

AMENDED AND RESTATED BYLAWS OF WOOD RUN HOMEOWNERS ASSOCIATION

WHEREAS, on November 15, 1978 the Directors of Wood Run Homeowners Association, a Colorado Non-Profit Corporation, duly adopted the original Bylaws of said Association; and

WHEREAS, Article XIII of those Bylaws provides for amendment of the Bylaws of the Association by the vote of a majority of a quorum at a duly constituted regular or special meeting of the Members; and

WHEREAS, Membership in the Association is defined in Article IV of the Amended and Restated Articles of Incorporation, which were filed with the Colorado Secretary of State on May 11, 1995; and

WHEREAS, Membership and voting rights are defined in Article III of the Amended and Restated Declaration of Covenants, Conditions and Restrictions, which was recorded in Jefferson County, Colorado under Reception No. F0054065 on May 11, 1995; and

WHEREAS, Article III, Section 4 of the Bylaws defines a quorum for a meeting of the Members as the presence, in person or by proxy, of Members entitled to cast one-tenth (1/10) of the votes; and

WHEREAS, at a duly constituted annual meeting of the Members held on April 18, 1996, the majority of a quorum of the Members of the Association voted to amend in their entirety and restate the Bylaws of the Association;

NOW, THEREFORE, the Members of Wood Run Homeowners Association have duly adopted the following Amended and Restated Bylaws of Wood Run Homeowners Association.

ARTICLE I - NAME AND LOCATION

The name of the corporation is **Wood Run Homeowners Association**, hereinafter referred to as the "Association". The principal office of the corporation shall be recorded as 9551 W. 83rd Avenue, Arvada, Colorado 80005, but meetings of Members and Directors may be held and the books and records of the Association may be stored at such places within the State of Colorado as may from time to time be designated by the Board of Directors.

ARTICLE II - DEFINITIONS

Section 1. "Association" shall mean and refer to Wood Run Homeowners Association, its successors and assigns.

Section 2. "Declaration" shall mean and refer to the Amended and Restated Declaration of Covenants, Conditions and Restrictions applicable to the Properties, which was recorded under Reception No. F0054065 on May 11, 1995 in the Office of the Clerk and Recorder of the County of Jefferson, State of Colorado.

Section 3. "Articles of Incorporation" shall mean and refer to the Amended and Restated Articles of Incorporation of Wood Run Homeowners Association, which were filed with the Colorado Secretary of State on May 11, 1995.

Section 4. "Properties" shall mean and refer to that certain real property described in the Declaration, and such additions thereto as may be brought within the jurisdiction of the Association.

Section 5. "Lot" shall mean and refer to any privately owned plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 6. "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 a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 7. "Member" shall mean and refer to those persons entitled to membership as provided in Article III of the Declaration and Article IV of the Articles of Incorporation.

Section 8. "Declarant" shall mean and refer to Wood Bros. Homes, Inc., a Delaware corporation.

Section 9. "Common Area" shall mean all real property (including improvements thereto) owned by the Association for the common use and enjoyment of the Owners.

Section 10. "Perimeter Fence" shall mean and refer to the fences as installed by the Association or the Declarant, which are located as follows:

(a) on the rear boundaries of Lots 1 through 9, inclusive, and Lots 11 through 15, inclusive, Block 1; Lots 1 through 17, inclusive, Block 10; and Lots 1 through 19, inclusive, Block 11; and

(b) on the street-facing side boundaries of Lot 1, Block 1; Lot 1 and Lot 19, Block 11; and Lot 1 and Lot 19, Block 10; and

(c) on the street-facing exterior boundaries of Tract B.

ARTICLE III - MEETINGS OF THE MEMBERS

Section 1. Annual Meetings. Annual meetings of the Members shall be held each year during the month of April. The Board of Directors shall set the time, date and place for each meeting, provided that such times, dates and places are reasonably convenient for the Members.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of Members who are entitled to vote not less than one-fourth (1/4) of the Lots. A special meeting shall be held within fifty (50) days after it is duly called and shall be held at a time, date and place that is reasonably convenient for the Members.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by the Secretary by mailing a copy of such notice, postage prepaid, not less than 10 days nor more than 50 days before such meeting, to the Owner of each Lot, addressed to the Owner's address last appearing on the books of the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at a meeting of Members, or of proxies, entitled to vote not less than one-tenth (1/10) of the Lots shall constitute a quorum for any action, except as provided in Article IV, Section 5 of the Declaration. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented. A quorum shall be present throughout any meeting if Members entitled to cast one-tenth (1/10th) of the votes are present, in person or by proxy, at the beginning of the meeting.

