DALLAS MEADOWS COMMUNITY ASSOCIATION

BYLAWS

ARTICLE I

DEFINITIONS

"Association" means the DALLAS MEADOWS COMMUNITY ASSOCIATION, INC., a non-profit corporation organized and existing under the laws of the State of Colorado.

"Indenture" means such Indenture(s) as may from time to time contain the covenants, liens and charges established for the benefit of the Association, its members and the property and the residents of the communities located thereon.

"DMCA Property" means any property subject to the indenture or the covenants, liens or charges imposed thereby.

ARTICLE II

LOCATION

The principal office of the Association shall be located in Ridgway, Colorado.

ARTICLE III

MEMBERSHIP

1. Eligibility: The members of the Association are determined by Article VIII of its Articles of Incorporation. The rights of members are subject to (a) the payment of the annual charges imposed by the Indenture, and (b) compliance with the covenants of the Indenture and the rules and regulations of the Board of Directors regarding the use of DMCA Property and the conduct of members, their families, their tenants and the guests of any thereof. As provided in the Articles, the voting and other membership rights of any member may be suspended by action of the Directors during any period when such member shall have failed to pay any annual charges then due and payable; but, upon payment of such charges and any costs incurred in collection of the same, his rights and privileges shall be automatically restored. If the Directors have adopted and published rules and regulations governing the use of DMCA Property, or any common facilities, or the personal

conduct of any person thereon, the voting or other membership rights of any member may be suspended by action of the Board of Directors for a period not to exceed 30 days, if he, any member of his family, his tenants or the guests of any thereof, shall have violated such rules and regulations.

2. Rights and Perquisites of Membership: Each member is entitled to the use and enjoyment of the DMCA Property and Community Facilities in accordance with the Indenture. Such rights may be delegated to and exercised by all members of his family who reside upon the Property, any of his tenants who reside there under a lease for a term of one year or more, and the guests of any thereof. Each member shall notify the Secretary of the Association in writing of the name and relationship to the member of any person who shall be entitled to exercise such rights under this Section. The rights and privileges of such person are subject to suspension by the Board in the same manner and for the same reasons as those of any member under the preceding Section.

ARTICLE IV

MEETINGS OF MEMBERS

1. Annual Meetings: The Annual Meeting of the members shall be held at the office of the Association specified in Article II above, or at any other address specified in the notice of the meeting, during the month of August or September of each year.

2. Special Meetings: Special meetings of the members for any purpose may be called at any time by the president, or by any three or more directors. The secretary shall call a special meeting upon written request of the members who have a right to vote three-quarters (3/4) of all of the votes of the entire membership.

3. Notices: Notice of meetings shall be given to the members by the secretary. Notice may be given to the member either personally, or by mailing a copy of the notice, postage prepaid, to the address appearing on the books of the Association. (Each member shall register his address and any change in address with the secretary.) Notice of any meeting, regular or special, shall be mailed not less than ten (10) nor more than forty (40) days in advance of the meeting and shall set forth the purposes of the meeting.

4. Proxy Voting: At any membership meeting, the presence, whether in person or by proxy, of members entitled to vote not less than forty (40) percent of the total membership vote, shall constitute a quorum for the transaction of business. All proxies shall be in writing and be filed with the secretary at the commencement of the meeting. Any proxy given by a person who shall not be a qualified member at the date of the meeting and any proxy given more than eleven (11) months before the date of the meeting, shall be void.

ARTICLE V

BOARD OF DIRECTORS

1. Membership and Powers: The Association shall be governed by a Board of Directors, consisting of three (3) members, in accordance with Article VI of the Articles of Incorporation of the Association. Without limiting the generality of the preceding sentence, or any power vested in it by law, the Board of Directors shall have the power (a) to appoint and remove at its pleasure all officers, agents and employees of the Association, prescribe their duties, and fix their compensation; (b) to establish, levy, assess and collect the annual charges and all other charges referred to in the Indenture; (c) to adopt and publish rules and regulations governing the use of DMCA Property and community facilities, and the personal conduct of members, their families, their tenants and their guests with respect thereto; (d) to exercise for the Association all powers, duties and authority vested in or delegated to this Association, except those expressly reserved to the members.

2. Term: Directors shall serve for a term of one (1) year, or until their successors are elected and qualify.

3. Duties: It shall be the duty of the Board of Directos (a) to cause to be kept a full, true and accurate record of its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members or at any special meeting when requested in writing by two-thirds (2/3) of the full membership; (b) to supervise all officers, agents and employees of this Association and to see that their duties are properly performed; (c) in accordance with the Indenture, (i) to fix the amount of the annual charge against each lot or living unit as soon as may be practicable after the beginning of each calendar year and, in any event, before April 1; (ii) to prepare a roster of the properties and annual charges applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any member; and (iii) to send written notice of each assessment to every owner subject thereto; (d) to issue or to cause an appropriate officer to issue, upon demand by any person, a certificate stating whether any annual charge has been paid, which shall be conclusive evidence that any charge stated therein has or has not been paid.

