

**BYLAWS
OF
VILLAGE CENTER ESTATES
HOMEOWNERS ASSOCIATION, INC.**

**ARTICLE I
NAME AND LOCATION**

The name of the corporation is **VILLAGE CENTER ESTATES HOMEOWNERS ASSOCIATION, INC.**, hereinafter referred to as the "Association". The Association has been incorporated as a Colorado Nonprofit corporation pursuant to its Articles of Incorporation (which are incorporated herein by this reference and hereafter called the "Articles"). The principal office of the corporation shall be located at 6189 Lehman Drive, #201, Colorado Springs, CO 80918, but meetings of Members and Directors may be held at such places within the County of El Paso as may be designated by the Board of Directors, which shall also be known and referred to sometimes herein as the "Board".

**ARTICLE II
DEFINITIONS**

All terms which are defined in the Declaration of Covenants, Conditions and Restrictions of Black Forest Reserve (which is incorporated herein by this reference and hereinafter called the "Declaration") and the Colorado Revised Nonprofit Corporation Act C.R.S. 7-121-101 et. seq. (hereinafter called the "Nonprofit Act") shall have the same meaning herein. The Association shall not be subject to the Colorado Common Interest Ownership Act as more fully provided in C.R.S. 38-33.3-116 thereof.

**ARTICLE III
MEETING OF MEMBERS**

3.1. Membership and Voting Rights. The requirements and conditions of Membership and of voting rights shall be as provided in the Declaration and the Articles of Incorporation. By acquiring title to a Lot, a person or entity automatically consents to becoming a Member of the Association and subject to the rights and duties set forth in the Declaration, the Articles, Bylaws, rules and regulations ("Rules") and applicable laws and statutes. Each Lot shall have one vote on any issue duly submitted to the Members and/or each vacant directorship. Different rights and obligations with respect to voting and all other matters may be set forth in the Declaration, which shall be controlling over C.R.S. 7-127-202 or otherwise. Members may only transfer their Memberships and any right arising therefrom as permitted by the Declaration, Articles, the Rules, and these Bylaws and in accordance therewith. The Association's Board may adopt rules regarding any termination, expulsion or suspension of a Member, but such Rules shall be subject to the provisions of the Covenants and Nonprofit Act (C.R.S., §7-126-303). A Member may not resign from the Association, but may be expelled or suspended or have Membership terminated as provided by the Declaration, Articles of Incorporation and C.R.S. 7-126-302; a Member shall remain liable for all assessments, fees, charges and sums, whether past, present or future, despite such expulsion, suspension or termination.

3.2. Annual and Regular Meetings. The first annual meeting of the Members shall be set by the Board and held within one year of the date of incorporation, and each subsequent annual meeting of the Members shall be held during the same month of each year thereafter at a place, date and time, within the State of Colorado, as the Board of Directors may determine. "Regular meetings" shall refer to meetings, if any, which are set by the Board on a regular basis (for example, monthly or quarterly meetings of Members) and which are not annual or special meetings.

3.3. Special Meetings.

(a) The Association shall hold a special meeting of its Members:

(i) On call of its Board of Directors or the person or persons authorized by the Bylaws or resolution of the Board of Directors to call such a meeting; or

(ii) If the Association receives one or more written demands for the meeting, stating the purpose or purposes for which it is to be held, signed and dated by Members holding at least twenty percent (20%) of the votes entitled pursuant to the Bylaws to be cast on any issues proposed to be considered at the meeting.

(b) If not otherwise fixed under C.R.S. 7-127-103 or 7-127-106, the record date for determining the Members entitled to demand a special meeting pursuant to paragraph (a)(ii) above is the date of the earliest of any of the demands pursuant to which the meeting is called, or the date that is sixty days before the date the first such demands is received by the Association, whichever is later.

(c) If a notice for a special meeting demanded pursuant to paragraph (a)(ii) above is not given pursuant to C.R.S. 7-127-104 within thirty days after the date the written demand or demands are delivered to a corporate officer, regardless of the requirements of paragraph (d) below, a person signing the demand or demands may set the time and place of the meeting and give notice pursuant to C.R.S. 7-127-104.