Section 5. Voting and Representation of Lots. All Members shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, the vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

Section 6. Proxies. At all meetings of Members, each Member may vote in person or by proxy. Proxies shall be revokable by the Member who has granted the proxy and shall be effective only for the particular meeting which has been called, or any adjournment thereof. All proxies shall be in writing and must be filed with the Secretary upon arrival at the meeting.

ARTICLE IV - BOARD OF DIRECTORS

Section 1. Number. The affairs of this Association shall be managed by a board of seven (7) Directors, who must be Members of the Association.

Section 2. Term of Office. The term of office for a Director shall be three (3) years. If any Director dies, resigns or otherwise leaves office before the end of that Director's term in office, the Board of Directors may, at its discretion:

(a) Appoint a successor to serve the remainder of the term; or

(b) At the next Annual Meeting of the Members the Board may require the Members to elect a successor to serve the remainder of the term; or

(c) The Board may declare the office to be open and at the next Annual Meeting of the Members require the Members of the Association to elect a new Director for a new term of three (3) years.

Section 3. Resignation and Removal. Any Director may resign at any time giving written notice to the President or the Secretary, and such resignation shall take effect on the date of receipt of such notice. Any Director may be removed from the Board, with or without cause, by a majority vote of the Members, present in person or by proxy, at any duly constituted meeting of the Members, provided that the notice for that meeting indicates that one of the purposes of the meeting is the proposed removal of one or more Directors.

Section 4. Conflicts of Interest. Directors have a duty of loyalty, care and obedience to the Association and must avoid, disclose and resolve any possible conflicts of interest which might arise during the performance of their duties as Directors. Their duty to the Association includes but is not necessarily limited to:

(a) Duty of Loyalty. Directors must have an undivided allegiance to the Association when using either the power of their position or information concerning the Association or its property, and must not use that position or information to secure financial benefit for themselves, their

families, business associates or friends.

(b) Duty of Care. Directors must perform their duties in good faith, in a manner that they reasonably believe to be in the best interest of the Association, and with such care as an ordinarily prudent person in a like position would use in similar circumstances.

(c) Duty of Obedience. Directors must carry out the purposes of the Association, as expressed in the Association's Declaration, Articles of Incorporation and these Bylaws.

Section 5. Compensation. Directors shall not receive compensation for any services they may render to the Association. However, Directors may be reimbursed for actual expenses incurred in the performance of their duties.

Section 6. Related Parties. Under no circumstances shall Members who are related by blood, marriage or joint ownership of a Lot simultaneously serve as Directors.

ARTICLE V - NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nominations for election to the Board of Directors shall be made from the floor at annual or special meetings of the Members of the Association. Nominees must be Members of the Association.

Section 2. Election. Directors shall be selected by direct election by the Members at annual or special meetings of the Members, except as provided in Article IV, Section 2(a) of these Bylaws. Elections shall be by secret written ballot, except that if there is only one candidate for each vacancy on the Board the Members may vote by acclamation. The nominees receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI - MEETINGS OF THE BOARD OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly with at least three (3) days notice to each Director, at such place and hour as may be fixed from time to time by resolution of the Board. Should a regularly scheduled meeting fall upon a

legal or cultural holiday, then that meeting may be held at the same time on the next day which is not a legal or cultural holiday. At its discretion the Board may vote to not have a regular meeting in a particular month of December if it has concluded the Association's business for that year.

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. A quorum is deemed present throughout any meeting of the Board if a majority is present at the beginning of the meeting.

Section 4. Open Meetings.

(a) All regular and special meetings of the Board of Directors, or any committee thereof, shall be open to attendance by all Members of the Association or their representatives.

(b) The Board of Directors, or any committee thereof, may hold an executive (closed-door) session at any regular or special meeting of the Board, or any part thereof, and may restrict the attendance at such an executive session to members of the Board and such other persons requested by the Board, provided that the matters for discussion in such an executive session are limited to:

(1) Matters pertaining to employees of the Association or involving the employment, promotion, discipline, or dismissal of an officer, agent, appointee or employee of the Association;

(2) 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;

(3) Investigative proceedings concerning possible or actual criminal misconduct;

(4) Matters subject to specific constitutional, statutory, or judicially imposed requirements protecting particular proceedings or matters from public disclosure;

(5) Any matter the disclosure of which would constitute an unwarranted invasion of individual privacy.

