

# **BYLAWS OF REMINGTON POST HOMEOWNERS' ASSOCIATION**

## **ARTICLE I**

### **General**

1. The following paragraphs contain provisions for the regulation and management of REMINGTON POST HOMEOWNERS' ASSOCIATION, a Colorado nonprofit corporation.
2. In the event that there is a conflict between a provision of these Bylaws and a mandatory provision of the Declaration of Condominium for Remington Post Condominium, the Articles of Incorporation of this Corporation, or the laws of the State of Colorado, then said mandatory provision of the laws of the State of Colorado, or of Articles of Incorporation of this Corporation, or of the Declaration of Condominium shall control.

## **ARTICLE II**

### **Offices**

The principal office of the Corporation in the State of Colorado shall be located in the City of Boulder, County of Boulder. The registered office of the Corporation required by the laws of the State of Colorado to be maintained in the State of Colorado shall be as set forth in the Articles of Incorporation and may be, but need not be, identical with the principal office in the State of Colorado. The address of the registered office may be changed from time to time by the Board of Directors.

## **ARTICLE III**

### **Object**

1. The purpose for which this nonprofit Corporation is formed is to govern that property situate in the County of Boulder, State of Colorado, known as the Remington Post Condominium; such property has been submitted to the provisions of the Condominium Ownership Act of the State of Colorado by recorded Declaration of Condominium, hereinafter referred to as "Declaration."
2. All present or future owners, tenants, and any other persons who might use such property in any manner are subject to the regulations set forth in these Bylaws. Acquisition of a fee or leasehold interest in or the mere occupancy of any of the condominium units of the project, hereinafter referred to as the "units," shall constitute ratification and acceptance of these Bylaws and an agreement to comply herewith.

## **ARTICLE IV**

## Membership, Voting, Quorum, Proxies

1. **Membership.** Membership in this Association, except for membership in the first Board of Managers, shall be limited to record owners of the units subject to the Declaration. One membership in the Association shall be issued to the record owner of each unit. The record owners of all units collectively shall constitute all the members. In the event any such unit is owned by two or more persons, whether by joint tenancy, tenancy in common, or otherwise, the membership as to such shall be joint, and a single membership for such unit shall be issued in the names of all the owners, and they shall designate to the Association, in writing at the time of issuance, one person who shall hold the membership and have the power to vote said membership. No membership shall be issued to any other person or persons except as they may be issued in substitution for outstanding memberships assigned to new record owners of units. No such transfer shall be made upon the books of the Association within the ten days next preceding the annual meeting of the Association.
2. **Voting.** Each member being present in person or by proxy shall, except as may be provided in the Declaration, be entitled to one vote for each unit owned by said member. Cumulative voting is prohibited. Persons owning more than one unit may not divide the votes appurtenant to such units, but must vote them as a whole.
3. **Quorum.** The presence either in person or by proxy of at least fifty-one percent of the members of record shall constitute a quorum of the Association for all purposes, unless the representation of a larger group shall be required by law, by the Articles of Incorporation, or by these Bylaws, and in that event representation of the number required shall constitute a quorum.

If a quorum is present, the affirmative vote of a majority of the units represented at the meeting and entitled to vote on the subject matter shall be the act of the Association, unless the vote of a greater number is required by law, by the Articles of Incorporation, or by these Bylaws.

4. **Proxies.** Votes may be cast in person or by proxy. Proxies must be filed with the Secretary not later than seven days before the appointed time of each meeting.

## ARTICLE V

### Administration

1. **General.** The owners of the units will constitute the Remington Post Homeowners' Association, hereinafter referred to as "Association," which will have the responsibility of administering the project through a Board of Managers as herein provided.
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 shall be held on any day during the month of March 1978. Thereafter, the annual meetings of the Association shall be held on the first Tuesday in December after December 1st, or at such other time as the Association may by majority vote approve. At such meeting, there shall be elected a Board of Managers in accordance with the requirements set forth herein. The Association may also transact such other business of the Association as may properly come before it.

4. **Special Meetings.** Special meetings of the Association for any purpose or purposes other than those regulated by statute may be called for by the President as directed by resolution of the Board of Managers or upon a petition signed by not less than twenty percent of the members of the Association. Such petition shall state the purpose or purposes of such meeting. No business shall be transacted at a special meeting except as stated in the notice thereof unless by consent of three-fourths of the Association members present, either in person or by proxy.
5. **Notice of Meetings.** The President or Secretary shall give or cause to be given notice of the time, place and purpose of holding each annual or special meeting by mailing or hand-delivering such notice at least ten days but not more than twenty days prior to such meeting to each Association member at the respective addresses of said members as they appear on the records of the Association.
6. **Adjourned Meetings.** If the number of Association members necessary to constitute a quorum shall fail to attend in person or by proxy at the time and place of meeting, the Chairman of the meeting, or a majority in interest of the Association members present in person or by proxy, may adjourn the meeting from time to time until the necessary number of Association members shall be in attendance. At any adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the original meeting.
7. **Waiver of Notice.** Any member may at any time waive any notice required to be given under these Bylaws, or by statute or otherwise, and the presence of a member in person at any meeting of the members shall be deemed such a waiver.

## ARTICLE VI

### Board of Managers

#### 1. Number and Qualifications.

- a. The affairs of this Association shall be governed by a Board of Managers consisting of nine members of the Association; provided, however, that the following persons shall act in such capacity for the first year of its existence, or until their successors are elected:

Romano Sbrocca

Nicola E. Sbrocca

Paul R. Klamer

- b. Where a member of the Association is other than a natural person, it may designate one of its officers, principals, partners or agents to perform its duties as one of the members of the Association and to act as a member of the Board of Managers.

2. **Powers and Duties.** The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Association, and may do all such acts and things as are not by law or by these Bylaws directed to be exercised and done by the members. The powers of the Board of

Managers shall include, but not be limited to, all of the rights and duties of the Board of Managers as set forth elsewhere in these Bylaws, the Articles of Incorporation, and in the Declaration, and shall also include the power to promulgate such rules and regulations pertaining to such rights and duties as may be deemed proper and which are consistent with the foregoing. The Board of Managers may delegate such powers or duties as it deems appropriate in the best interests of the Association and to the extent permitted by law; provided, however, that no such delegation shall relieve the Managers of any responsibility under the Declaration.

