

**BYLAWS
OF
PEPPERTREE ESTATES HOMEOWNERS ASSOCIATION, INC.**

**ARTICLE I
NAME AND LOCATION**

The name of the corporation is Peppertree Estates Homeowners Association, Inc. hereinafter referred to as the "Association". The principal office of the Association shall be located at P.O. Box 228, Niwot, Colorado 80544, or such other place as the Board of Directors may establish, but meetings of Members and Directors may be held as such places within the State of Colorado, County of Boulder, as may be designated by the Board of Directors.

**ARTICLE II
DEFINITIONS**

Section 1. "Association" shall mean and refer to Peppertree Estates Homeowners Association, Inc., its successors and assigns.

Section 2. "Lot" shall mean a numerically designated building site shown upon the recorded subdivision map of the Property, or any subsequently recorded replat of any portion of the Property,

Section 3. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is part of the Property, including contract buyers, but excluding those having such interest merely as security for the performance of an obligation.

Section 4. "Property" shall mean and refer to all of that certain real property in Boulder County, Colorado shown and described on the plan for Peppertree Estates P.U.D.

Section 5. "Declarant" shall mean and refer to RODO Land, Inc. its successors and assigns, if any such successors and assigns should acquire all unsold lots from the Declarant for the purpose of development.

Section 6. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Property recorded in the Office of Boulder County, Colorado, clerk and recorder on April 21, 1989 at Reception No. 978712, as it may be amended from time to time.

Section 7. "Member" shall mean and refer to those persons entitled to vote as provided in the Declaration and the persons and entities defined as Members by the Articles of Incorporation.

Section 8. "Common Elements" shall mean:

Outlot A
Peppertree Estates Subdivision
County of Boulder
State of Colorado

Section 9. "Architectural Control Committee" shall mean and refer to the Architectural Control Committee established by Declaration.

ARTICLE III MEETING OF MEMBERS

Section 1. Annual Meeting. Annual meetings of members shall be held on the second Wednesday of May of each year, at the hour of 7:00 o'clock P.M.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by any Member of the Board of Directors, or upon written request from one-third of the Members who are entitled to vote.

Section 3. Notice of Meetings. Written notice of each meeting of 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, at least 15 days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of the notice. Such notice shall specify the place, day and hour of the meeting, and, in case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, of proxies entitled to cast, at least two-thirds (2/3) of the votes shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members, each member may vote in person or by proxy. All proxies shall be in writing, may be presented at the meeting by any Member and shall be filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

ARTICLE IV
BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by the Executive Board of seven (7) Members hereinafter sometimes referred to as directors.

Section 2. Term of Office. Each director shall serve a term of two (2) years.

Section 3. Removal. Any director may be removed from the Executive Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal of a director, his or her successor shall be selected by the remaining members of the Executive Board and shall serve for the unexpired term of his predecessor.

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

Section 5. Action Taken Without a Meeting. The Executive Board shall have the right to take any action in the absence of a meeting which it could take at a meeting by obtaining the written approval of all of the directors. Any action so approved shall have the same effect as though taken at a meeting of the Executive Board.

Section 6. Litigation. No litigation shall be instituted by the Executive Board without approval by two-thirds (2/3) majority vote of the Members who are entitled to vote.

ARTICLE V
NOMINATIONS AND ELECTIONS OF DIRECTORS

Section 1. Nomination. Nomination for election to the Executive Board shall be made by a Nominating Committee. Nominations may also be made from the floor during the annual meeting. The Nominating Committee shall consist of a Chairperson, who shall be a member of the Executive Board, and two or more Members of the Association. The Nominating Committee shall be appointed by the Executive Board 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 Executive Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among the Members.

Section 2. Election. Election to the Executive Board shall be by secret written ballot unless otherwise unanimously agreed by the Members present. 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. Cumulative voting is not permitted.

ARTICLE VI MEETING OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Executive Board shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board.

Section 2. Special Meetings. Special meetings of the Executive Board 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 Executive Board.

ARTICLE VII DUTIES AND POWERS OF THE BOARD OF DIRECTORS

Section 1. Duties. It shall be the duty of the Executive Board 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 when such a statement is requested in writing by one-fourth (1/4) of the Members who are entitled to vote;
- (b) To supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- (c) Cause all offices or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- (d) Enforce all covenants, conditions and restrictions set forth in the Declarations and all Bylaws, rules and regulations established by the Executive Board pursuant thereto;
- (e) As more fully provided in and subject to the provisions of the Declaration, to:

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

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

iii) Place, and when necessary, Foreclose the lien against any property for which assessments are not paid when due, when all other reasonable avenues for collection of said assessments have been exhausted;

(f) Issue, or 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 Executive Board for the issuances of these certificates. If a certificate states that an assessment has been paid, such certificate shall be conclusive evidence of such payment.

