

BYLAWS
OF
COURTYARD AT KISSING CAMELS ESTATES
HOMEOWNERS ASSOCIATION, INC.

ARTICLE 1 - DEFINITIONS

Section 1.1 Definitions. This corporation, organized under the Colorado Nonprofit Corporation Act, shall be known as **COURTYARD AT KISSING CAMELS ESTATES HOMEOWNERS ASSOCIATION, INC.**, and is hereinafter referred to as the "Association." All terms herein contained shall have the same meanings as those contained in the **DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS FOR COURTYARD AT KISSING CAMELS ESTATES FILING NO. 1 AND FILING NO. 1A** (hereinafter referred to as the "Declaration" and incorporated herein by this reference).

ARTICLE 2 - MEMBERSHIP

Section 2.1 Number of Memberships. There shall be one membership in the Association for each Lot located within the Property.

Section 2.2 Qualification for Membership. Each Owner of a Lot shall be a Member of the Association and subject to these Bylaws. An Owner shall automatically be the holder of the membership appurtenant to such Owner's Lot, and the membership shall automatically pass with fee simple title to the Lot without any formal Association action. The Declarant shall hold one membership in the Association for each Lot owned by Declarant.

Section 2.3 Transfer of Membership Rights. Membership in the Association shall not be assignable separate and apart from fee simple title to a Lot, except that an Owner may assign some or all of the Owner's rights as an Owner and as Member of the Association to a contract purchaser, tenant or First Mortgagee, and may arrange for such Person to perform some or all of such Owner's obligations as provided in the Declaration, but no such delegation or assignment shall relieve an Owner from the responsibility for fulfillment of the obligations of an Owner under the Association Documents as defined in the Declaration. The rights acquired by any such contract purchaser, tenant or First Mortgagee shall be extinguished automatically upon termination of the First Mortgage, sales contract or tenancy. An assignment of rights by an Owner pursuant to this Section shall not be subject to any present or future statutory time limit for the duration of duly notarized proxy rights, but shall be in writing, and delivered to the Association before such Person shall be entitled to exercise any membership rights or privileges. All rights, title and privileges of membership shall be subject to the Association Documents as defined in the Declaration.

Section 2.4 Voting Rights. One vote is allocated to each Lot, and Members shall have one vote for each Lot owned. If more than one Person is the Owner of a Lot, the vote allocated to that Lot may be divided fractionally among the Owners in any manner they agree

upon, or equally among them if they are unable to agree; provided, however, that not more than one vote may be cast for any one Lot. If multiple Owners agree to fractionalize the vote allocable to their Lot, they shall file a certificate of allocation with the Secretary of the Association, duly signed by each of the multiple Owners, stating each Owner's fractionalized voting right. If multiple Owners are unable to agree as to fractionalization, yet do not agree to exercise the voting right attributable to their Lot as a whole, any one of the Owners may so notify the Secretary of the Association in writing in which case each Owner shall share equally in the voting rights attributable to the Lot owned. Absent the filing of a certificate of allocation or written notice of disagreement, any one of the multiple Owners of a Lot present at a meeting of the Association shall be entitled to cast all the votes allocated to that Lot unless a protest is made promptly to the person presiding over the meeting by any of the other Owners of the Lot, in which case the vote allocated to that Lot shall be divided equally among all Owners of the Lot. Any certificate of allocation or notice of disagreement shall be valid until revoked by written notice to the Secretary of the Association, or until superseded by a subsequent certificate or written notice, or until a change in the ownership of the Lot concerned.

Members shall be entitled to vote only in connection with (i) the election of members of the Board of Directors (subject to the reserved rights of the Declarant as set forth in Article 7 of the Declaration), (ii) such other matters as may be referred to a vote of Members by the Board of Directors of the Association, and (iii), such matters as may be required by the Declaration or by law to be voted upon by Members.

ARTICLE 3 - MEETINGS OF MEMBERS

Section 3.1 Annual Meeting. There shall be held an annual meeting of the Members of the Association at such time and on such day during the month of July of each year as shall be fixed by the Board of Directors, commencing with the year 1997, for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of Colorado, such meeting shall be held on the next succeeding business day.

Section 3.2 Special Meetings. Special meetings of the Members may be called at any time by the President, by a majority of the Board of Directors, or by Owners who have twenty percent (20%) of the votes in the Association.