(c) Prior to the time the members of the Board, or any committee thereof, convene in an executive session, the chair of the body shall announce the general matter to be discussed in the executive session, as enumerated in sub-section (b) above.

(d) No rule or regulation of the Board, or any committee thereof, shall be adopted during an executive session. A rule or regulation may be validly adopted only during a regular or special meeting or after the body goes back into regular session following an executive session.

(e) The minutes of all meetings at which an executive session was held shall indicate that an executive session was held, and the general subject matter of the executive session.

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

ARTICLE VII - POWERS OF THE BOARD OF DIRECTORS

The Board of Directors shall have the power to:

(a) Exercise for the Association all powers and authority vested in or delegated to this Association by the Members in the Articles of Incorporation, the Declaration, or these Bylaws.

(b) Adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof, including fines, suspensions of voting rights and rights to the use of the Common Area.

(c) Employ managers, contractors or employees as it may deem necessary, and to prescribe their duties.

(d) Appoint and supervise committees as it may deem appropriate in carrying out the purposes of the Association.

(e) Declare the office of a Director to be vacant in the event such Director shall be absent from three (3) consecutive regular meetings of the Board of Directors.

ARTICLE VIII - DUTIES OF THE BOARD OF DIRECTORS

It shall be the duty of the Board of Directors to:

- (a) Perform for the Association all of the duties of the Association as described in the Articles of Incorporation, the Declaration and these Bylaws of the Association.
- (b) Cause a complete record to be kept 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 statement is requested in writing by Members who are entitled to vote not less than one-fourth (1/4) of the Lots.
- (c) Issue, or to cause an appropriate office 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 for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.
- (d) Supervise all officers, agents, appointees, and employees of this Association, and to see that their duties are properly performed.
- (e) Procure and maintain adequate fidelity bond insurance for all officers and employees that have access to the Association's funds.
- (f) Procure and maintain adequate liability and hazard insurance on property owned by the Association.
- (g) Procure and maintain adequate Directors and Officers Liability Insurance.
- (h) Cause the Common Area and facilities and the Perimeter Fence to be maintained.
- (i) Review and approve all newsletters and other general correspondence from the Board to the Members prior to publication and mailing.

ARTICLE IX - OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be: a President and a Vice-President, both of whom must at all times be Directors of the Association; a Secretary and a Treasurer, who need not be Directors of the Association; and other such officers as may be created by resolution of the Board from time to time.

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. The officers shall be elected by the vote of a majority of the Board of Directors.

Section 3. Term of Office. Officers of the Association shall hold office until the first meeting of the Board following the next annual meeting of the Members, unless they should sooner die, resign, be removed, or otherwise be disqualified from service.

Section 4. Resignation and Removal. Any officer may resign at any time by giving written notice to the President or the Secretary, and such resignation shall take effect on the date of receipt of such notice. Any officer may be removed from office, with or without cause, by the vote of a majority of the entire Board of Directors at either a regular or special meeting of the Board. In the event an officer resigns or is removed, the Board shall elect a successor to serve the remainder of the term at its earliest opportunity.

Section 5. 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 determine from time to time.

Section 6. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of the other offices except in the case of special offices pursuant to Section 5 of this Article.

Section 7. Related Parties. Under no circumstances shall individuals who are related by blood, marriage, co-habitation, or joint ownership of a Lot simultaneously serve as officers.

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

(a) The President shall:

(1) Preside at all meetings of the Board of Directors and at annual and special Meetings of the Members;

(2) See that orders and resolutions of the Board are carried out;

(3) Sign all leases, mortgages, deeds and other written instruments; and

(4) Co-sign all checks and promissory notes.

(b) The Vice-President shall:

(1) Act in the place and stead of the President in the event of the President's absence, inability or refusal to act; and

(2) Exercise and discharge such other responsibilities and duties that may be required of the Vice-President by resolution of the Board.

(c) The Secretary shall:

(1) Record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members;

(2) Keep the corporate seal of the Association and affix it on all papers requiring said seal;

(3) Serve notice of meetings of the Board and of the Members;

(4) Keep appropriate current records showing the Members of the Association together with their addresses; and

(5) Perform such other duties as required by the Board.

