responsive Member had timely responded in writing abstaining from the vote and failing to demand that the action be taken at a meeting. The notice under this section shall describe the action to be taken, set a date and time by which Members must respond, state that failure to respond will have the same effect as abstaining in writing by the time stated and failing to demand that the action be taken at a meeting, along with any other matter the Association may determine to include. If after the date and time set for response in the notice, affirmative votes in favor of the proposed action exceed the number necessary to take the proposed action at a meeting at which all of the Members were present in person, and no demand as been received that the action be taken at a meeting, the matter will pass effective as of the date for response set in the notice and will bind the Association for all purposes under these Bylaws. Any Member who has voted, abstained, or demanded action be taken at a meeting may withdraw such vote, abstention or demand in writing prior to the date set in the notice.

Section 10. Determination of Budgets. The total amount required to be raised by the assessments shall be determined by the Board at least once a year and shall be based

upon an annual budget to be approved by the Board and adopted by the Association annually showing, in reasonable detail, the various matters proposed to be covered by the budget, the estimated costs and expenses of the Association, an amount deemed necessary or desirable as a contingency reserve and the total amount required to be raised by assessments to cover such estimated costs and expenses and contingency reserve. The budget shall cover all costs and expenses expected to be incurred by the Association in performing its functions, or in providing services required or permitted under the Declaration, including, without limitation, all expenses required to adequately operate and maintain the common area, insurance and taxes. The budget may be revised as necessary from time to time. Assessments may be raised or lowered by the Board as required to meet such revised budget. Within ninety (90) days after adoption of any proposed budget for the Association, the Board shall mail, by ordinary first class mail, or otherwise deliver a summary of the budget to all the Members and shall set a date for a meeting of the Members to consider ratification of the budget not less than thirty (30) nor more than sixty (60) days after mailing or other delivery of the summary. Unless at that meeting a majority of the Members of the quorum percentage specified in the Declaration reject the budget, the budget is ratified. If the proposed budget is rejected, the periodic budget last ratified by the Members must be continued until such time as the Members ratify a subsequent budget proposed by the Board.

ARTICLE V.

BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Number and Qualifications. The affairs of the Association shall be managed by a Board of Directors comprised of three (3) natural persons. All Directors shall be Members of the Association in good standing and entitled to vote in the affairs of the Association and shall cease to be Directors automatically upon their failure to so qualify for any reason.

Section 2. Term of Office. Directors shall be elected at the annual meeting of the Members or at any special meeting of the Members where election of Directors is a stated agenda item. At the first election of Directors following the recordation of the Declaration, the candidate receiving the highest number of raw votes shall serve for a three (3) year term, the candidate receiving the second highest number of raw votes shall serve for a two (2) year term, and the remaining successful candidate shall serve for a term of one (1) year. At all following elections, the elected Director or Directors shall serve for terms of three (3) years or until their successors should be elected and qualify.

Section 3. Removal by Members. Any Director may be removed by the Members at a meeting called for the purpose of removing or recalling such Director(s). Members representing at least ten percent (10%) of the total votes allocated to the Members may call a

meeting of the Members for the purpose of removing or recalling one or more Directors by following the requirements of this section.

a. *Calling Removal/Recall Meetings.* Prior to noticing a Member meeting to remove or recall one or more Directors, a list shall be circulated for the purpose of obtaining signatures of not less than ten percent (10%) of the total votes allocated to the Members. The signature list shall state that the purpose for obtaining signatures is to call a Member meeting to remove or recall one or more Directors, that replacement Directors shall be elected at the meeting if a majority or more of the existing Directors are successfully removed or recalled at the meeting, and, contain lines for the signing Members to fill in their lot number(s), signature(s) and the date of signature(s).

b. *Notice of Removal/Recall Meetings.* The removal or recall meeting notice shall:

(i) State that the purpose of the meeting is to recall one or more Directors and, if a majority or more of the Directors is subject to removal or recall, the notice shall also state that an election to replace recalled Directors will be conducted at the meeting.

(ii) List, by name, each Director sought to be removed or recalled at the meeting, even if every Director is sought to be removed or recalled.