Section 3.3 Notice of Meetings. Written notice of each annual or special meeting shall be given by the Secretary of the Association by hand delivering, or by mailing prepaid by United States mail, a copy of such notice to the mailing address of each Lot, or to any other mailing address designated in writing by the Lot Owner, not less than ten (10) nor more than fifty (50) days in advance of such meeting. Such notice shall specify the place, day and hour of the meeting and the items on the agenda for such meeting, including the general nature of any proposed amendment to the Declaration or these Bylaws, any budget changes, and any proposal to remove an officer or member of the Board of Directors. If mailed, such notice shall be deemed to be delivered on the date three (3) days after the date of deposit of the notice in the United States mail, proper postage prepaid. The certificate of the Secretary of the Association that notice was fully and properly given shall be prima facie evidence thereof. Meetings of

Members shall be held at such place within El Paso County, Colorado as may be designated in the notice of meeting.

Section 3.4 Quorum. A quorum is deemed present throughout any meeting of the Members of the Association if persons entitled to cast twenty percent (20%) of the votes which may be cast for election of the Board of Directors are present in person or by proxy at the beginning of the meeting. If the required quorum is not present or represented at any meeting called upon proper notice, the Members entitled to vote thereat shall have the power (repeatedly, if necessary) to adjourn the meeting to a time not less than twenty-four (24) hours thereafter, without notice other than announcement at the meeting, until a quorum of one-half (1/2) of that required at the immediately preceding meeting shall be present or be represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed. The Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum.

Section 3.5 Manner of Acting. Once a quorum is present at any meeting of Members, the affirmative vote of a majority of the persons entitled to cast votes for election of the Board of Directors and present in person or by proxy at the meeting at the time of the call for a vote shall be the act of the Members and shall be valid and binding upon the Association and all Lot Owners, unless the vote of a greater proportion or number is otherwise required by law or by the Declaration, Articles of Incorporation or these Bylaws. Voting on any question or in any election may be by voice vote unless the person presiding over the vote shall order or any Member shall demand that voting be by ballot.

Section 3.6 Proxies. At all meetings of Members, a Member may vote in person or by duly executed proxy. If a Lot is owned by more than one person, each Owner of the Lot may vote or register protest to the casting of votes by the other Owners of the Lot through a duly executed proxy. All proxies shall be in writing and filed with the Secretary of the Association. Every proxy shall be revocable by actual notice of revocation to the person presiding over the meeting. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates eleven months after its date, unless it provides otherwise, and terminates automatically upon conveyance by the Member of his or her Lot.

Section 3.7 Action Taken Without a Meeting. Any action required or permitted to be taken at any meeting of Members may be taken without a meeting, prior notice or a vote, if a consent in writing, setting forth the action so taken is signed by all of the Members entitled to vote with respect to the subject matter thereof.

Section 3.8 Participation by Electronic Means. Any or all Members may participate in an annual or special meeting of the Members by, or the meeting may be conducted through the use of, any means of communication by which all persons participating in the meeting may hear each other during the meeting. Such participation shall constitute presence in person at the meeting.

Section 3.9 Control by Declarant. Notwithstanding the foregoing, the Declarant has reserved the right to appoint and remove all officers and directors of the Association for the period described in Article 7 of the Declaration.

ARTICLE 4 - BOARD OF DIRECTORS

Section 4.1 Number of Directors and Qualifications. The number of directors which shall constitute the whole Board of Directors of the Association shall be fixed from time to time by resolution duly adopted by the Members of the Association, but shall be not less than one (1) nor more than nine (9). In the event the Board of Directors consists of two (2) or more members, it shall be divided into two classes, to be known as Class A and Class B, respectively, each class to be as nearly equal in number as possible. The term of office of directors of Class A shall expire at the first annual meeting of the Board of Directors after their election, and that of Class B to expire at the second annual meeting of the Board of Directors after their election. In the case of any subsequent increase in the number of directors of the Association, the additional directors shall be so classified that all classes of directors, if any, shall be increased equally as nearly as may be possible, and the additional directors shall be elected as may be provided in the Bylaws. In the case of any decrease in the number of directors of the Association, all classes of directors, if any, shall be decreased equally, as nearly as may be possible. In the event the Board of Directors is classified, at each annual meeting after such classification, the number of directors equal to the number of the class whose term expires at the time of each meeting shall be elected to hold office until the second succeeding annual meeting. No decrease in the number of directors shall have the effect of shortening the term of any incumbent director. Directors shall be natural persons at least eighteen (18) years old, but need not be residents of the State of Colorado. Except during the period the Declarant has reserved the right to appoint and remove all officers and directors of the Association, as described in Article 7 of the Declaration, all directors shall be Members of the Association.