4. Vacancies: Vacancies in the Board of Directors shall be filled by the affirmative vote of a majority of the remaining directors, though less than a quorum of the Board of Directors and any such appointed director shall hold office for the unexpired term of his predecessor in office.

ARTICLE VI

DIRECTORS' MEETINGS

1. Annual Meetings: The annual meeting of the Board of Directors shall be held immediately following adjournment of the annual meeting of the members in each year.

2. Notices, Waiver: No notice need be given for the annual meeting of the Board. Notice of any special meeting shall be sufficient if mailed to each director, postage prepaid, at his address as it appears on the records of the Association, at least three (3) days before the meeting or given personally or by telephone not later than the day before the meeting. No notice need by given to any director who attends the meeting or to any Director who in writing (before or after the meeting) waives such notice.

3. Special Meetings: Special meetings of the Board of Directors shall be called by the Secretary upon request by any officer of the Association or by any two directors. The action of a majority of the Board, although not at a regularly called meeting, shall be valid and effective in all respects if the record of the meeting shall be assented to in writing by all members of the Board.

4. Quorum: At all meetings of the Board, a majority of the Board of Directors shall constitute a quorum, and, except as otherwise provided by law or by the bylaws, the act of a majority of the Directors present shall be the act of the Board.

ARTICLE VII

ELECTION OF DIRECTORS

1. Ballots: The election of Directors shall be by written ballot as hereinafter provided. At each annual meeting or any at any special meeting called for the purpose of electing directors, the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to cast under the Articles of Incorporation of the Association. The nominees receiving the largest number of votes shall be elected.

2. Nominations; Nominating Committee: Nominations for election to the Board of Directors shall be made by the Nominating Committee, which shall consist of a director, who shall be the chairman, and one or more members of the Association, or an officer of a corporate member. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members to serve during such annual meeting and until the next annual meeting, or until its successor shall have been duly designated and qualified. The members of the Nominating Committee shall be announced at each annual meeting of the members.

3. Nominees: The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall, in its discretion, determine, but not less than the number of vacancies to be filled. Such nominations may be made from among members or non-members, as the Committee, in its discretion, shall determine. Nominations shall be placed on a written ballot as provided in Section 4 and shall be made in advance of the time fixed in Section 4 for the mailing of such ballots to the members.

4. Procedure: All elections of the Board of Directors shall be made on written ballots which shall (a) describe the vacancies to be filled; (b) set forth the names of those nominated by the Nominating Committee for such vacancies; and (c) contain a space for a write-in vote by the members for each vacancy. Such ballot shall be distributed and voted at the annual meeting.

5. Processing: The Board of Directors shall adopt a procedure which shall (a) establish that the members is entitled to cast either personally or by proxy, the number of votes indicated on the ballot; and (b) that the signature of the member on the ballot is genuine; and (c) if the vote is by proxy, that the proxy has been filed with the secretary as provided in Article IV, Section 4, and that such proxy is valid. After the procedure has been completed relative to a ballot, the counting of the vote shall be taken. All ballots and proxies, as well as as any continuing tally of the votes, shall be kept by the Election Committee, when not being processed, in a safe place. The ballots shall be retained for 90 days after the meeting and then destroyed.

ARTICLE VIII

OFFICERS

1. Offices: The officers of the Association shall be a president, a vice president, a secretary, one or more assistant secretaries, and a treasurer. The presidentand the vice president shall be members of the Board of Directors.

2. Election by Board of Directors: All officers shall be elected at such annual meeting of the Board and each officer shall hold office until the next annual meeting of the Board and until his successor shall have been duly elected and qualified or until his earlier death, resignation or removal in accordance with the bylaws. The officers shall be chosen by a majority vote of the Directors.

3. President - Duties: The president shall be the chief executive officer of the Association and, as such, shall have general supervision of the affairs and property of the Association and over its several officers, subject to the direction of the Board of Directors. The president shall, if present, preside over all meetings of the Board of Directors, and shall generally do and perform all acts incident to the office of president. He may sign in the name and on behalf of the Association all notes, mortgages, leases, deeds and all other written instruments authorized by the Board, ex-

cept where the Board shall delegate the execution thereof to some other officer or agent of the Association.

4. Vice President - Duties: The vice president shall perform all of the duties of the president in the event of his absence or disability and, when so acting, shall have all of the powers and be subject to all of the restrictions placed upon the president.