(d) The Treasurer shall:

(1) Collect, receive and deposit in appropriate bank and investment accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors;

(2) Sign all checks and promissory notes of the Association;

(3) Keep proper books of account;

(4) Cause an annual review of the Association books to be made by a public accountant at the completion of each fiscal year; and

(5) 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 - ARCHITECTURAL CONTROL COMMITTEE

The Board of Directors shall appoint and supervise an Architectural Control Committee, as provided in the Declaration. The Board shall appoint the members of the Architectural Control Committee at the first meeting of the Board following the annual meeting of the Members, and those appointees shall serve until the first meeting of the Board following the next annual meeting of the Members, unless they should sooner die, resign or be removed by the Board of Directors.

ARTICLE XI - BOOKS AND RECORDS

Section 1. Secure Storage. The original copies of the Articles of Incorporation, the Declaration, these Bylaws, and the deeds to the Common Areas shall normally be kept in a safe deposit box, but upon request will be available for inspection by any Member of the Association. Copies of said documents will be provided to any Member upon request without charge. All other books and records of the Association shall be kept in a secure location.

Section 2. Inspection. The books, records and papers of the Association shall be available for inspection by any Member or their agent, subject to the following procedures.

(a) Because the Association is managed by Members who volunteer their service to the Association, and so the Association can have the desired books, records and personnel available, a written Notice of Intent to Inspect must be presented to the Secretary at least one week prior to the planned inspection. The Notice must specify which records are to be inspected and the specific purpose of the inspection.

(b) All records shall be inspected at the residence of either the President or the Secretary, at a time specified by the Board between the hours of 9:00 A.M. and 3:00 P.M. on Saturday or Sunday.

(c) Original records may only be inspected in the presence of the President or the Secretary, and no original records shall be removed from the Association's files.

(d) All costs of inspection and photocopies shall be paid in advance by the person requesting

them.

(e) Consistent with individual Member's right to privacy, attorney-client confidentiality and other considerations, the following records will not be made available without the express written consent of the Board of Directors:

(1) Confidential personnel records, including those relating to the employment, promotion, discipline or dismissal of an officer, agent, appointee or employee of the Association;

(2) Confidential litigation and dispute files, and matters and proceedings that are privileged or confidential between attorney and client;

(3) Inter-office memoranda, preliminary data, working papers and drafts, and general information or investigations which have not been formally approved by the Board of Directors, including investigative proceedings concerning possible or actual criminal misconduct;

(4) Minutes of confidential executive sessions;

(5) Matters subject to imposed requirements protecting proceedings or matters from public disclosure; and

(6) Any matter the disclosure of which would constitute an unwarranted invasion of privacy.

(f) In determining whether records may be inspected, the Board of Directors shall consider among other things:

(1) Whether the request is made, in good faith, on matters relative to the Association;

(2) Whether the inspection is for an illegal or improper purpose or for a purpose other than that stated in the Notice of Intent to Inspect;

(3) Whether the inspector has improperly used information secured through a previous inspection of the records;

(4) Whether disclosure would violate a constitutional or statutory provision or public policy;

(5) Whether disclosure may result in an invasion of personal privacy, breach of confidence or privileged information; and

(6) Whether disclosure would unreasonably interfere with or improperly disrupt the operation

of the Association.

(g) The Association reserves the right to pursue any individual for damages or injunctive relief or both, including reasonable attorney's fees, for abuse of these rights, including, but not limited to, use of any records for a purpose other than what is stated in the Notice of Intent to Inspect.

ARTICLE XII - CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: WOOD RUN HOMEOWNERS ASSOCIATION - COLORADO.

ARTICLE XIII - AMENDMENTS

Section 1. These Bylaws may be amended, at a regular or special meeting of the Members, by the vote of a majority of a quorum of Members present in person or by proxy. Amendments to Article IV, Section 1 (Number of Directors) shall take effect at the next duly constituted meeting of the Members.

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

ARTICLE XIV - FISCAL YEAR

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.

IN WITNESS WHEREOF, the undersigned, being the President, Vice President and Secretary of Wood Run Homeowners Association on April 18th, 1996, hereby declare that the provisions for amendment of the Bylaws of Wood Run Homeowners Association have been met and that the adoption of these Amended and Restated Bylaws is the act and deed of Wood Run Homeowners Association and, under the penalties of perjury, that the matters and facts set forth herein with respect to the authorization and approval are true in all material respects to the best of their knowledge, information and belief.

WOOD RUN HOMEOWNERS ASSOCIATION