The Board of Managers may, on contract, delegate the routine operation and management of the Association affairs to a Managing Agent to be selected by the Board of Managers. Such Managing Agent shall be responsible to the Board of Managers, and shall submit a comprehensive report on his activities at each annual meeting. It shall be the primary purpose of such management agreements to provide for the administration, management, repair, and maintenance of the common elements.

Any agreement for professional management of the condominium project or for any other services shall provide for termination by either party without cause or payment of any termination fee on ninety (90) days or less written notice or, by the Association for the cause on thirty (30) days' written notice. No such agreements shall be entered into for a term exceeding three (3) years. Any determination by the Association to terminate professional management of the Property and assume such management itself may be made only upon the written approval of all first mortgagees of condominium units.

3. **Election and Term of Office.** The term of the Managers named in the Articles of Incorporation shall be until the first annual meeting or until their successors are duly elected and qualified. Their successors shall be elected at the first annual meeting or at any special meeting called for such purpose prior thereto. At such election, three classes of Managers shall be elected as follows:
  - a. Three Managers to serve until the third annual meeting thereafter or until their successors are elected and qualified;
  - b. Three Managers to serve until the second annual meeting thereafter or until their successors are elected and qualified; and,
  - c. Three Managers to serve until the next annual meeting thereafter or until their successors are elected and qualified.

Thereafter, all Managers shall be elected for terms of three years or until their successors are elected and qualified.

4. **Vacancies.** Vacancies on the Board of Managers caused by any reason shall be filled by vote of the majority of the remaining Managers even though they may consist of less than a quorum. Each member so elected shall be a Manager until his successor is duly elected by the members of the Association at the next annual meeting or special meeting called for such purpose.
5. **Removal of Managers.** At any regular or special meeting of the Association, any one or more of the Managers may be removed with or without cause at any time by the affirmative vote of a majority of the entire membership of record, and a successor may then be elected to fill the vacancy thus created. Any Manager whose removal has been proposed by the members of the Association shall be given an opportunity to be heard at the meeting.

6. **Compensation.** No compensation shall be paid to the Directors for their services as Managers. No remuneration shall be paid to a Manager for services performed by him for the Association in any other capacity, unless a resolution authorizing such remuneration shall have been adopted by the Board of Managers before the services are undertaken.
7. **Organization Meeting.** The first meeting of a newly elected Board of Managers shall be held within thirty days of election at such time and place as shall be fixed at the meeting at which such Managers are elected. No notice shall be necessary to the newly elected Managers in order legally to constitute such meeting, providing a majority of the whole Board shall be present.
8. **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 one meeting 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 ten but not more than twenty days prior to the day named for the meeting.
9. **Special Meetings.** Special meetings of the Board of Managers may be called by the President on ten days notice to each Manager, given personally or by mail, telephone or telegraph, which notice shall state the time and place 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 a majority of the Managers.
10. **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.
11. **Quorum.** A majority of the Board of Managers shall constitute a quorum for the transaction of business, but if at any meeting of the Board there be less than a quorum present, a majority of those present may adjourn the meeting from time to time.
12. **Adjournments.** The Board of Managers may adjourn any meeting from day to day or for such other time as may be prudent or necessary in the interest of the Association, provided that no meeting may be adjourned for a period longer than thirty days.
13. **Fidelity Bonds.** The Board of Managers may require that all officers and employees of the Association handling or responsible for Association funds furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Association.

## ARTICLE VII

### Officers

1. **Designation.** The principal officers of the Association shall be a President, a Vice-President, a Secretary, and a Treasurer, all of whom shall be elected by majority vote of the Board of Managers. The Managers may appoint an Assistant Secretary and an Assistant Treasurer, and such other officers

as in their judgment may be necessary.

2. **Election of Officers.** The officers of the Association shall be elected annually by and from among the Board of Managers, at the organization meeting of each new Board, and shall hold office at the pleasure of the Board.
3. **Removal of Officers.** Upon an affirmative vote of two-thirds 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 at 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 members and of the Board of Managers. He shall have all of the general powers and duties which are normally vested in the office of the president of a corporation, including but not limited to the power to appoint committees from among the members from time to time as he may, in his discretion, decide are appropriate to assist in the conduct of the affairs of the Association.
5. **Vice-President.** The Vice-President shall exercise the powers and duties of the President in the latter's absence or disability, and perform such other functions as may, from time to time, be assigned to him.
6. **Secretary.** The Secretary shall keep the minutes of all meetings of the members and of the Board of Managers; he shall have the custody of the Seal of the Association; he shall have charge of the membership books and such other 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.
7. **Treasurer.** The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate records of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all moneys and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Managers.
8. **Compensation.** No compensation shall be paid to officers for their services as officers. No remuneration shall be paid to an officer for services performed by him for the Association in any other capacity, unless a resolution authorizing such remuneration shall have been adopted by the Board of Managers before the services are undertaken.

## ARTICLE VIII

### Indemnification of Officers and Managers

The Association shall indemnify every Manager or officer, his heirs, executors, administrators, and representatives 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 or officer 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, intentional 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, intentional or willful misconduct in the performance of

his duty as such Manager or officer in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such Manager or officer may be entitled. All liability, loss, damage, costs 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 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 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 Declaration as a member or owner of a unit covered thereby.

## ARTICLE IX

### Powers, Rights and Duties of The Association and Members Thereof

The Association and its members shall have all the powers, rights, duties and obligations set forth in the Articles of Incorporation for the Association, these Bylaws, rules and regulations adopted pursuant hereto, the Declaration, and as any of the same may be duly adopted or amended.

## ARTICLE X

### Corporate Seal

1. The Board of Managers shall provide a suitable corporate seal containing the name of the Association, which seal shall be in the custody and control of the Secretary.
2. The corporate seal shall be in circular form, shall have inscribed thereon the name of the Association and the word "Colorado" in the circle and the word "Seal" in the middle. If and when so directed by the Board of Managers, a duplicate seal may be kept and used by such officer or other person as the Board of Managers shall name.