(iii) Specify a person, other than a Director subject to recall at the meeting, who shall determine whether a quorum is present, call the meeting to order, preside, and proceed as provided below (the "Presiding Officer").

(iv) State that nominations for replacement Directors may be taken from the floor at the meeting.

(v) In those cases where a majority or more of the Board is sought to be recalled, list at least as many eligible persons who are willing to be candidates for replacement Directors as there are Directors sought to be removed or recalled. Candidates for replacement Directors shall not be listed when a minority of the Directors is sought to be removed or recalled, as the remaining Directors may, in that instance, appoint replacements.

(vi) Have attached to it a copy of the signature list.

(vii) Be mailed or delivered to all Members, in like manner to the notice of any other membership meeting.

c. *Removal/Recall Meeting Conduct.* On the date and time fixed in the notice, the Presiding Officer shall determine that a quorum is present as otherwise provided by these Bylaws. If a quorum is present, the Presiding Officer shall appoint a person to receive notices, or other papers presented at the meeting on behalf of the recalling Members in the event the Directors dispute the removal or recall, and a person to record the minutes of the meeting. Neither appointed person shall be a Director subject to removal or recall at the meeting, but may be the same person if the Presiding Officer so determines. The minutes of the recall meeting shall:

(i) Record the date and time the recall meeting was called to order and adjourned;

(ii) Record the name or names of the person or persons chosen as the Presiding Officer, the person to receive notices and other documents, and the person chosen as the recorder of the official minutes;

(iii) Record the vote taken for each Director sought to be removed or recalled;

(iv) State whether the removal or recall was effective as to each Director sought to be removed or recalled;

(v) In those cases where a majority or more of the Directors were properly removed, record the vote taken on each candidate to replace the Directors subject to removal; and

(vi) Be delivered to the Board to become an Association record.

d. *Voting.* The Members shall vote to remove or recall each Director subject to removal or recall separately. Directors may be removed only by a vote of sixty-seven percent (67%) of the Members present at the meeting in person or by proxy at which a quorum is present. When the Members have removed or recalled one or more Directors, but less than a majority of the Directors, vacancies shall be filled by appointment by the remaining Directors at a Board meeting called in accordance with these Bylaws, provided, however, that no removed or recalled Director may be so appointed. When the Members have removed or recalled at least a majority of the Directors, the Members shall immediately conduct an election to fill the vacancies occurring as a result of removal or recall.

e. *Results.* Directors elected at a removal/recall meeting shall take office upon adjournment of the meeting and shall serve for the unexpired term of the seat being filled. Each removed or recalled Director shall return to the Association all

records in his or her possession within five (5) business days after adjournment of the removal/recall meeting.

Section 4. Removal by Directors. Any Director may be removed for cause by a vote of the Directors present at a meeting of the Board, provided, however, that such meeting was called for the purpose of removing Directors and proper notices were given as required by these Bylaws. In the event a Director is removed by the Directors, the vacancy may be filled by appointment.

Section 5. Resignation. A Director may resign at any time by giving written notice to the Board. 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. Appointment to Fill Vacancies. Unless otherwise provided above, in the event of death, disability, resignation, failure of qualification or removal of a Director, his or her successor shall be selected by the remaining Directors and shall serve for the unexpired term of his or her predecessor.

Section 7. Compensation. No Director shall receive compensation for any service rendered to the Association. However, any Director may be reimbursed for actual expenses incurred in the performance of his or her duties.

ARTICLE VI. MEETINGS OF THE BOARD

Section 1. Regular Meetings. Regular meetings of the Board shall be held not less frequently than annually, without notice, following the annual meeting of Members, at the place of the annual meeting of Members.

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

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

Section 3. Quorum. A majority of the 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.

Section 4. Attendance. All regular and special meetings of the Board shall be open to attendance by any Member or their representative, and the agenda of all such meetings shall be made reasonably available to all Members, except that the Board may restrict attendance to discuss matters set forth in C.R.S. § 38-33.3-308(4)(a) through (f).

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 Directors, or by the means described in Article IV, Section 9, above. Any action so approved shall have the same effect as though taken at a meeting of the Board.