(d) Special meetings of the Members may be held in or out of this state at the place stated in or fixed in accordance with the Bylaws, or, if not so stated or fixed, at a place stated or fixed in accordance with a resolution of the Board of Directors. If no place is so stated or fixed, special meetings shall be held at the Association's principal office.

(e) Only business within the purpose or purposes described in the notice of the meeting required by C.R.S. 7-127-104(3) may be conducted as a special meeting of the Members.

3.4. Notice of Meetings.

(a) The Association shall give to each Member who is entitled to vote at the meeting notice consistent with its Declarant and Bylaws of meetings of Members in a fair and reasonable manner.

(b) Any notice that conforms to the requirements of paragraph (c) below is fair and reasonable, but other means of giving notice may also be fair and reasonable when all the circumstances are considered.

(c) Notice is fair and reasonable if:

(i) The Association notifies its Members of the place, date, and time of each annual, regular, and special meeting of Members no fewer than ten (10) days nor more than fifty (50) days before the meeting date, or if notice is mailed by other than first class or registered mail, no fewer than thirty (30) days, nor more than fifty (50) days before the meeting date, and if notice is given by newspaper as provided in C.R.S. 7-121-402(2), the notice must be published five separate times with the first such publication no more than sixty days, and the last such publication no fewer than ten days, before the meeting date.

(ii) Notice of an annual or regular meeting includes a description of any matter or matters that must be approved by the Members or for which the Members' approval is sought under C.R.S. 7-128-501, 7-129-110, 7-130-103, 7-130-201, 7-131-102, and 7-134-102;. 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 Bylaws, any budget changes, and any proposal to remove an officer or member of the Board; and

(d) Unless otherwise provided by articles 121 to 137 of the Nonprofit Act or the Bylaws, notice of a special meeting includes a description of the purpose or purposes for which the meeting is called.

(e) Members may waive notice as provided by C.R.S. 7-127-105.

(f) If an annual, regular, or special meeting of Members is adjourned to a different date, time, or place, notice need not be given of the new date, time, or place, if the new date, time, or place is announced at the meeting before adjournment. If a new record date for the adjourned meeting is or must be fixed under C.R.S. 7-127-106, however, notice of the adjourned meeting must be given under this section to the Members of record as of the new record date.

(g) When giving notice of an annual, regular, or special meeting of Members, the Association shall give notice of a matter a Member intends to raise at the meeting if:

(i) Requested in writing to do so by a person entitled to call a special meeting; and

(ii) The request is received by the secretary or president of the Association at least ten days before the Association gives notice of the meeting.

(h) The Board may fix the record date for determining the Members entitled to notice or to vote at any Members' meeting or to exercise any rights in respect to any lawful action pursuant to C.R.S., §7-127-106 or otherwise. Such record date may not be more than seventy (70) days before the meeting or action requiring a determination of members occurs. Unless otherwise

directed by the Board, the Association shall not be required to prepare the list of names described in C.R.S., §7-127-201.

3.5. Action Taken Without Meeting. Notwithstanding any provision to the contrary, any action required or permitted to be taken at any meeting of Members may be taken without a meeting, prior notice or vote, if Members entitled to vote thereon unanimously agree and consent to such action in writing; such action shall be taken in accordance with C.R.S. 7-127-107 of the Nonprofit Act. Action may also be taken by means of C.R.S. 7-127-109.

3.6. Quorum.

(a) The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, thirty percent (30%) of the votes in the Association shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. 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. The Association may impose fines upon Members who fail to attend meetings or to return duly executed proxies or ballots.

(b) Once a Member is represented for any purpose at a meeting, including the purpose of determining that a quorum exists, the Member is deemed present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting, unless a new record date is or shall be set for that adjourned meeting.

3.7. Proxies.

(a) If only one of the multiple Owners of a Lot is present at a meeting of the Association, such Owner is entitled to cast all the votes allocated to that Lot. If more than one of the multiple Owners are present, the votes allocated to that Lot may be cast only in accordance with the agreement of a majority in interest of the Owners, unless the Declaration expressly provides otherwise. There is majority agreement if any one of the multiple Owners casts the votes allocated to that Lot without protest being made promptly to the person presiding over the meeting by any of the other Owners of the Lot.