## ARTICLE XI

### Miscellaneous

1. **Books and Accounts.** Books and accounts of the Association shall be kept under the direction of the Treasurer and in accordance with the reasonable standards of accounting practice and procedure.
2. **Auditing.** At the closing of each fiscal year, the books and records of the Association shall be audited by a Certified Public Accountant, whose report will be prepared and certified. Based upon such reports the Association will have available for inspection by its members a statement of the income and disbursements of the Association for each fiscal year.
3. **Inspection of Books.** Financial reports, such as are required to be furnished, the membership records of the Association, and records of receipts and expenditures, shall be available at the principal offices of the Association for inspection at convenient weekday business hours by any members or their mortgagees.

4. **Execution of Association Documents.** With the prior authorization of the Board of Managers, all notes, checks and contracts or other obligations shall be executed on behalf of the Association by any two officers of the Association.
5. **Fiscal Year.** The fiscal year of the Association shall be determined by the Board of Managers should Association practice subsequently necessitate such change.
6. **Depository.** The depository of the Association shall be such bank or banks as shall be designated from time to time by the directors and in which the moneys of the Association shall be deposited. Withdrawal of moneys from such accounts shall be only by checks signed by such persons as are authorized by the Board of Managers.
7. **Statement of Account.** Upon ten days' prior written notice to the manager of the project or to the Board of Managers and the payment of a fee of \$10.00, any unit owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such owner.

## ARTICLE XII

### Amendments

1. **Amendment by the Members.** These Bylaws and any rules and regulations adopted by the Board of Managers may be amended by the affirmative vote of three-fourths of the members of the Association present or represented by proxy at any regular or special meeting, provided that a quorum as prescribed in Article IV herein, is present at any such meeting. Amendments may be proposed by the Board of Directors or by petition signed by at least twenty percent of the members. A statement of any proposed amendment shall accompany the notice of any regular or special meeting at which such proposed amendment shall be voted upon.
2. **Limitations on Amendments.** These Bylaws may not be amended insofar as such amendment would be inconsistent with the Declaration or the Articles of Incorporation. These Bylaws may not be amended in such a manner as to omit any of the particulars set forth in Section 38-33-106, COLO. REV. STAT. ANN. (1973), as it now exists or may hereafter be amended. No amendment shall discriminate against any owner or against any unit or class or group of units unless the owners so affected shall consent. No amendment shall change any unit or the share in the common elements appurtenant to it, or increase the owner's share of the common expenses or change the voting rights of members, unless the record owner of the unit concerned and all record holders of valid liens thereon shall join in the execution of the amendment.
3. **Formality.** A copy of each amendment shall be certified by the President and Secretary of the Association as having been duly adopted and shall be appended to the Bylaws and retained with the records of the Association.

## ARTICLE XIII

### Assessments

1. **Obligation to Pay Assessments.** Each owner of a condominium unit is obligated to pay to the Association annual assessments made by the Association for the purposes provided in the Declaration and these Bylaws, and special assessments for capital improvements and other matters as provided in the Declaration and these Bylaws. Such assessments shall be fixed, established and collected from time to time in the manner provided in this Article.
2. **Amount of Total Annual Assessments.** The total annual assessments against all condominium units shall be based upon advance estimates of cash requirements by the Board of Managers to provide for the payment of all estimated expenses growing out of or connected with the maintenance and operation of the common elements or furnishing utility services to the units, which estimates may include, among other things, expenses of management; taxes and special assessments, until the condominium units are separately assessed; premiums for all insurance which the Association is required or permitted to maintain; landscaping and care of grounds; common lighting and heating; water charges; trash collection; sewer service charges; repairs and maintenance; wages for Association employees; legal and accounting fees; any deficit remaining from a previous period; the creation of a reasonable contingency reserve, surplus and/or sinking fund; the creation of a working capital fund; and any other expenses and liabilities which may be incurred by the Association for the benefit of the owners under or by reason of the Declaration or these Bylaws.
3. **Apportionment of Annual Assessments.** Expenses attributable to the common elements and to the project as a whole shall be apportioned among all owners in accordance with the following schedule:

Each one-bedroom unit shall be assessed 0.337% of the total common expenses;  
Each two-bedroom unit shall be assessed 0.368% of the total common expenses;  
Each three-bedroom unit shall be assessed 0.400% of the total common expenses;

However, those owners of units which are in a building having a common utility meter other than water shall be separately assessed for an equal share of the expenses of such utility in that particular building only; and owners of units which are not located in such building shall not be assessed for or required to pay the costs of said utilities.

4. **Notice of Annual Assessments and Time for Payment Thereof.** Annual assessments shall be made on a January 1 through December 31 fiscal year basis. The Board of Managers, by its Secretary, shall give written notice to each owner as to the amount of the annual assessment with respect to his condominium unit on or before December 1 each year for the fiscal year commencing on such date. Such assessments shall be due and payable in equal quarterly installments on January 1, April 1, July 1, and October 1 of each fiscal year, or more often in the discretion of the Board of Managers; provided, however, that the first installment shall be for the balance of the fiscal quarter or lesser period remaining after the date fixed by the Board of Managers as the date of commencement of the project. Each installment shall bear interest at the rate of 8 percent per annum from the date it becomes due and payable if not paid within thirty days after such date. Failure of the Board of Managers to give timely notice of any assessment as provided herein shall not affect the liability of the owner of any condominium unit for such assessment, but the date when payment shall become due in such a case shall be deferred to a date thirty days after such notice shall have been given. Any default upon and installment obligation may, at the election of the Board of Managers, be deemed to be a default on the entire remaining balance of the annual assessment on the respective unit, and in such case the Board of Managers may declare the entire remaining balance immediately due and payable and obtain satisfaction therefore as hereinafter provided or by any other legal means.