5. Secretary - Duties: The secretary shall act as secretary to the Board of Directors and shall record the votes and keep the minutes of all proceedings in a book to be kept for the purpose. He shall sign all certificates of membership. He shall keep the records of the Association. He shall record the names and addresses of all members of the Association, shall see that all notices are duly given as required by the bylaws or applicable law, and shall be the custodian of the corporate seal.

6. Treasurer - Duties: The treasurer shall receive and deposit in bank accounts approved by the Board, all moneys of the Association and shall disburse such funds as directed by a resolution of the Board of Directors; provided, however, that a resolution of the Board of Directors shall not be necessary for the disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board. The treasurer shall sign all checks and notes of the Association.

7. Books and Accounting: The treasurer shall keep proper books of account and cause an annual audit of the Association's books to be made by a certified public accountant at the completion of each fiscal year. He shall prepare an annual budget and an annual balance sheet statement and the budget and balance sheet statement shall be presented to the members at the annual meeting.

ARTICLE IX

COMMITTEES

1. Standing Committees: Standing committees of the Association shall be the Nominating Committee, the Maintenance and Architectural Control Committee, and the Executive Committee. Unless otherwise provided herein, each committee shall consist of a chairman and one or more members as determined by the Board. Each committee shall be appointed by the Board of Directors at its annual meeting to serve until the next annual meeting of the Board and until its successor shall have been duly elected and qualified, except that the Nominating Committee shall be appointed in accordance with Article VII(2) hereof. The Board of Directors may appoint such other committees as it deems desireable. The Executive Committee shall consist of two or more members of the Board of Directors.

2. Nominating Committee: The Nominating Committee shall have the duties and functions described in Article VII.

3, Maintenance and Architectural Control Committee: The Maintenance and Architectural Control Committee shall consist of the Board of Directors of the Association, provided that, in the discretion of the Board of Directors, other members of the Association may be appointed to serve on or as the Maintenance and Architectural Control Committee. The Maintenance and Architectural Control Committee shall have all power and duties of the Architectural Control Committee as set forth in the Declaration and Establishment of Conditions, Reservations and Restrictions for the Dallas Meadows Subdivision as such Declaration may be promulgated and amended from time to time.

The Maintenance and Architectural Control Committee shall receive all building plans which are submitted to it and shall approve or disapprove said plans within a period of thirty (30) days. The Committee shall notify the concerned member, orally or in writing, of the time and place at which the plans are to be considered and the concerned member shall be entitled to attend the committee meetings. All decisions of the Architectural Control Committee shall be by majority vote of the entire committee. In the event the Committee fails to take any action upon any plan submitted to it within the 30-day period, the approval of the Committee shall not be required.

The Maintenance and Architectural Control Committee shall advise the Board on all matters pertaining to the maintenance, repair or improvement of any Association property and community facilities of the Association and shall perform such other functions as the Board, in its discretion, determines.

4. Executive Committee: The Executive Committee shall have all powers permitted by the Colorado Non-Profit Corporation Code.

5. Subcommittees: With the exception of the Nominating Committee, each committee shall have the power to appoint a subcmmmittee from among its membership and may delegate to any subcommittee any of its powers, duties and functions.

6. General Duties: It shall be the duty of each committee to receive complaints from the members on any matter involving Association functions, duties and activities within the field of its responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other committee, director or officer of the Association as is further concerned with the matter presented.

ARTICLE X

BOOKS AND PAPERS

The books, records and papers of the Association shall, at all times, during reasonable business hours, be subject to inspection by any member.

ARTICLE XI

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: Dallas Meadows Community Association, a Colorado Non-Profit Corporation incorporated in 1979.

ARTICLE XII

AMENDMENTS

1. Amendment Procedures: These bylaws may be amended, at a regular meeting of the members, by a vote of three-quarters (3/4) of the total membership, in person or by proxy, provided that those provisions of these bylaws which are covered by the Articles of Incorporation of this Association may not be amended except as provided in the Articles of Incorporation or applicable law; and provided further that any matter stated herein to be or which is in fact covered by the Indentures may not be amended except as provided therein.

2. Resolution of Conflict: In the case of any conflict between the Articles of Incorporation and these bylaws, the Articles of Incorporation shall control; and, in the case of any conflict between the Indentures and these bylaws, the Indentures shall control.

Dated Oct. 1, 1979

DALLAS MEADOWS COMMUNITY ASSOCIATION, INC.:

By Glen J. Bertrand
President

ATTEST:

Secretary

DALLAS MEADOWS COMMUNITY ASSOCIATION, INC. - COLORADO 1979 NON-PROFIT (SEAL)