(b) Votes allocated to a Lot may be cast pursuant to a proxy duly executed by a Lot Owner. If a Lot is owned by more than one person, a duly executed proxy by any Owner of the Lot shall be sufficient to cast the vote for that Lot, unless a multiple Owner protests such proxy prior to its use. 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. A Lot Owner may not revoke a proxy given pursuant to this section except by actual notice of revocation to the person presiding over a meeting of the Association. 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.

(c) A Member may appoint a proxy by transmitting or authorizing the transmission of a telegram, teletype, or other electronic transmission providing a written statement of the appointment to the proxy, to a proxy solicitor, proxy support service organization, or other person

duly authorized by the proxy to receive appointments as agent for the proxy or to the Association; except that the transmitted appointment shall set forth or be transmitted with written evidence from which it can be determined that the Member transmitted or authorized the transmission of the appointment.

(d) An appointment of a proxy is revocable by the Member.

(e) Appointment of a proxy is revoked by the person appointing the proxy:

(i) Attending any meeting and voting in person; or

(ii) Signing and delivering to the secretary or other officer or agent authorized to tabulate proxy votes either a written statement that the appointment of the proxy is revoked or a subsequent appointment form.

3.8. Majority of Members. As used in these Bylaws, the term "majority of Members" shall mean Owners of fifty-one percent (51%) in the Association, present at a meeting containing a quorum. Unless otherwise provided herein, an affirmative vote of a majority of the Members present, in person or by proxy, shall be required to transact the business of the meeting and shall be valid and binding upon all Members; in the event of a tie, the matter shall be revoted at that meeting, and if the tie remains, a subsequent meeting may be called for a further vote.

3.9. Order of Business. The order of business at all meetings of the Members shall be as determined by the Board.

ARTICLE IV

BOARD OF DIRECTORS: SELECTION, TERM OF OFFICE

4.1. Number. The property, business and affairs of the Association shall be managed by a Board of Directors. The initial Board of Directors shall be composed of three (3) directors, who shall be appointed by the Declarant. Notwithstanding any contrary provision of these Bylaws or the Association's Declaration or Articles of Incorporation, the Declarant may, during the Period of Declarant Control, appoint or remove any officer of the Association or any Member of the Board of Directors of the Association. Following the relinquishment of control by Declarant, the Owners shall elect seven (7) Directors to the Board. At each annual meeting after the Declarant relinquishes control, the number of directors and their terms of office may be increased or decreased by an affirmative vote of a majority of Members at any annual meeting, but such changes shall not be effective until the next annual meeting.

4.2. Term of Office.

(a) At the first annual meeting after the relinquishment of control by Declarant, the Members shall elect the directors to one-year terms, and at each annual meeting thereafter, the Members shall elect the same number of directors as there are directors whose terms are then expiring, for terms of one year. The term of any director filling a vacancy expires at the end of the unexpired term that such director is filling. Vacancies shall be filled as provided by C.R.S., 7-128-120 of the Nonprofit Act.

(b) Despite the expiration of a director's term, a director continues to serve until the director's successor is elected, appointed, or designated and qualifies, or until there is a decrease in the number of directors.

(c) A director whose term has ended may deliver to the secretary of state for filing a statement to that effect pursuant to section C.R.S., 17-136-108.

4.3. Resignation. Any Director may resign at any time by giving written notice of such resignation to the President or the Secretary. Unless otherwise specified in such written notice, such resignation shall take effect upon receipt thereof by such officer. In the event of death or resignation of a director, his successor shall be selected by a majority of the remaining directors and shall serve for the unexpired term of his predecessor.

4.4. Removal.

(a) Notwithstanding any provisions of the Declarant or Bylaws to the contrary, the Owners, by a vote of sixty-seven percent (67%) of all persons present and entitled to vote at a meeting of the Owners at which a quorum is present, may remove any member of the Board with or without cause, other than a member appointed by the Declarant.

(b) Directors elected by voting Members or directors may be removed as follows:

(i) The voting Members may remove one or more directors elected by them with or without cause.

(ii) Subject to C.R.S. 7-127-208(3), a director may be removed only if the number of votes cast to remove the director would be sufficient to elect the director at a meeting to elect directors.

(iii) A director elected by voting Members may be removed by the voting Members only at a meeting called for the purpose of removing that director, and the meeting notice shall state that the purpose, or one of the purposes, of the meeting is removal of the director.

(iv) An entire Board of Directors may be removed under paragraphs (i) to (iii) above.