5. **Special Assessments for Capital Improvements.** In addition to the annual assessments authorized by this Article, the Board of Managers may levy in any assessment year a special assessment, payable over such a period as it may determine, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of the project or any part thereof, or for any other expense incurred or to be incurred as provided in the Declaration or these Bylaws. This section shall not be construed as an independent source of authority for the Board of Managers to incur expenses, but shall be construed to prescribe the manner of assessing for expenses authorized by other Sections hereof which shall make specific reference to this Article. Any amounts assessed pursuant hereto shall be assessed to owners in proportion to the number of condominium units owned by each. Notice in writing of the amount of such special assessments and the time for payment thereof shall be given promptly to the owners, and no payment shall be due less than thirty days after such notice shall have been given. A special assessment shall bear interest at the rate of 8 percent per annum from the date it becomes due and payable if not paid within thirty days after such date.
6. **Reserve Fund.** The Board of Managers shall, upon its inception, provide for the establishment of an adequate reserve fund for the periodic maintenance, repair and replacement of the common elements, which fund shall continuously be maintained out of the annual assessments for common expenses.
7. **Working Capital Fund.** In addition to the Reserve Fund, the Board of Managers shall provide for the establishment of a working capital fund within the first six months of the project operations equal to at least one-sixth of the annual assessment for common expenses for each unit.
8. **Lien for Assessments.** All sums assessed to any condominium unit pursuant to this Article, together with interest thereon as provided herein, shall be secured by a lien on such condominium unit in favor of the Association. Such lien shall be superior to all other liens and encumbrances on such condominium unit, except only for: (a) valid tax and special assessment liens on the condominium unit in favor of any governmental assessing authority; and (b) a lien for all sums unpaid on a first mortgage, or any other mortgage encumbering the entire condominium project by San Angelo & Co. Limited of Arizona, duly recorded in the Boulder County, Colorado, real estate records, including all unpaid obligatory advances to be made pursuant to such mortgage and all amounts advanced pursuant to the terms of such mortgage and secured by the lien thereof in accordance with the terms of such instrument; and (c) any first mortgage liens on any unit recorded prior to the recordation date of the lien of the Association. All other lienors acquiring liens on any condominium unit after the Declaration shall have been duly recorded shall be deemed to consent that such liens shall be inferior to future liens for assessments, whether or not such consent be specifically set forth in the instruments creating such liens. Except as provided in Sections 9 and 10 hereinafter, a lien for assessments shall be unaffected by the transfer of the condominium unit to which the lien attaches.

To evidence a lien for sums assessed pursuant to this Article, the Board of Managers shall prepare a written notice of lien signed by the President and Secretary setting forth the amount of the assessment, the date due, the amount remaining unpaid, the name of the owner of the condominium unit and a description of the condominium unit. Such a notice shall be recorded in the office of the County Clerk and Recorder of Boulder County, Colorado. No notice of lien shall be recorded until there is a delinquency in payment of the assessment. Such lien may be enforced by judicial foreclosure by the Association in the same manner in which mortgages on real property may be foreclosed in Colorado. In any such foreclosure, the owner shall be required to pay the costs and expenses of such proceeding, the costs and expenses of filing the notice of lien, and all reasonable attorneys' fees. All such costs and expenses shall be secured by the lien being foreclosed. The owner shall also be required to pay to the Association any assessments against the condominium unit which shall become due during the period

of foreclosure. The Association, by its Managers, shall have the right and power to bid at the foreclosure sale or other legal sale and to acquire, hold, convey, lease, rent, encumber, use and otherwise deal with the same as the owner thereof.

A release of notice of lien shall be executed by the President and Secretary for the Association and recorded in the Boulder County, Colorado, real estate records, upon payment of all sums secured by a lien which has been made the subject of a recorded notice of lien.

Any mortgagee holding a lien on a condominium unit may pay, but shall not be required to pay, any amounts secured by the lien created by this Section, and upon such payment such mortgagee shall be subrogated to all rights of the Association with respect to such lien, including priority.

The Association shall notify the first mortgagee of any condominium unit of any unpaid assessments and other defaults or violations of said mortgagee's owner not cured within thirty days; provided, however, that such mortgagee shall have furnished to the Association written notice of its interest.

- 9. Personal Obligation of Owner.** The amount of any assessment against any condominium unit shall be the personal obligation of the owner thereof to the Association. Suit to recover a money judgment for such personal obligation may be maintained by the Association without foreclosing or waiving the lien securing the same. No owner may avoid or diminish such personal obligation by waiver of the use and enjoyment of any of the common elements or by abandonment of his condominium unit.

The owner's personal obligation for delinquent assessments shall not pass to successors in title or interest unless assumed by them. Any first mortgagee who becomes an owner through foreclosure or a deed in lieu thereof shall take the condominium unit free and clear of any claims or liens for unpaid common expenses which accrued prior to the time said first mortgagee becomes an owner.

- 10. Statement of Account.** Upon payment of a reasonable fee not to exceed \$15 and upon written request of any owner or any mortgagee, prospective mortgagee or prospective purchaser of a condominium unit, the Board of Managers shall issue a written statement setting forth the amount of the unpaid assessments, if any, with respect to such condominium unit, the amount of the current yearly assessment and the date that such assessment becomes or became due, credit for advance payments or prepaid items, including, but not limited to, an owner's share of prepaid insurance premiums, which statement shall be conclusive upon the Association in favor of persons who rely thereon in good faith. Unless such request for a statement of account shall be compiled with within twenty days, all unpaid assessments which became due prior to the date of making such request shall be subordinate to the lien of a mortgagee which acquires its interest subsequent to requesting such statement. Where a prospective purchaser makes such request, the lien for such unpaid assessments shall be released automatically if the statement is not furnished within the twenty-day period provided herein, and thereafter an additional written request is made by such purchaser and is not compiled with within ten days, and the purchaser subsequently acquired the condominium unit.

## ARTICLE XIV

### Use of Condominium Units

- 1. Residential.** Each condominium unit shall be used for residential purposes only, and no trade or business of any kind may be carried on therein. Lease or rental of a condominium unit for lodging or

residential purposes shall not be considered to be a violation of this provision.

