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BYLAWS

OF

HARMONY VILLAGE PROPERTY OWNERS' ASSOCIATION

ARTICLE I

Name and Location

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The name of this nonprofit Corporation is Harmony Village Property Owners' Association, hereinafter referred to as the "Association". The principal office of the Association shall be located at 11506 Nicholas Street, Omaha, Nebraska 68154, but meetings of members and Directors may be held at such places within the State of Colorado, or outside the State of Colorado, as may be designated by the Board of Directors.

ARTICLE II

Definitions

Section 1. "Act" shall refer to the Colorado Common Interest Ownership Act (Colorado Revised Statute 38-33.3-101 et seq.), as amended from time to time.

Section 2. "Association" shall mean and refer to Harmony Village Property Owners' Association, its successors and assigns.

Section 3. "Common Elements" shall mean all real property, personal property, and contract rights owned or leased by the Association for the common use and enjoyment of the owners.

Section 4. "Declarant" shall mean and refer to Dial-Fort Collins I, L.L.C., a Colorado Limited Liability Company, its successors and assigns.

Section 5. "Declaration" shall mean and refer to the Easements, Covenants and Restrictions for Harmony Village, a Planned Unit Development of the City of Fort Collins, Colorado, applicable to the Property recorded in the office of the Larimer County Clerk and Recorder, Colorado.

Section 6. "Members" shall mean and refer to Owners, who shall be entitled to membership as provided in the Declaration. A Member may, upon written notice to the Association, delegate and assign voting rights to a tenant occupying a Lot or Lots owned by such Member. Any such delegation or assignment shall automatically expire upon the expiration or termination of such tenant's right of possession of the Lot or Lots involved, and may also be revoked by written notice of revocation, from the Owner to the Association.

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Section 7. "Owner" shall have the same meaning as set forth in Article II, Section J of the Declaration, for "Owner".

Section 8. "Property" shall mean and refer to that certain real property described in the Declaration and shall consist of the Harmony Village Planned Unit Development.

ARTICLE III

Voting Rights

The Association shall have four classes of voting membership. Class A shall include the Owner of Lot 9. Class B shall include the Owner of Lots 10. Class C shall include the Owners of Lots 11 and 12. Class D shall include the Owners of Lots 1, 2, 3, 4, 5, 6, and 7.

The foregoing classes of voting membership are based upon the relative sizes of the lots involved and the differing nature of their respective uses. Such allocation does not discriminate in favor of lots owned by Declarant or an affiliate of Declarant. The classes of voting membership shall be utilized for the election of members of the Board of Directors. Voting on all other matters shall be on the basis of one vote for each Lot owned by an Owner. Within each class of voting membership, relative to the election of members of the Board of Directors, voting shall be on the basis of one vote for each Lot owned by an Owner. Cumulative voting shall not be allowed, for any purpose.

Each class of voting membership shall have the right to elect one member to the Board of Directors, except that Class D Members shall have the right to elect two Members to the Board of Directors. Each member shall have one vote within such member's class of voting membership for each Lot owned by such member. Election of members to the Board of Directors shall be by majority vote within each class of voting membership. Cumulative voting shall not be allowed in the election of members to the Board of Directors. If fewer than all of the Lots within Class D are owned by a single Owner, the two members of the Board of Directors elected within the Class D must be nominated by two different Owners within Class D.

The Board of Directors shall elect the officers.

ARTICLE IV

Meeting of the Members

Section 1. **Annual Meetings.** The first annual meeting of the members shall be held not later than July 31, 2000, and each subsequent regular annual meeting of the members shall be held no less often than annually, on dates specified by the Board of Directors.

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 of Directors, or upon written request of Members who own at least three Lots.

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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 person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, not less than ten (10) nor more than fifty (50) days before such meeting to each Member entitled to vote thereat, addressed to the mailing address of each lot or to any other mailing address designated in writing by each lot's Owner. Notices may also be hand-delivered. The notice of any meeting must state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or these Bylaws, any budget changes, and any proposal to remove an officer of a member of the Board of Directors.

Section 4. Quorum. A quorum shall be deemed present throughout any meeting of the Association if Members owning at least five Lots and representing at least two of the classes of voting membership are present, in person or by proxy at the beginning of the meeting. 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 to those Members present or represented. Voting at meetings of the Members shall be by classes of membership, with each Member having one vote, within each such class of membership, for each Lot owned by such Member. To transact business and to adopt decisions binding on all Members shall require approval by at least two of the classes of membership.

Section 5. Voting/Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his lot. Voting for each Lot owned by more than one person or entity shall comply with Section 38-33.3-310 of the Act. A Member may, upon written notice to the Association, delegate and assign voting rights to a tenant occupying a Lot or Lots owned by such Member. Any such delegation or assignment shall automatically expire upon the expiration or termination of such tenant's right of possession of the Lot or Lots involved, and may also be revoked by written notice of revocation, from the Member to the Association.

ARTICLE V

Board of Directors: Selection: Term of Office

Section 1. Number. The affairs of this Association shall initially be managed by a Board of five (5) Directors. The number of Directors may be enlarged from time to time. The number and selection of Directors elected by persons other than the Declarant shall comply with the provisions of Section 38-33.3-303(6) of the Act.