(v) A director elected by the Board of Directors may be removed with or without cause by the vote of a majority of the directors then in office or such greater number as is set forth in the bylaws; except that a director elected by the Board of Directors to fill the vacancy of a director elected by the voting Members may be removed without cause by the voting Members, but not the Board of Directors.

(c) A director who is removed pursuant to the Bylaws may deliver to the secretary of state for filing a statement to that effect pursuant to C.R.S. 7-136-108.

(d) An appointed director may be removed without cause by the person appointing the director. The person removing the director shall do so by giving written notice of the removal to the director and to the Association. A removal is effective when the notice is received by both the director to be removed and the Association unless the notice specifies a future effective date.

(e) If, at the beginning of a director's term on the board, any rules adopted by the Board pursuant to the Bylaws provide that a director may be deemed to have resigned for failing to attend a specified number of board meetings, or for failing to meet other specified obligations of directors, and if such failure to attend or meet obligations is confirmed by an affirmative vote of the Board of Directors, than such failure to attend or meet obligations shall be effective as a resignation at the time of such vote of the board.

4.5. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

4.6. Action Taken Without a Meeting. The directors shall have the right 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 and complies with C.R.S. 7-128-202. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V NOMINATION AND ELECTION OF DIRECTORS

5.1. Nomination. After the relinquishment of control by the Declarant, nomination for election to the Board of Directors may be made by a Nominating Committee and nomination may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a Member of the Board of Directors, and two 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.

5.2. Election. After the relinquishment of control by the Declarant, election to the Board of Directors shall be by secret written ballot. 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. Directors shall thereafter be elected at the Association's annual meeting. In an election of multiple directors, that number of candidates equaling the number of directors to be elected, having the highest number of votes cast in favor of their election, are elected to the Board of Directors. When only one director is being voted upon, the affirmative vote of a majority of the Members constituting a quorum at the meeting at which the election occurs shall be required for election to the Board of Directors.

ARTICLE VI
MEETINGS OF DIRECTORS

6.1. Regular Meetings. Regular meetings of the Board of Directors shall be held with such frequency and at such times and places as shall be determined by a majority of the directors. Notice of regular meetings of the Board of Directors shall be given to each director personally or by mail, telephone or telegraph, at least seven (7) days prior to the day named for such meeting.

6.2. Organizational Meeting. The first meeting of a newly elected Board of Directors following the annual meeting of the Members shall be held within ten (10) days thereafter at such place as shall be fixed by the directors at the meeting at which such directors were elected and no notice shall be necessary to the newly elected directors in order to legally constitute such meeting, providing a majority of the whole Board shall be present.

6.3. Special Meetings. Special meetings of the Board of Directors may be called by the President of the Association, or by any two or more directors.

6.4. Notice of Meetings.

(a) Unless otherwise provided in articles 121 to 137 of the Act or in these Bylaws, regular meetings of the Board of Directors may be held without notice of the date, time, place, or purpose of the meeting. Any meeting may be held as allowed by C.R.S. 7-128-201.

(b) Unless the bylaws provide for a longer or shorter period, special meetings of the Board of Directors shall be preceded by at least three days' notice of the date, time, and place of the meeting. The notice need not describe the purpose of the special meeting unless otherwise required by articles 121 to 137 of the Act or these Bylaws.

6.5 Waiver of Notice.

(a) A director may waive any notice of a meeting before or after the time and date of the meeting stated in the notice. Except as provided by paragraph (b) below, the waiver shall be in writing and signed by the director entitled to the notice. Such waiver shall be delivered to the Association for filing with the corporate records, but such delivery and filing shall not be conditions of the effectiveness of the waiver.

(b) A director's attendance at or participation in a meeting waives any required notice to that director of the meeting unless:

(i) At the beginning of the meeting or promptly upon the director's later arrival, the director objects to holding the meeting or transacting business at the meeting because of lack of notice or defective notice and does not thereafter vote for or assent to action taken at the meeting; or

(ii) If special notice was required of a particular purpose pursuant to C.R.S. 7-128-203(2), the director objects to transacting business with respect to the purpose for which such

special notice was required and does not thereafter vote for or assent to action taken at the meeting with respect to such purpose.