2. **Lease of Condominium Unit.** Owners are prohibited from leasing their units for a term of less than one month; provided, however, that this prohibition shall not apply to leases of units owned by San Angelo & Co. Limited of Arizona pending sale thereof. All leases shall be in writing and, pursuant to the leases, all lessors and lessees shall be made subject to the provisions of the Declaration and these Bylaws and resolutions of the Association.
3. **Use of Common Elements.** There shall be no obstruction of the common elements, nor shall anything be stored on any part of the common elements without the prior written consent of the Association, except as specifically provided herein. Nothing shall be altered on, constructed in, or removed from, the common elements except upon prior written consent of the Association.
4. **Prohibition of Damage and Certain Activities.** Nothing shall be done or kept in any unit or in the common elements or any part thereof which would result in the cancellation of the insurance on the project or any part thereof or increase of the rate of the insurance on the project or any part thereof over what the Association, but for such activity, would pay, without the prior written consent of the Association. Nothing shall be done or kept in any unit or in the common elements or any part thereof which would be in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body. No damage to, or waste of, the common elements or any part thereof shall be committed by any owner, or any invitee of any owner, and each owner shall indemnify and hold the Association and the other owners harmless against all loss resulting from any such damage or waste caused by him or his invitees. No noxious, destructive or offensive activity shall be carried on in any unit or in the common elements or any part thereof, nor shall anything be done therein which may be or may become an annoyance or nuisance to any other owner or to any person at any time lawfully residing in the project.
5. **Animals.** The Board of Managers may by rules or regulations prohibit or limit the raising, breeding, or keeping of animals, livestock, or poultry in any unit or on the common elements or any part thereof.
6. **Rules and Regulations.** No owner shall violate the rules and regulations for the use of the units and of the common elements as adopted from time to time by the Board of Managers or the Association.
7. **Structural Alterations.** No structural alterations to any unit shall be made, and no plumbing, electrical or similar work within the common elements shall be done by any owner without the prior written consent of the Board of Managers.

## ARTICLE XV

### Insurance

1. **Types of Insurance.** The Board of Managers of the Association shall obtain and maintain at all times, to the extent obtainable, policies involving standard premium rates, established by the Colorado Insurance Commissioner, and written with companies licensed to do business in Colorado and having a Best's Insurance Report rating of AAA or better, covering the risks set forth below. The Board of Managers of the Association shall not obtain any policy where: (i) under the terms of the insurance company's charter, bylaws or policy, contributions or assessments may be made against the mortgagor or mortgagee's designee; or (ii) by the terms of carrier's charter, bylaws or policy, loss payments are

contingent upon action by the company's Board of Directors, policyholders or members; or (iii) the policy included any limiting clauses (other than insurance conditions) which could prevent mortgagees or the mortgagor from collecting insurance proceeds. The types of coverage to be obtained and risks to be covered are as follows, to wit:

- a. Fire insurance with extended coverage and standard all risk endorsements, which endorsements shall include endorsements for vandalism and malicious mischief. Said casualty insurance shall insure the entire condominium project and any property, the nature of which is a common element (including all of the Units, fixtures therein initially installed by the Declarant but not including furniture, furnishings or other personal property supplied by or installed by Unit Owners) together with all service equipment contained therein in an amount equal to the full replacement value, without deduction for depreciation. All policies shall contain a standard non-contributory mortgage clause in favor of each mortgagee of a condominium unit, which shall provide that the loss, if any, thereunder, shall be payable to the Remington Post Homeowners' Association for the use and benefit of mortgagees as their interests may appear.
  - b. If the condominium project is located in an area identified by the Secretary of Housing and Urban Development as an area having special flood hazards and the sale of Flood Insurance has been made available under the National Flood Insurance Act of 1968, a "blanket" policy of flood insurance on the condominium project in an amount which is the lesser of the maximum amount of insurance available under the Act or the aggregate of the unpaid principal balances of the mortgages on the condominium units comprising the condominium project.
  - c. Public liability and property damage insurance in such limits as the Board of Managers of the Association may from time to time determine, but not in an amount less than \$500,000.00 per injury, per person, per occurrence and umbrella liability limits of \$1,000,000.00 per occurrence, covering all claims for bodily injury or property damage. Coverage shall include, without limitation, liability for personal injuries, operation of automobiles on behalf of the Association, and activities in connection with the ownership, operation, maintenance and other use of the project. Said policy shall also contain a "severability of interest endorsement."
  - d. Workmen's Compensation and employer's liability insurance and all other similar insurance with respect to employees of the Association in the amounts and in the forms now or hereafter required by law.
  - e. The Association shall purchase, if available at a reasonable cost, fidelity coverage against dishonesty of employees, destruction or disappearance of money or securities and forgery. Said policy shall also contain endorsements thereto covering any persons who serve the Association without compensation.
  - f. The Association may obtain insurance against such other risks, of a similar or dissimilar nature, as it shall deem appropriate with respect to the project, including plate or other glass insurance and any personal property of the Association located thereon.
2. **Form.** All policies of insurance to the extent obtainable shall contain waivers of subrogation and waivers of any defense based on invalidity arising from any acts of a condominium unit owner and shall provide that such policies may not be cancelled or modified without at least thirty (30) days prior written notice to all of the insureds, including mortgagees. Duplicate originals of all policies and renewals thereof, together with proof of payments of premiums, shall be delivered to all mortgagees at

least ten (10) days prior to expiration of the then current policies. The insurance shall be carried in blanket form naming the Remington Post Homeowners' Association as the insured, as attorney-in-fact for all of the condominium unit owners, which policy or policies shall identify the interest of each condominium unit owner (owner's name and unit number designation) and first mortgagee.

3. **Physical Damage Insurance.** All policies of physical damage insurance shall provide for waivers of the following rights to the extent that the respective insurers would have the same without such waivers:
  - a. Any defense based on co-insurance;
  - b. Any right of set-off, counterclaim, apportionment, proration or contribution by reason of other insurance not carried by the Association;
  - c. Any invalidity, other adverse effect or defense on account of any breach of warranty or condition caused by the Association, any unit owner or any tenant of any unit owner or arising from any act, neglect or omission of any insured or the respective agents, contractors and employees of any insured;
  - d. Any right of the insurer to repair, rebuild or replace and, in the event the building is not repaired, rebuilt or replaced following total loss, any right to pay under the insurance an amount less than the lesser of the replacement value of the building or the fair market value of the building;
  - e. Notice of the assignment of any unit owner of its interest in the insurance by virtue of a conveyance of any unit or units; and,
  - f. Any right to require any assignment of any mortgage to the insurer.
4. **Appraisal of Property.** Prior to obtaining any policy of fire insurance or renewal thereof, the Board of Managers shall obtain an appraisal from a duly qualified real estate appraiser, which appraisal shall reasonably estimate the full replacement value of the entire condominium improvements, without deduction for depreciation, for the purpose of determining the amount of the insurance to be effected pursuant to the provisions of this insurance paragraph. In no event shall the insurance policy contain a co-insurance clause for less than eighty percent (80%) of the full replacement cost. Determination of maximum replacement value shall be made annually by one or more written appraisals to be furnished by a person knowledgeable of replacement cost, and be furnished with a copy thereof within thirty (30) days after receipt of such written appraisals. Said amounts of insurance shall be contemporized annually in accordance with their currently determined maximum replacement value.
5. **Owner's Own Insurance.** Unit owners may carry other insurance for their benefit and at their expense, provided that all such policies shall contain waivers of subrogation, and provided further that the liability of the carriers issuing insurance obtained by the Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by any unit owner.