Section 2. Term of Office. The initial members of the Board of Directors shall serve until the first annual meeting of the Association. Thereafter, Members of the Board of Directors shall serve three (3) year terms, except that the terms of the first five (5) Directors may be staggered.

Section 3. Removal. Any Director may be removed from the Board of Directors, with or without cause, by a vote of at least three classes of voting membership in the Association. In the

4

event of death, resignation, or removal of a Director, his or her successor shall be selected by the remaining members of the Board of Directors and shall serve for the unexpired term of his or her predecessor. On the issue of removal of a Director, the affirmative vote of Owners owning at least a majority of the Lots within a class of voting membership shall be required, for such class to be deemed to have voted for removal.

Section 4. Compensation. No Director shall receive compensation for any service he or she may render to the Association. However, any Director may be reimbursed for actual expenses incurred in the performance of his or her duties.

ARTICLE VI

Nomination and Election of Directors

Section 1. Election to the Board of Directors shall be by secret written ballot within each class of voting membership. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected, except that within Class D the two persons receiving the largest number of votes shall be elected.

ARTICLE VII

Meeting of Directors

Section 1. Regular Meetings. Regular meetings of the Board of Directors may be held monthly or at some other regular interval established by the Board of Directors, without notice, at such place and hour as may be fixed from time to time by resolution of the Board of Directors. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

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

Section 3. Quorum. A majority of the number of 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 of Directors.

ARTICLE VIII

Powers and Duties of the Board of Directors

Section 1. Powers. The Board of Directors shall have power to:

4

(a) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;

(b) To exercise all duties and responsibilities set forth in Section 8.1 of the Declaration;

(c) Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;

(d) Employ a manager as they deem necessary, and to prescribe his or her duties and delegate to such manager any and all powers and duties of the Association except as such are specifically required by the Declaration to have approval of the Board of Directors or the Membership of the Association;

(e) Designate and remove independent contractors and such other employees necessary for the operation, maintenance and replacement of the Common Elements; and

(f) Exercise all powers granted associations by the Act.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) Cause to be kept a complete record of all 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;

(b) Supervise all officers, agents and employees of this Association, and to see that their duties are properly preformed;

(c) As authorized by the Declaration, to:

(1) Fix the amount of assessments against each lot at least thirty (30) days in advance of each annual assessment period;

(2) Send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(3) Foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the Owner personally obligated to pay the same.

(d) Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board of Directors for the issuance of such certificates. If a certificate

6

states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) Procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) Cause the Common Element facilities to be maintained, repaired, and replaced;

(h) Cause the protective covenants of the Declaration to be enforced.

(i) Perform all other duties imposed upon it by the Act.

ARTICLE IX

Officers and Their Duties

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

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board of Directors 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 of Directors 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 of Directors 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 of Directors. Any officer may resign at any time by giving written notice to the Board of Directors, the president or the secretary. 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 of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

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Section 7. Multiple 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.

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

President

- (a) The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board of Directors are carried out; shall sign all leases, mortgages, deeds and other written instruments and may co-sign all checks and promissory notes.

Vice-President

- (b) 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 of Directors.

Secretary

- (c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members; keep the corporate seal of the Association and affix it on all documents requiring said seal; serve notice of meetings of the Board of Directors and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board of Directors.

Treasurer

- (d) 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 of Directors; may sign all checks and promissory notes of the Association; keep proper books of account; may cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; 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 X

Committees

The Board of Directors may appoint such committees as deemed appropriate in carrying out its purposes.

8

ARTICLE XI

Books and Records

The books, records and documents of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member, or any mortgagee. Any Owner shall be furnished with a statement of his or her account upon payment of a fee of Fifty Dollars (\$50) or as determined by the Board of Directors from time to time, and upon ten (10) days notice to the Board of Directors or managing agent. Such statement shall set forth the amount of any unpaid assessments or other charges due and owing from such Owner. The Declaration, Articles of Incorporation, and Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at a reasonable cost.

ARTICLE XII

Assessments

As more fully provided in the Declaration, each Member is obligated to pay to the Association Common Expense and specific service charges assessments, which are secured by a continuing lien upon the property against which the assessment is made. The Association shall have all rights and authorities granted it by the Declaration and the Act, to levy and collect such assessments.

ARTICLE XIII

Corporate Seal

The Association shall have a seal in circular form having within its circumference the words, "HARMONY VILLAGE PROPERTY OWNERS' ASSOCIATION, a Colorado Nonprofit Corporation", or may use a facsimile of such seal.

ARTICLE XIV

Amendments

Section 1. These Bylaws may be amended, at any regular or special meeting of the Members at which a quorum is present, by a vote of a majority of those votes present in person or by proxy. Members must be given notice of such proposed amendment, as required by the Act.

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.

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Section 3. The president and secretary, together, may prepare, execute, certify, and record amendments to the Declaration on behalf of the Association.

ARTICLE XV

Miscellaneous

The fiscal year of the Association shall be as fixed from time to time by the Board of Directors, except that the first fiscal year shall begin on the date of incorporation.

CERTIFICATION

I, the undersigned, do hereby certify that:

I am the duly elected and acting secretary of the HARMONY VILLAGE PROPERTY OWNERS' ASSOCIATION, a Colorado Nonprofit Corporation, and,

The foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 30 day of August, 1999.

Dave Williams
Dave Williams, Secretary