6.6. Quorum.

(a) At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board, there is less than a quorum present, those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

(b) For purposes of determining a quorum with respect to a particular proposal, and for purposes of casting a vote for or against a particular proposal, a director may be deemed to be present at a meeting and to vote if the director has granted a signed written proxy to another director who is present at the meeting, authorizing the other director to cast the vote that is directed to be cast by the written proxy with respect to the particular proposal that is described with reasonable specificity in the proxy. Except as provided in this paragraph and as permitted by C.R.S. 7-128-202, directors may not vote or otherwise act by proxy.

(c) A director who is present at a meeting of the Board of Directors when corporate action is taken is deemed to have assented to all action taken at the meeting unless:

(i) The director objects at the beginning of the meeting, or promptly upon the director's arrival, to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to any action taken at the meeting;

(ii) The director contemporaneously requests that the director's dissent or abstention as to any specific action taken be entered in the minutes of the meeting; or

(iii) The director causes written notice of the director's dissent or abstention as to any specific action to be received by the presiding officer of the meeting before adjournment of the meeting or by the Association promptly after adjournment of the meeting. The right of dissent or abstention pursuant to this paragraph as to a specific action is not available to a director who votes in favor of the action taken.

ARTICLE VII
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

7.1. Powers. The Board of Directors shall have power to:

(a) exercise all powers granted by the Nonprofit Act or other law or statutes allowed to board of corporations;

(b) adopt and publish rules and regulations and to establish penalties for the infraction thereof. A rule or regulation shall not be in conflict with the Declaration or these Bylaws. A copy of such rules and regulations may be delivered by hand to each Lot or mailed to each Member upon the adoption thereof or may be recorded in the real property records of El Paso County;

(c) suspend any Member's right to vote and the right to receive Association services and privileges and the use of any recreational facilities during any period in which such Member shall be in default under the Declaration, including, without limitation, the non-payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing for each infraction of published rules and regulations;

(d) exercise for the Association all powers, duties and authority vested in or delegated to the Board or the Association and not reserved to the Membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration, and as are necessary for the administration of the affairs of the Association and for the operation and maintenance of the Project. One specific purpose of the Association shall be to operate, maintain and enforce, to the extent applicable, all the requirements of that Replacement Plan as set forth in Article 14 of the Declaration. The responsibility to operate, maintain and enforce the Replacement Plan cannot be abrogated by the Association. The obligations of the Association regarding the operation of, and compliance with, the Colorado Determination of Water Rights may not be altered except by Order of the court, which may amend, modify or change such provisions by judicial order;

(e) incur such costs and expenses as may be necessary to perform the Association's duties under the Declaration and to keep in good order, condition and repair all of the Association Properties and facilities and all items of common personal property;

(f) declare the office of a director of the Board of Directors to be vacant in the event such director shall be absent from three (3) consecutive regular meetings of the Board of Directors;

(g) make such distributions as authorized by the Nonprofit Act and the Declaration;

(h) appoint plans of merger or dissolution as permitted by the Nonprofit Act;

(i) except as provided in the Declaration and Articles, authorize sale of property under C.R.S., §§7-132-101 and 102;

(j) employ a property manager, an independent contractor or such other employees as they deem necessary, and to prescribe their duties; and

(k) 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 statement is requested in writing by one-fifth (1/5) of the Members who are entitled to vote;

(l) provide such supervision of all officers, agents and employees of this Association as the Board deems reasonably necessary and appropriate;

(m) as more fully provided in 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; such annual assessment may be collected on a monthly basis;

(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) foreclose the lien against any property for which assessments are not paid within a time set by the Board after due date or to bring an action at law against the owner personally obligated to pay the same, or both.

(iv) issue, or to cause an appropriate officer to issue 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;

(n) procure and maintain adequate liability and hazard insurance on the property owned by the Association, insure and keep insured all of the insurable common property or facilities and procure and maintain all other insurance required by the Declaration or deemed advisable by the Board of Directors;

(o) cause all officers or employees having fiscal responsibilities to furnish adequate fidelity insurance or bonds as required by the Declaration. The premiums on such insurance or bonds shall be a common expense as may be deemed appropriate by the Board;

(p) fulfill all obligations of the Board under the Declaration and to make repairs, additions, alterations and improvements in the manner consistent with the Declaration;

(q) establish a bank account or accounts for the common treasury and for all separate funds which are required or may be deemed advisable and to keep and maintain full and accurate books and records showing all of the receipts, expenses or disbursements and to permit examination thereof at any reasonable time by each of the Lot Owners, and to cause an annual accounting for association funds and a financial statement to be prepared and presented to the Association by the managing agent, a public accountant, or a certified public accountant. All persons or Managing Agent shall maintain all funds and accounts of the Association separate from the funds and accounts of other associations managed by the other persons or Managing Agent and shall maintain all reserve accounts of each association so managed separate from operational accounts of such Association.