Insurance coverage on furnishings, including carpet, draperies, oven, range, refrigerator, wallpaper, disposal and other items of person or other property belonging to an Owner and public liability coverage within each unit shall be the sole and direct responsibility of the unit owner thereof, and the

Board of Managers, the Association and/or the Managing Agent shall have no responsibility therefore.

- 6. Insurance Proceeds.** The Association shall receive the proceeds of any casualty insurance payments received under Association policies obtained and maintained pursuant to this Article. The Association shall apportion the proceeds to the portions of the project which have been damaged and shall determine the amount of the proceeds attributable to damage to the common elements. To the extent that reconstruction is required herein, the proceeds shall be used for such purpose. To the extent that reconstruction is not required herein and there is a determination that the project shall not be rebuilt, the proceeds shall be distributed to each of the owners thereof in accordance with their respective interest therein, with joint payments made to the owner and the first mortgagee where the Association has written notice of the existence of a first mortgage. Each owner, Declarant, and each mortgagee shall be bound by the apportionments of damage and of the insurance proceeds made by the Association pursuant hereto.

## ARTICLE XVI

### Casualty Damage or Destruction

- 1. Association as Agent.** All of the owners irrevocably constitute and appoint the Association their true and lawful agent in their name, place and stead for the purpose of dealing with the project upon its damage or destruction as hereinafter provided. Acceptance by any grantee of a deed from any owner shall constitute appointment of the attorney in fact as herein provided.
- 2. General Authority of Association.** As attorney in fact, the Association, by its President and Secretary, shall have full and complete authorization, right and power to make, execute and deliver any contract, deed or other instrument with respect to the interest of a condominium unit owner which may be necessary or appropriate to exercise the powers herein granted. Repair and reconstruction of the improvements as used in the succeeding subparagraphs mean restoring the project to substantially the same condition in which it existed prior to damage, with each unit and the common elements having substantially the same vertical and horizontal boundaries as before. The proceeds of any insurance collected shall be available to the Association for the purpose of repair or reconstruction unless owners representing 80% of the aggregate ownership interests in the project and all first mortgagees agree not to rebuild in accordance with the provisions set forth hereinafter.

In the event any mortgagee should not agree not to rebuild, the Association shall have the option to purchase such mortgage by payment in full of the amount secured thereby if owners representing 80% of the aggregate ownership interests in the project are in agreement not to rebuild. The Association shall obtain the funds for such purpose by special assessments under Article XIII of these Bylaws.

- 3. Estimate of Costs.** As soon as practicable after an event causing damage to, or destruction of, any part of the project, the Board of Managers shall obtain estimates that it deems reliable and complete of the costs of repair or reconstruction of that part of the project damaged or destroyed.
- 4. Repair or Reconstruction.** As soon as practicable after receiving these estimates, the Board of Managers shall diligently pursue to completion the repair or reconstruction of that part of the project damaged or destroyed. The Board of Managers, on behalf of the Association, may take all necessary or appropriate action to effect repair or reconstruction, as attorney in fact for the owners, and no consent or other action by any owner shall be necessary in connection therewith. Such repair or reconstruction

shall be in accordance with the original plans and specifications of the project or may be in accordance with any other plans and specifications the Association may approve; provided that in such latter event the number of cubic feet and the number of square feet of any unit may not vary by more than 5% from the number of cubic feet and the number of square feet for such unit as originally constructed pursuant to such original plans and specifications, and the location of the buildings shall be substantially the same as prior to damage or destruction.

5. **Funds for Reconstruction.** The proceeds of any insurance collected shall be available to the Board of Managers for the purpose of repair or reconstruction. If the proceeds of the insurance are insufficient to pay the estimated or actual cost of such repair or reconstruction, the Board of Managers, pursuant to Article XIII hereof, may levy a special assessment sufficient to provide funds to pay such estimated or actual costs of repair or reconstruction. Such assessment shall be allocated and collected as provided in that Article. Further levies may be made in like manner if the amounts collected prove insufficient to complete the repair or reconstruction.
6. **Disbursement of Funds for Repair or Reconstruction.** The insurance proceeds held by the Association and the amounts received from the assessments provided for in Section 5 of this Article constitute a fund for the payment of cost of repair and reconstruction after casualty. It shall be deemed that the first money disbursed in payment for cost of repair or reconstruction shall be made from insurance proceeds; if there is a balance after payment of all costs of such repair or reconstruction, such balance shall be distributed to the owners in proportion to the contributions each owner made pursuant to the assessments made under Section 5 of this Article.
7. **Decision Not to Rebuild.** If the owners representing an aggregate ownership interest of 80% or more of the units and all holders of first mortgages on condominium units agree not to rebuild, as provided herein, the project shall be sold and the proceeds distributed in the same manner herein provided in the event of sale of obsolete units, as set forth in Section 4 of Article XVII of these Bylaws.
8. **Notice to First Mortgagee and FHLMC.** The Association shall notify each first mortgagee in writing of any loss, damage or destruction to or taking of the common elements if such loss, damage, destruction or taking exceeds \$10,000 or is otherwise deemed significant, or any loss, damage or destruction to or taking of any unit if the same exceeds \$1,000, within ten (10) days of such occurrence. Upon written request by any first mortgagee, the Association shall notify the Federal Home Loan Mortgage Corporation ("FHLMC"), at the address designated by the first mortgagee, of any loss, damage or destruction to or taking of the common elements which exceeds \$10,000, or any loss, damage or destruction to or taking of any condominium unit covered by a mortgage sold to FHLMC which exceed \$1,000.