Section 4.2 Term of Office. At the first annual meeting of the Members of the Association, and at each annual meeting thereafter, and subject to the reserved right of the Declarant to appoint and remove officers and directors of the Association for the period described in Article 7 of the Declaration, the Members shall elect directors to hold office for two (2) year terms and until his successor shall have been elected and qualified, or until his death or until he shall resign or be removed as hereinafter provided.

The directors may elect a Chairman of the Board of Directors from among the directors, who shall preside at all meetings of the Members of the Association and of the Board of Directors, and who shall have such other powers and duties as may be prescribed from time to time by the Board of Directors.

Section 4.3 Resignations. Any director may resign at any time by giving written notice of such resignation to the Board of Directors, the President or the Secretary of the Association. Unless otherwise specified in such written notice, such resignation shall take effect upon receipt thereof by the Board of Directors or such officer.

Section 4.4 Removal. Except during the period the Declarant has reserved the right to appoint and remove all officers and directors of the Association, as described in Article 7 of the

Declaration, and only upon proper notice as required by these Bylaws, the entire Board of Directors or any lesser number of directors may be removed, with or without cause, by a majority vote of the Members of the Association entitled to vote at an election of Directors.

Section 4.5 Compensation. No director shall receive compensation for his services as a director. However, a director may be reimbursed for his actual expenses incurred in the performance of his duties as a director. A director may be an employee of the Association, or may perform other services for the Association, but he shall receive only fair and reasonable compensation as an employee or for such services.

Section 4.6 Vacancies. In the event a vacancy shall occur or be created on the Board of Directors as a result of the death, resignation or removal of a director or due to any increase in the number of directors, a successor or new director shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor, if any, or until the next annual or special meeting of Members.

ARTICLE 5 - NOMINATION AND ELECTION OF DIRECTORS

Section 5.1 Nomination. Nominations for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting of Members. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two (2) or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. 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 that are to be filled. Except during the period the Declarant has reserved the right to appoint and remove officers and directors of the Association as described in Article 7 of the Declaration, such nominations may be made only from among Members.

Section 5.2 Election. Subject to the Declarant's reserved right to appoint and remove officers and directors of the Association as described in Article 7 of the Declaration, the persons receiving the largest number of votes of Members shall be elected. Cumulative voting is not permitted.

ARTICLE 6 - MEETINGS OF DIRECTORS

Section 6.1 Annual Meeting. An annual meeting of the Board of Directors shall be held, without other notice than this bylaw, immediately after, and at the same place as, the annual meeting of Members.

Section 6.2 Regular Meetings. The Board of Directors may provide by resolution the time and place, either within or without the State of Colorado, for the holding of additional regular meetings without other notice than such resolution.

Section 6.3 Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two (2) directors. The person or persons authorized to call special meetings of the Board of Directors may fix any place, either within or without the State of Colorado, as the place for holding any special meeting of the Board of Directors called by them.

Section 6.4 Notice of Special Meetings. Written notice of any special meeting of the Board of Directors shall be given: (i) by mail to each director at his business address at least three (3) days prior to the meeting; or (ii) by personal delivery or telegram at least twenty-four (24) hours prior to the meeting to the business address of each director, or in the event such notice is given on a Saturday, Sunday or holiday, to the residence address of each director. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any director may waive notice of any meeting, and the attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any special meeting of the Board of directors need be specified in the notice or waiver of notice of such meeting.

Section 6.5 Open Meetings. All regular and special meetings of the Board of Directors of the Association, or any committee thereof, shall be open to attendance by all Members or their representatives; provided, however, the members of the Board of Directors of any committee thereof may hold an executive or closed-door session, and may restrict attendance to Board members and such other persons requested by the Board during a regular or specially announced meeting or a part thereof. The matters to be discussed at such an executive or closed-door session shall include only matters pertaining to: (i) employees of the Association or involving the employment, promotion, discipline, or dismissal of an officer, agent, or employee of the association; (ii) consultation with legal counsel concerning disputes that are the subject of pending or imminent court proceedings or matters that are privileged or confidential between attorney and client; (iii) investigative proceedings concerning possible or actual criminal misconduct; (iv) matters subject to specific constitutional, statutory, or judicially imposed requirements protecting particular proceedings or matters from public disclosure; or (v) any matter the disclosure of which would constitute an unwarranted invasion of individual privacy.