7.2. Duties. It shall be the duty of the Board of Directors to exercise reasonable business judgment in the performance of its duties, subject to the provisions and protections of the Declaration and Colorado law and statute.

7.3 No Waiver of Rights. The omission or failure of the Association or any Member to enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations or other provisions of the Declaration, the Bylaws or rules and regulations adopted pursuant thereto, shall not constitute or be deemed a waiver, modification or release thereof, and the Board of Directors, the Association or any Member shall have the right to enforce the same thereafter.

ARTICLE VIII OFFICERS AND THEIR DUTIES

8.1. Enumeration of Offices. The officers of the Association shall be a President and a Vice-President, both of whom shall at all times be Members of the Board of Directors, and a Secretary and a Treasurer, and such other officers as the Board of Directors shall, from time to time, elect. The office of Treasurer and Secretary may be held by the same person. The offices of Secretary and Treasurer need not be held by Members of the Board of Directors. An officer shall be a natural person who is eighteen years of age or older.

8.2. Election of Officers. The initial officers shall serve until the Period of Declarant relinquishes control; thereafter, the election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

8.3. Term. Each officer of the Association shall be elected annually by the Board and each shall hold office for one (1) year, unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

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.

8.5. Resignation and Removal.

(a) Any officer may be removed from office with or without cause by the Board.

(b) An officer may resign at any time by giving written notice of resignation to the Association. A resignation of an officer is effective when the notice is received by the Association unless the notice specifies a later effective date. If a resignation is made effective at a later date, the Board of Directors may permit the officer to remain in office until the effective date and may fill the pending vacancy before the effective date with the provision that the successor does not take office until the effective date, or the Board of Directors may remove the officer at any time before the effective date and may fill the resulting vacancy.

(c) An officer who resigns or is removed or whose appointment has expired may deliver to the secretary of state for filing a statement to that effect pursuant to C.R.S. 7-136-108.

8.6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

8.7. Duties. The duties of the officers are as follows:

(a) The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign on behalf of the Association all leases, mortgages, deed and other written instruments and shall co-sign all checks and promissory notes, unless the Board directs otherwise. Further, he shall have all of the general powers and duties which are usually vested in the office of president of a corporation, including, but not limited to, the power to appoint committees from among the owners from time to time as he may, in his discretion, decide is appropriate to assist in the conduct of the affairs of the Association or as may be established by the Board or by the Members of the Association at any regular or special meetings.

(b) The Vice-President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of any meetings of the Board 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.

(d) Except to the extent performed by any managing agent, the Treasurer shall receive and deposit in appropriate governmentally insured accounts all moneys of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall co-sign all checks and promissory notes of the Association unless the Board directs otherwise; keep proper books of account; cause an annual accounting to be made as set forth above; 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. In the event a managing agent has the responsibility of collecting and disbursing funds, the Treasurer shall review the accounts of the managing agent not less often than once each calendar quarter, provided however, all checks shall require two signatures, either the managing agent and one officer or two officers.

(e) The President and the Secretary may prepare, execute, certify and record amendments to the Declaration on behalf of the Association following their adoption as provided therein.

ARTICLE IX NON LIABILITY OF OFFICERS AND DIRECTORS

In addition to the provisions of the Declaration, Articles of Incorporation, and any laws and statutes, the following shall apply:

9.1 Contracts. Contracts or other commitments made by the Board of Directors or officers shall be made as agent for the Association, and they shall have no personal responsibility on any such contract or commitment.