## ARTICLE XVII

### Obsolescence

1. **Adoption of a Plan.** The owners representing an aggregate ownership interest of 80% or more of the units may agree that the project is obsolete and adopt a written plan for renewal and reconstruction, which plan must have the unanimous approval of all the first mortgagees of record at the time of the adoption of such plan. Written notice of adoption of such a plan shall be given to all owners, and such plan be recorded in the Boulder County, Colorado, real estate records.

2. **Payment for Renewal and Reconstruction.** The expense of renewal or reconstruction shall be payable by all of the owners as assessments against their respective condominium units. These assessments shall be levied in advance pursuant to Article XIII hereof and shall be allocated and collected as provided in that Article. Further levies may be made in like manner if the amounts collected prove insufficient to complete the renewal and reconstruction.
  
3. **Dissents from the Plan.** An owner not a party to such a plan for renewal or reconstruction may give written notice of dissent to the Association within fifteen days after the recordation of such plan. The Association shall then give written advice of such dissents to all the owners within five days after the expiration of such fifteen-day period. Within fifteen days of receipt of such notice from the Association, the owners representing an aggregate ownership of more than 20% of the units may cancel the plan by written instrument recorded in the Boulder County, Colorado, real estate records. If the plan is not cancelled, the condominium units of each dissenter shall be purchased according to the following procedures. If the owner and the Association can agree on the fair market value thereof, then such sale and conveyance shall be completed within sixty days thereafter. If the parties are unable to agree, the date when either party notifies the other that he or it is unable to agree with the other shall be the "commencing date" from which all periods of time mentioned herein shall be measured. Within ten days following the commencing date, each party shall nominate a qualified appraiser by written nomination and shall give notice of such nomination to the other. If either party fails to make such nomination, the appraiser nominated shall, within five days after default by the other party, appoint and associate with him another qualified appraiser. If the two appraisers designated by the parties, or selected pursuant hereto in the event of default of one party, are unable to agree, they shall appoint another qualified appraiser to be umpire between them, if they can agree on such person. If they are unable to agree upon such umpire, then each appraiser previously appointed shall nominate two qualified appraisers, and from the names of the four persons so nominated one shall be drawn by lot by judge of any court or record in Colorado, and the person whose name is so drawn shall be the umpire. The nominations from among which the name of the umpire is to be drawn the lot shall be submitted within ten days of the failure of the two appraisers to agree, which, in any event, shall not be later than twenty days following the appointment of the second appraiser. The decision of the appraisers as to the fair market value, or in the case of their disagreement, the decision of such umpire shall be final and binding. The expenses and fees of such appraisers shall be borne equally by the Association and the owner. The sale shall be consummated within sixty days after decision of the appraisers, and the Association as attorney in fact shall disburse the proceeds first to lienors in the order of the priority of their liens and the balance remaining to the condominium unit owner. The obligation of the Association to make such purchase shall be conditioned on the fair market value of the condominium unit exceeding the obligations secured by liens on such condominium unit, and upon the marketability of the title of the owner. Owner shall furnish the Association an appropriate abstract of title or commitment for title insurance evidencing marketability of his title not less than ten days prior to the date set for completion of the sale.

The Board of Managers, pursuant to Article XIII hereof, may levy a special assessment sufficient to provide funds to pay for the condominium units of the dissenters, provided that such assessments shall not apply to any of the owners who are among the dissenters and shall not be liens against the condominium units of such owners.

4. **Sale of Obsolete Units.** The owners representing an aggregate ownership of 80% or more of the units may agree that the condominium units are obsolete and that the project should be sold. Such an agreement must have the unanimous approval of every first mortgagee or record at the time such agreement is made. In such instance the Association shall forthwith record a notice setting forth such

fact or facts, and upon the recording of such notice by the Association, the project shall be sold by the Association as attorney in fact for all of the owners free and clear of the provisions contained in the Declaration, the Condominium Map and these Bylaws. The sale proceeds shall be apportioned among the owners in equal shares, one share to be apportioned to each condominium unit owned, and such apportioned proceeds shall be paid into separate accounts, each such account representing one condominium unit. Each such account shall remain in the name of the Association, and shall be further identified by the condominium unit designation and the name of the owner. From each separate account the Association, as attorney in fact, shall use and disburse the total amount of such accounts without contribution from one account to the other, first to lienors in the order of the priority of their liens and the balance remaining to each respective owner.

5. **Distribution of Excess.** In the event amounts collected pursuant to Section 2 are in excess of the amounts required for renewal and reconstruction, the excess shall be returned to the owners by the Association by a distribution to each owner in an amount proportionate to the respective amount collected from each such owner.

## ~~ARTICLE XVIII~~

### Condemnation

1. **Consequences of Condemnation.** If at any time or times during the continuance of the condominium ownership pursuant to the Declaration, all or any part of the project shall be taken or condemned by any public authority or sold or otherwise disposed of in lieu of or in avoidance thereof, the following provisions shall apply.
2. **Proceeds.** All compensation, damages or other proceeds therefrom, the sum of which is hereinafter called the "Condemnation Award," shall be payable to the Association.
3. **Complete Taking.** In the event that the entire project is taken or condemned, or sold or otherwise disposed of in lieu of or in avoidance thereof, the condominium ownership pursuant hereto shall terminate. The Condemnation Award shall be apportioned among the owners in equal shares, one share to be apportioned to each condominium unit owned, provided that a standard different from the value of the project as a whole is employed to measure the Condemnation Award in the negotiation, judicial decree, or otherwise, then in determining such shares the same standard shall be employed to the extent it is relevant and applicable.

On the basis of the principle set forth in the last preceding paragraph, the Association shall as soon as practicable determine the share of the Condemnation Award to which each owner is entitled. The Association, by the Board of Managers, shall distribute the Condemnation Award as soon as practicable thereafter to the parties in the shares so determined, such distribution to be made by checks payable jointly to the respective owners and their respective mortgagees.