ARTICLE VII. POWERS AND DUTIES OF THE BOARD

Section 1. Powers. The Board shall have all powers, privileges and duties, and perform all of the obligations, as are described in the Declaration, and as set forth in the Colorado Common Interest Ownership Act, C.R.S. § 38-33.3-101, et seq. ("CCIOA").

Section 2. Duties. The Board shall perform all duties as shall be described in the Declaration, and undertake all reasonable and necessary action to perform such duties.

Section 3. Management of Funds. If the Association delegates powers of the Board or officers relating to collection, deposit, transfer or disbursement of Association funds to other persons or to a managing agent, then the following requirements shall apply:

a. That the other person or managing agent maintain fidelity insurance coverage or a bond in an amount not less than Fifty Thousand Dollars (\$50,000.00) or such higher amount as the Board may require;

b. That the other person or managing agent maintain all funds and accounts of the Association separate from the funds and accounts of other associations managed by the other person or managing agent and maintain all reserve accounts of each association so managed separate from operational accounts of the Association; and

c. That an annual accounting for Association funds and a financial statement be prepared and presented to the Association by the managing agent, a public accountant or a certified public accountant.

ARTICLE VIII.
OFFICERS AND THEIR DUTIES

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

Section 2. Election of Officers. The Directors shall vote in the election of the officers at the annual meeting of the Board.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he or she 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 by giving written notice to the Board. 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 or she replaces.

Section 7. 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. The office of vice-president is optional and may remain vacant indefinitely at the discretion of the Board.

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

a. President. The president shall see that the orders and resolutions of the Board are carried out and shall sign all legal and other written instruments. The president shall also execute, certify and record amendments to the Declaration on behalf of the Association.

b. Vice-president. The vice-president shall act in the place and stead of the president in the event of his or her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him or her by the Board.

c. Secretary. 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 the meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and in general, shall perform all duties incident to the office of secretary. The secretary shall also compile and keep up to date a complete list of the Members and their registered addresses and electronic mail addresses, if any, showing, opposite each listed Member's name, the number or other appropriate designation of the lot owned by such Member.

d. Treasurer. 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; shall sign all checks and promissory notes of the Association, provided the Board may authorize a manager to sign checks up to \$500.00; keep the financial books and records of account; 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 IX. COMMITTEES

The Board may appoint such committees as it deems necessary or appropriate in carrying out its powers and duties under the Declaration, provided that, when so delegated, the Board shall not be relieved of its responsibilities pursuant to the Declaration.

ARTICLE X.

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 subject to the provisions of CCIOA and the Colorado Revised Nonprofit Corporation Act, C.R.S. § 7-121-101, et seq. The Declaration, the Articles of Incorporation, Bylaws, and Policies, Procedures, Rules and Regulations, along with a complete set of Association records shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI. AMENDMENTS

Section 1. Except as prohibited by Colorado law, these Bylaws may be amended, in whole or in part, by action of the Board. In all circumstances, these Bylaws may be amended by a majority vote of the Members present at a regular or special meeting of Members at which a quorum of Members is present in person or proxy.

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

ARTICLE XII. INDEMNIFICATION OF OFFICERS AND DIRECTORS

The Association shall provide indemnification, either directly or indirectly through insurance policies or otherwise, to the fullest extent permitted by law.

ARTICLE XIII. MISCELLANEOUS

Section 1. Contracts. The Board may authorize any officer or agent of the Association to enter into any contract or execute and deliver any instrument in the name of the Association, except as otherwise specifically required by the Articles of Incorporation, Declaration or by these Bylaws.

Section 2. Fiscal Year. The fiscal year of the Association shall be the calendar year, or such other time frame as the Board may determine from time to time.

Section 3. Registration by Member of Mailing Address. Each Member shall register his or her mailing address and email address, if any, with the Association.

CERTIFICATE

I certify that the foregoing Bylaws of the Peaks at Redlands Mesa Homeowners Association were adopted by the Board at its initial meeting duly called and held pursuant to proper notice on the 24th day of March, 2017.

Peaks at Redlands Mesa Homeowners
Association

By: 
Kevin Young, Secretary