Prior to the time the members of the Board or any committee thereof convene in executive session, the chair of the body shall announce the general matter of discussion as enumerated above. No rule or regulation of the Board or any committee thereof shall be adopted during an executive or closed-door session. A rule or regulation may be validly adopted only during an annual or regular or special meeting or after the body goes back into regular session following an executive session. The minutes of all meetings at which an executive or closed-door session was held shall indicate that an executive or closed-door session was held, and the general subject matter of the session.

Section 6.6 Quorum. A quorum is deemed present throughout any meeting of the Board of Directors if persons entitled to cast no less than fifty percent (50%) of the votes on that Board are present in person at the beginning of the meeting.

Section 6.7 Manner of Acting. The directors shall in all cases act as a Board and the act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. A director of the Association who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless he shall affirmatively dissent to such action at such meeting.

Section 6.8 Action Taken Without a Meeting. Any action required to be taken or which may be taken by the Board of Directors at a meeting may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

Section 6.9 Participation by Electronic Means. Any or all members of the Board of Directors or any committee designated by such Board may participate in a meeting of the Board of Directors or committee by, or the meeting may be conducted through the use of, any means of communication by which all persons participating in the meeting may hear each other during the meeting. Such participation shall constitute presence in person at the meeting.

ARTICLE 7 - POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 7.1 General Powers. The Board of Directors shall serve as the executive board of the Association for purposes of the Colorado Common Interest Ownership Act, as amended from time to time. The Board of Directors is authorized and empowered, and shall have the duty, to manage all business and affairs of the Association and, except as provided in the Declaration, these Bylaws or by law, the Board of Directors may and shall act in all instances on behalf of the Association. The Board of Directors shall have all of the powers necessary to perform the duties of the Association as provided by law and under the terms and conditions of the Declaration, the Articles of Incorporation and these Bylaws, subject only to approval by the Members of the Association when such is specifically required, or by the Declarant during the period of Declarant's reserved right to appoint and remove officers and directors of the Association as described in Article 7 of the Declaration, and by the provisions of these Bylaws. Notwithstanding the foregoing, the Board of Directors may not act on behalf of the Association to amend the Declaration, to terminate the common interest community established by the Declaration, to elect members of the Board of Directors (other than appointing a director in the event of a vacancy) or to determine the qualifications, powers, duties or terms of office of directors. Furthermore, as provided in the Declaration, until Declarant no longer has the right to appoint a majority of the Board of Directors, the Association shall take no action, and the Board of Directors shall take no action on behalf of the Association, without first obtaining the prior written consent of Declarant, which consent shall not be unreasonably withheld, to convey, change or alter the use of Association Properties; mortgage the Association Properties; use Association Properties other than for the benefit of Members; change or repeal any rules of the Architectural Committee; make any substantial

reduction or change in Association services; or make any amendment of Association Documents.

Section 7.2 Delegation; Committees. The Board of Directors may delegate any of its powers or duties, and/or any of the powers or duties of the Association, to the Kissing Camels Property Owners Association and/or to a managing agent; provided, however, such delegation shall in no way relieve the Association or the Board of Directors of any of its responsibilities under the Declaration, the Articles of Incorporation, these Bylaws or imposed by law. In addition, the Board of Directors, by resolution adopted by a majority of the directors in office, may designate and appoint an executive committee, architectural control committee and/or one or more other committees as deemed appropriate by the Board in carrying out its duties and functions. Each such committee shall consist of two (2) or more directors and, to the extent provided in the authorizing resolution or in the Association's Articles of Incorporation or in these Bylaws, shall have all the authority of the Board of Directors, except that no such committee shall have the authority of the Board of Directors in reference to: (i) amending, altering or repealing these Bylaws; (ii) electing, appointing or removing any member of any such committee or any officer or director of the Association; (iii) amending or restating the Association's Articles of Incorporation; (iv) adopting a plan of merger or adopting a plan of consolidation with another corporation; (v) authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the Association; (vi) authorizing the voluntary dissolution of the Association or revoking proceedings therefor; (vii) adopting a plan for the distribution of the assets of the Association; or (viii) amending, altering or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered or repealed by such committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors or any individual director of any responsibility imposed upon him by law.