4. **Partial Taking.** In the event that less than the entire project is taken or condemned, or sold or otherwise disposed of in lieu of or in avoidance thereof, the condominium ownership hereunder shall not terminate. Each owner shall be entitled to a share of the Condemnation Award to be determined in the following manner. As soon as practicable the Association, by the Board of Managers, shall, reasonably and in good faith, allocate the Condemnation Award between compensation, damages, or other proceeds, and shall apportion the amount so allocated among the owners, as follows: (a) the total

amount allocated to taking of or injury to the common elements shall be apportioned equally among owners, one share for each condominium unit owned; (b) the total amount allocated to severance damages shall be apportioned equally among those condominium units which were not taken or condemned; (c) the respective amounts allocated to the taking of or injury to a particular unit and/or improvements an owner has made within his own unit shall be apportioned to the particular unit involved; and (d) the total amount allocated to consequential damages and any other takings or injuries shall be apportioned as the Association determines to be equitable in the circumstances. If an allocation of the Condemnation Award is already established in negotiation, judicial decree, or otherwise, then in allocating the Condemnation Award the Association shall employ such allocation to the extent it is relevant and applicable. Distribution of apportioned proceeds shall be made by checks payable jointly to the respective owners and their respective first mortgagees.

5. **Reorganization.** In the event a partial taking results in the taking of a complete unit or units, the owners thereof automatically shall cease to be members of the Association and shall execute such documents as may be required by the Association to divest themselves of any remaining ownership in the common elements. Thereafter the Association shall reallocate the ownership, voting rights, and assessment ratio determined in accordance with the Declaration according to the same principles employed in the Declaration at its inception and shall submit such relocation to the owners of remaining units for amendment of the Declaration as provided in Article XII hereof.
6. **Reconstruction and Repair.** Any reconstruction and repair necessitated by condemnation shall be governed by the procedures specified in Article XVI above.

## ARTICLE XIX

### Maintenance

1. **Common Elements.** The Association shall maintain and manage the common elements lying outside the exterior walls of buildings located on lots, including, but not limited to the landscaping, parking areas, drives, and recreational facilities, excepting, however, the patios and balconies.

The Association shall maintain the exterior of the building erected on each lot, including painting, repairing, replacing, and caring for roofs, gutters, downspouts, exterior building surfaces and the exterior of other improvements; provided that such exterior maintenance shall not include maintenance, repair, or replacement of glass or screen surfaces, or patios and balconies; and further provided that such obligations shall apply only to such maintenance required by ordinary wear and tear and shall not apply to maintenance, repair, or restoration occasioned by damage or destruction caused by fire, accident, willfull destruction, or other casualty.

The Association shall maintain and repair all utility service lines serving more than one unit. The Association may also perform such other services including (by way of example and not exclusion), snow removal and restoration and replacement of other areas, for the benefit of the property or of owners as the Board of Managers may reasonably deem necessary or advisable.

Nothing herein shall be construed as waiving any right of the Association to recover for damage or expense incurred by the Association as a result of the willfull or negligent act of any owner, his family, guests or invitees, or any other person.

- 2. Owner's Responsibility.** Every owner must perform promptly at his own expense all maintenance and repair work within his own unit. An owner shall not do an act or any work that will impair the structural soundness or integrity of the building or impair any easement or hereditament. All the repairs of internal installations of the units such as water, light, gas, power, sewage, telephone, sanitary installations, doors, windows, walls, electrical fixtures, appliances and equipment installed within the unit commencing at a point at which the utility lines, pipes, wires, conduits or system enter the unit, shall be at the owner's expense.

Each owner shall maintain, repair, and restore all improvements on his unit, including the patio or balcony appurtenant thereto (to the extent that such improvements are not required to be maintained, repaired and restored by the Association pursuant to this Article), so that the exterior maintenance and appearance of the improvements on such lot are consistent with the level and quality of the exterior maintenance and appearance of the improvements on the other lots on the property. Provided that nothing contained herein shall be construed as requiring any owner to rebuild any improvement which has been substantially destroyed and is not occupied. If any owner shall fail to so maintain, repair, or restore, the Association may do so, may charge the owner the cost thereof, and shall have a lien on such owner's lot for such costs, enforceable and subject to the same prior liens, as provided as to liens for assessments herein.

## **ARTICLE XX**

### **Sale of Unit**

There shall be no restrictions upon the free alienability of each unit, provided, however, that any alienation, conveyance or transfer of interest shall be subject to the provisions of the Declaration, the Articles of Incorporation and these Bylaws.

## **ARTICLE XXI**

### **Recreational Facilities**

The recreational facilities of the condominium project consist of two tennis courts, a clubhouse and a swimming pool and poolhouse. Such facilities are available to all owners, their families, tenants and guests, equally without fee or charge other than the assessments provided for in these Bylaws and the Declaration.

The Board of Managers may impose a uniform fee or charge for the use of said facilities if it deems such action necessary and in the best interests of the Association. The Board of Managers may also deny use of or access to said facilities by any owner if said owner is in default on his payments of any assessment of the Association.

## **ARTICLE XXII**

### **Liens Affecting Common Elements**

No liens affecting the interests of any owners not specifically consenting thereto may be obtained upon any condominium unit or the common elements.

## ARTICLE XXIII

### Additions to Condominium Property

San Angelo & Co. Limited of Arizona may in the future submit addition or additions to the condominium property pursuant to its reservation of rights in Article 3.2. of the Declaration. The effect of such addition or additions on owners of existing units would be as follows:

1. The total general common elements in which such owners have an interest, being the existing general common elements together with those added, will be increased, however, each owners proportionate ownership interest therein will be decreased in order to provide for equal interests therein for owners of existing units and those of newly added units;
2. The total amount of common expenses will be increased due to the increase in the general common elements, however, each owner's proportionate share of such expenses will be decreased due to the increased number of total unit owners;
3. In no event will any owners' obligation for common expenses be altered in such a manner as to be disproportionate to the obligation of any other owners;
4. The voting power of each unit owner in the Association will be decreased due to the increase in total memberships in the Association; and,
5. No alteration in an owner's rights in his own unit, the limited common elements appurtenant thereto, or to the use and enjoyment of the general common elements shall take place as a result of such addition or additions, other than an increase in the total amount of general common elements.

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IN WITNESS WHEREOF, the undersigned have herunto set their hands  
 this \_\_\_\_\_ day of \_\_\_\_\_, 1978.

BOARD OF MANAGERS:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

KNOWN ALL MEN BY THESE PRESENTS: That the undersigned Secretary of the Corporation does hereby certify that the above and foregoing Bylaws were duly adopted by the Board of Managers of said Corporation as the Bylaws of said Corporation on the \_\_\_\_\_ day of \_\_\_\_\_, 1978, and that they do now constitute the Bylaws of said Corporation.