Section 2. Powers. The Executive Board shall have the power to:

(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 By-Laws, the Articles of Incorporation, or the Declaration;

(b) Exercise authority over all decisions made by all committees elected by the Executive Board;

(c) Adapt and amend budgets for revenues, expenditures, and reserves and collect assessments for common expenses from Members;

(d) Suspend the voting rights of a Member during any period in which such Member shall be in default of payment of any assessment levied by the Association;

(e) Based on provisions of Article IV, Section 6, institute or defend in litigation or administrative proceedings in its own name on behalf of itself on matters affecting the Association;

(f) Make contracts and incur liabilities, per the approved budget;

(g) Regulate the use and maintenance of the Common Elements;

(h) Cause additional improvements to be made as part of the Common Elements;

(i) Impose reasonable charges for late payments of assessments, recover reasonable attorney fees and other legal costs for collection of assessments and other actions

to enforce the power of the Association, regardless of whether or not suit was initiated;

(j) Declare the office of a member of the Executive Board to be vacant in the event such member is absent from three (3) consecutive regular meetings of the Executive Board;

(k) Employ an independent contractor or such other employees as deemed necessary for the maintenance of the Common Elements, and prescribe their duties;

(l) Exercise any powers conferred by the Declaration or Bylaws;

(m) Exercise all other powers that may be exercised in Colorado by non-profit corporations; and

(n) Exercise any other powers necessary and proper for the governance and operation of the Association.

(o) Provide for indemnification of Officers and the Board of Directors in situations in which they are authorized to act.

Any decision rendered by the Executive Board can be overridden by a 2/3 majority vote of the Members.

ARTICLE VIII OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a president and vice president, who shall at all times be members of the Executive Board, a secretary and a treasurer, and such other officers as the Board 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 Executive Board following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Executive Board and each shall hold the 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 Executive Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from the office with or without cause by the Executive Board. Any officer may resign at any time by giving written notice to the Executive Board. Such resignation shall take effect on the date of receipt of such notice or at any time later 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 Executive Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

Section 7. Multiple Offices. The offices of the 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:

(a) President: The president shall preside at all meetings of the Executive Board; shall see that orders and resolutions of the Executive Board are carried out; shall sign all written instruments and shall approve all check and promissory notes.

(b) Vice President: The vice-president shall act in 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 Executive Board.

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

(d) Treasurer: The treasurer shall receive and deposit in appropriate bank accounts all moneys of the Association and shall disperse such funds as directed by resolution by the Executive Board; shall sign all checks of the Association; keep proper books of the account; cause an annual audit to be made of the Association books to be made at the completion of each fiscal year; and shall prepare an annual budget and statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members.

ARTICLE IX COMMITTEES

The Members of the Association shall elect an Architectural Control Committee, as provided by the Declaration, consisting of at least three (3) Members, unless a different number is established by vote of the Members. Nomination and election of the Architectural Control Committee shall be in the same manner set forth in Article V for the Executive Board. The Executive Board shall appoint a Nominating Committee, as provided in these By-Laws. Should the Executive Board fail to appoint such committee, then the Executive Board shall perform the duties of such committee. In addition, the Executive Board shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE X BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the By_Laws 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 XI ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay the Association annual assessments which are secured by a continuing lien upon the Property against which the assessment is made. The Association shall collect such assessments and enforce the lien granted to the Association to the extent permitted by the Declaration pursuant to the law.

ARTICLE XII CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: PEPPERTREE ESTATES HOMEOWNERS ASSOCIATION, INC.

ARTICLE XIII AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the Members of the Association, by a vote of a majority of a quorum of Members, present in person or by proxy.

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

**ARTICLE XIV
MISCELLANEOUS**

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

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am duly elected and acting secretary of PEPPERTREE ESTATES HOMEOWNERS ASSOCIATION, INC., a Colorado non-profit corporation, and,

THAT the forgoing Bylaws constitute the Bylaws of the said Association, as duly adapted at a meeting of the Members thereof, held on the 8TH day of November, 1995.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 12TH day of MARCH, 1996.


Secretary