9.2 Indemnification of Officers and Directors. Each Officer and Director of the Corporation, now or hereinafter serving in any such capacity, shall be indemnified by the Corporation against any and all claims and liabilities to which he or she has or shall become subject by reason of serving or having served in any such capacity, or by reason of any action alleged to have been taken, omitted, or neglected by him or her in any such capacity, to the fullest extent allowable by law and statute, including without limitation, the Colorado Revised Nonprofit Corporation Act. The right of indemnification herein provided shall not be exclusive of any rights to which any Director or Officer of the Corporation may otherwise be entitled by law or statute, provided however, this indemnification shall not reduce or impair any insurance coverage. No Director or Officer shall be personally liable to the Corporation or its Members except as otherwise provided by the Nonprofit Act. Directors and officers shall not be liable and shall be indemnified by the Association to the fullest extent allowed by the Declaration, Articles of Incorporation and these Bylaws and by law and statutes, including without limitation, C.R.S. 7-129-101 through 107.

9.3 Non-liability. The directors, officers, employees and Members of the Association are not, as such, personally liable for the acts, debts, or obligations of the Association.

9.4 Standards. Except as may be allowed by the Declaration and the Nonprofit Act, directors and officers shall comply with the standards set forth in C.R.S. 7-128-401 and 7-128-501 and shall be indemnified as provided therein.

ARTICLE X COMMITTEES

The Board of Directors may appoint such committees as deemed appropriate in carrying out its purpose, including, without limitation, an architectural control committee or other committees pursuant to C.R.S. 7-128-206 of the Nonprofit Act or to appoint itself as any committee under the Declaration or the Nonprofit Act, and to adopt rules, if any, for procedures and appeals from committees to the Board.

ARTICLE XI BOOKS AND RECORDS

The Association shall make available to Owners and Mortgagees, current copies of the Declaration, Bylaws, other rules concerning the Project, and the books, records and financial statements of the Association. "Available" means available for inspection, upon request, during normal business hours or under other reasonable circumstances. In addition, the Association shall comply with the Nonprofit Act including without limitation C.R.S. 7-136-101 through 106.

ARTICLE XII ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If any assessment is not paid when due, the Association may impose an administrative fee not to exceed a sum set forth in the rules and regulations.

ARTICLE XIII
CORPORATE SEAL

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

ARTICLE XIV
AMENDMENTS

The Association's Articles of Incorporation or these Bylaws, or both, may be amended, either by the Board of Directors or by the Members at a regular or special meeting, with a quorum present, by a vote of at least a majority (51%) of the Members voting (one vote per Lot) who are present in person or by proxy, provided however, notwithstanding the foregoing, the Declarant reserves the right, until control by the Declarant is relinquished but without the vote of the Owners, to make amendments to the Association's Articles of Incorporation or these Bylaws, or both, as may be permitted by the Declaration or may be necessary to correct typographical errors or make clarifications in these Bylaws or as may be approved in writing by Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Housing Administration or Veterans Administration so as to induce any of such organizations to make, purchase, sell, issue, or guarantee First Mortgages in the Project, and each Owner, by accepting a deed, mortgage or other instrument affecting a Lot appoints Declarant as his attorney-in-fact for purposes of executing in said Owner's name and recording any such amendments to these Bylaws, the Articles of Incorporation and the Declaration, and each deed, mortgage, trust deed, other evidence of obligation or other instrument affecting a Lot and the acceptance thereof shall be deemed to be a grant and acknowledgment of and a consent to the reservation of the power to the Declarant to make, execute and record any such amendments.

ARTICLE XV
MISCELLANEOUS

15.1 Fiscal Year. Unless the Board otherwise determines, 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.

15.2 Conflict of Documents. 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.

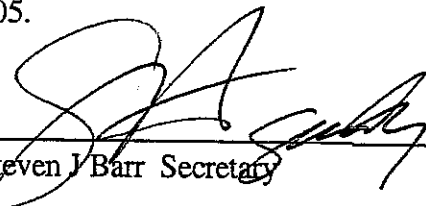
CERTIFICATION

I, Steven J. Barr, Secretary, the undersigned, do hereby certify:

That I am the duly elected and acting secretary of **VILLAGE CENTER ESTATES HOMEOWNERS ASSOCIATION, INC.**, a Colorado non-profit corporation, and,

That the foregoing Bylaws constitute the original By Laws of said Corporation, as duly adopted at a meeting of the Board of Directors thereof, held on the 14th day of October, 2005.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 14th day of October 2005.



Steven J Barr Secretary