Section 7.3 Performance of Duties. A director of the Association shall perform his duties as a director, including his duties as a member of any committee of the Board upon which he may serve, in good faith, in a manner he reasonably believes to be in the best interests of the Association, and with such care as an ordinarily prudent person in a like position would use under similar circumstances; provided, however, if a director is appointed by the Declarant, the director shall be required to exercise the care required of fiduciaries of the Owners. In performing his duties, a director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by persons and groups listed in paragraphs (a), (b), and (c) of this Section 7.3; but he shall not be considered to be acting in good faith if he has knowledge concerning the matter in question that would cause such reliance to be unwarranted. If not appointed by the Declarant, no director shall be liable for actions taken or omissions made in the performance of such director's duties except for wanton and willful acts or omissions. Those persons and groups on whose information, opinions, reports, and statements a director is entitled to rely upon are:

a. One or more officers or employees of the Association whom the director reasonably believes to be reliable and competent in the matters presented;

b. Counsel, public accountants, or other persons as to matters which the director reasonably believes to be within such persons' professional or expert competence; or

c. A committee of the board upon which he does not serve, duly designated in accordance with the provision of the Articles of Incorporation or these Bylaws, as to matters within its designated authority, which committee the director reasonably believes to merit confidence.

ARTICLE 8 - OFFICERS AND THEIR DUTIES

Section 8.1 Enumeration of Officers. The officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, who shall at all times be members of the Board of Directors.

Section 8.2 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 8.3 Term. The officers of the Association shall be elected annually by the Board and each shall hold office for a term of one (1) year, unless he shall sooner resign, or shall be removed, or shall be otherwise unqualified to serve.

Section 8.4 Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board may, from time to time, determine.

Section 8.5 Resignation and Removal. Any officer may resign at any time by giving written notice to the Board, 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. In addition to the Declarant's reserved right to appoint and remove officers of the Association during the period described in Article 7 of the Declaration, any officer may be removed from office with or without cause by the Board of Directors whenever in its judgment the best interests of the Association will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not of itself create contract rights.

Section 8.6 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

Section 8.7 Multiple Offices. Any two or more offices may be held by the same person, except the offices of President and Secretary.

Section 8.8 Duties. The duties of the officers are as follows:

PRESIDENT. The President shall be the chief executive officer of the Association and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Association. He shall, when present, and in the absence of a Chairman of the Board, preside at all meetings of the Members and of the Board of Directors. He may sign, with the Secretary or any other proper officer of the Association thereunto authorized by the Board of Directors, amendments to the Declaration, deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Association, or shall be required by law to be otherwise signed or executed. The President shall in general perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

VICE PRESIDENTS. If appointed by the Board of Directors, the Vice President (or in the event there be more than one vice president, the vice presidents in the order designated at the time of their appointment, or in the absence of any designation, then in the order of their appointment) shall, in the absence of the President or in the event of his death, inability or refusal to act, perform all duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President may sign, with the Secretary or an Assistant Secretary, such documents or instruments which the Board of Directors has authorized be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Association, or shall be required by law to be otherwise signed or executed. A Vice President shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

SECRETARY. The Secretary shall: (i) keep the minutes of the proceedings of the Members and of the Board of Directors in one or more books provided for that purpose; (ii) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (iii) be custodian of the corporate records and of the seal of the Association and see that the seal of the Association is affixed to all documents the execution of which on behalf of the Association under its seal is duly authorized; (iv) keep a register of the post office address of each Member which shall be furnished to the Secretary by such Member; (v) sign, with the President or any other proper officer of the Association thereunto authorized by the Board of Directors, amendments to the Declaration and such other documents and instruments which the Board of Directors has authorized be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Association, or shall be required by law to be otherwise signed or executed; and (vi) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

TREASURER. The Treasurer shall: (i) have charge and custody of, and be responsible for, all funds of the Association; (ii) receive and give receipts for moneys due and payable to the Association from any source whatsoever, and deposit all such moneys in the name of the

Association in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of these Bylaws; and (iii) in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

ASSISTANT SECRETARIES, ASSISTANT TREASURERS AND OTHER OFFICERS OR APPOINTEES. If appointed by the Board of Directors the Assistant Secretaries, Assistant Treasurers and other appointees of the Board of Directors of the Association shall perform such duties as shall be assigned to them by the Board of Directors.

Section 8.9 No Delegation of Duties. Except as otherwise provided herein or as expressly authorized by the Board of Directors, no officer may delegate any of his powers or duties to any other person.

Section 8.10 Performance of Duties. An officer of the Association shall perform his duties as such in good faith, in a manner he reasonably believes to be in the best interests of the Association, and with such care as an ordinarily prudent person in a like position would use under similar circumstances; provided, however, if an officer is appointed by the Declarant, the officer shall be required to exercise the care required of a fiduciary of the Owners.

Section 8.11 Bonds of Officers. If the Board of Directors shall so require, any officer or agent of the Association shall provide a bond to the Association in such amount and with such surety as the Board of Directors may deem sufficient, assuring the faithful performance of their respective duties and offices.

Section 8.12 Compensation. No officer shall receive compensation for his services as an officer. However, an officer may be reimbursed for his actual expenses incurred in the performance of his duties as an officer. An officer may be an employee of the Association, or may perform other services for the Association, but he shall receive only fair and reasonable compensation as an employee or for such services.

ARTICLE 9 - NO STOCK OR DIVIDENDS

The Association shall not have or issue shares of stock, and no dividend shall be paid and no part of the income or profit of the Association shall be distributed to its Members, directors or officers, except to the extent (i) the Association shall be authorized and empowered to pay reasonable compensation for services rendered and/or make payments and distributions in furtherance of its corporate purposes, or (ii), permitted by the Colorado Nonprofit Corporation Act and I.R.C. § 528 or comparable provision of the Code.

ARTICLE 10 - LOANS TO DIRECTORS AND OFFICERS PROHIBITED

No loans shall be made by the Association to its directors or officers, and any director or officer who assents to or participates in the making of any such loan shall be liable to the Association for the amount of such loan until repayment thereof.

ARTICLE 11 - CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 11.1 Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name and on behalf of the Association, and such authority may be general or confined to specific instances. Contracts or other commitments made by the Board of Directors, officer(s) or any managing agent of the Association shall be made as agent for the Association, and they shall have no personal responsibility on any such contract or commitment.

Section 11.2 Loans. No loans or advances shall be contracted on behalf of the Association and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

Section 11.3 Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 11.4 Deposits. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board of Directors may select.

ARTICLE 12 - BOOKS AND RECORDS

The Association shall keep correct and complete books and records of account, shall keep minutes of the proceedings of its Members, Board of Directors, and committees having any of the authority of the Board of directors, and shall keep, at its registered office or principal office in this state, a record of the names and addresses of its Members entitled to vote. All books and records of the Association may be inspected by any Member or his agent or attorney for any proper purpose at any reasonable time.

ARTICLE 13 - CORPORATE SEAL

The Board of Directors shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Association, the state and year of incorporation and the words "CORPORATE SEAL".

ARTICLE 14 - WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of these Bylaws, the Articles of Incorporation or the Colorado Nonprofit Corporation Act, or otherwise, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the event or other circumstance requiring such notice, shall be deemed equivalent to the giving of such notice.

ARTICLE 15 - FISCAL YEAR

The fiscal year of this corporation shall begin on the first day of January and end on the 31st day of December of each year, except that the first fiscal year shall begin on the date of incorporation.

ARTICLE 16 - INTERPRETATION IN THE EVENT OF INCONSISTENCY

Subject to any requirements of applicable law, 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 the Articles of Incorporation or these Bylaws, the Declaration shall control.

ARTICLE 17 - AMENDMENT

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by two-thirds of the directors of the Association then in office. However, the provisions of these Bylaws shall at all times comply with the requirements of the Colorado Nonprofit Corporation Act, the Colorado Common Interest Ownership Act and other applicable laws of the State of Colorado.

IN WITNESS WHEREOF, the undersigned sole Director of **COURTYARD AT KISSING CAMELS ESTATES HOMEOWNERS ASSOCIATION, INC.**, has hereunto set his hand effective August 15, 1996.

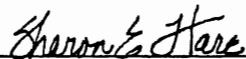

DONALD C. HARE

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of **COURTYARD AT KISSING CAMELS ESTATES HOMEOWNERS ASSOCIATION, INC.**, a Colorado Nonprofit Corporation, and, that the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted by the sole Director thereof on August 15, 1996.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 15th day of AUGUST, 1998.



Sharon E. Hare, Secretary