

BYLAWS
OF
MOUNTAINEER SQUARE CONDOMINIUM ASSOCIATION

The name of the corporation shall be Mountaineer Square Condominium Association, a Colorado nonprofit corporation (the "Association").

ARTICLE 1 PURPOSES, ASSENT OF MEMBERS, AND DEFINITIONS

Section 1.1 Purposes. The specific purposes for which the Association is formed are (i) to provide for the maintenance, preservation and control of the mixed-use Project (hereinafter, "Mountaineer Square") located on real property situated in the County of Gunnison, State of Colorado, as more fully described in Exhibit A of the Declaration of Condominium for Mountaineer Square, filed for record with the Clerk and Recorder of Gunnison County, Colorado, as amended or supplemented from time to time (the "Declaration"), (ii) to serve the legitimate interests of the Owners of each of the Units (as defined in the Declaration), and (iii) to promote the general health, safety and welfare of the Owners, residents, and occupants of Mountaineer Square.

Section 1.2 Assent. All present or future Owners, tenants, future tenants, or any other persons using the facilities of Mountaineer Square in any manner are subject to these Bylaws and any rules adopted by the Executive Board pursuant to these Bylaws. The mere acquisition or rental of any of the Units within Mountaineer Square or the mere act of occupancy of any of those Units shall constitute an acceptance and ratification of these Bylaws and an agreement to comply with said rules.

Section 1.3 Definitions. Unless otherwise specified, capitalized terms used in these Bylaws shall have the same meanings in these Bylaws as such terms have in the Declaration.

ARTICLE 2 MEMBERSHIP

Section 2.1 Membership. Every Owner shall be a member of the Association for the period of the Owner's ownership of the Unit. No Owner, whether one or more persons, shall have more than one membership per Unit owned, as applicable. Membership in the Association shall be appurtenant to, and may not be separated from, ownership of a Unit.

Section 2.2 Representation on Executive Board. If title to a Unit is held by a firm, corporation, partnership, association, or other legal entity or any combination thereof, or if any entity shall have title to more than one Unit, then that entity may appoint, by a writing furnished to the Association, a delegate to represent each such Unit as a candidate for, and if elected, as a member of, the Executive Board in the manner described below. Such delegate shall not vote as a member of the Association unless such person shall be appointed by a proxy executed in conformance with Sections 3.6 and 3.7 of these Bylaws to cast the voting interest of the Unit which the delegate represents.

Section 2.3 Responsibilities of Members. Any person, including Declarant, on becoming an Owner of a Unit, shall automatically become a member of the Association and be subject to these Bylaws. Such membership shall terminate without any formal Association action whenever such person ceases to own a Unit, but such termination shall not relieve or release any such former Owner from any liability or obligation incurred under, or in any way connected with, the Association during the period of such ownership, or impair any rights or remedies which the Executive Board of the Association or others may have against such former Owner arising out of ownership of the Unit and membership in the Association and the covenants and obligations incident thereto.

Section 2.4 Membership. There shall be four (4) Categories of membership in the Association as follows:

2.4.1 Residential Owners. All Owners of Residential Units including the Declarant so long as Declarant continues to own an interest in a Residential Unit.

2.4.2 Commercial Owners. All Owners of the Commercial Units including the Declarant so long as Declarant continues to own an interest in a Commercial Unit.

2.4.3 Conference Facility Owners. All Owners of Conference Facility Units including the Declarant so long as Declarant continues to own an interest in a Conference Facility Unit.

2.4.4 Parking Owners. All Owners of the Parking Units including the Declarant so long as Declarant continues to own an interest in a Parking Unit.

Section 2.5 Voting Rights. Each Category of Units within the Association is allocated voting rights on Association matters as provided in the Declaration.

ARTICLE 3 MEETINGS OF MEMBERS

Section 3.1 Place of Meeting. Meetings of the Association members shall be held at such place within Gunnison County, Colorado, as the Executive Board may determine.

Section 3.2 Annual Meeting. The first annual meeting of the Association members shall be held within one year after the date of the adoption of these Bylaws. Thereafter, the annual meetings of the Association members shall be held on a date and at a time selected by the Executive Board in each succeeding year. The purpose of the annual meetings is for the election of Directors and the transaction of such other business of the Association as may properly come before the meeting.

Section 3.3 Special Meetings. Special meetings of the Association members may be called, unless otherwise provided by law, by the President, a majority of the Executive Board, or twenty percent (20%) of all Owners.

Section 3.4 Notice of Meetings. Written notice given in accordance with Section 6.6 of the Declaration to the members and stating the place, day, and hour of each meeting, and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered and effective not less than ten (10) nor more than fifty (50) days before the date of the meeting, by or at the direction of the President or the persons calling the meeting as provided under these Bylaws, to the registered address for notice (as provided in the Declaration) of each Unit entitled to be represented by a vote at such meeting. In addition, the notice of any meeting shall be physically posted in a conspicuous place in Mountaineer Square.

Section 3.5 Adjourned Meetings. If any meeting of Association members cannot be organized because a quorum, as defined below in Section 3.8, has not attended, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is obtained.

Section 3.6 Proxies. Votes may be cast in person or by proxy, but no proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in the proxy. Proxies shall be filed with the Executive Board of the Association at or before the appointed time of each meeting. The Executive Board shall have the power and authority to approve the form of proxy used and, at minimum, such form shall include the following: (i) identification of the Unit to which the proxy

relates; (ii) the name of the holder of the proxy (which must be only one individual); (iii) the scope of the power granted by the proxy; (iv) the duration of the power conveyed by the proxy; and (v) the signature of all Owners of record of the Unit. The Association is entitled to reject a vote, consent, written ballot, waiver, proxy appointment, or proxy appointment revocation if the secretary or other officer or agent authorized to tabulate votes, acting in good faith, has reasonable basis for doubt about the validity of the signature on it or about the signatory's authority to sign for the Owner. The Association and its officer or agent who accepts or rejects a vote, consent, written ballot, waiver, proxy appointment, or proxy appointment revocation in good faith and in accordance with the standards of this section are not liable in damages for the consequences of the acceptance or rejection. Any action of the Association based on the acceptance or rejection of a vote, consent, written ballot, waiver, proxy appointment, or proxy appointment revocation under this Section is valid unless a court of competent jurisdiction determines otherwise.

Section 3.7 Designation of Voting Representative—Proxy. If title to a Unit is held by more than one individual, by a firm, corporation, partnership, association, or other legal entity, or any combination thereof, a proxy may be executed and filed with the Association in accordance with Section 3.6 of these Bylaws appointing and authorizing one person or alternate persons to attend all annual and special meetings of the Association members and to cast the vote allocated to that Unit. In the absence of a proxy, the vote allocated to the Unit shall be suspended in the event more than one person or entity seeks to exercise the right to vote on any one matter. In the event that a vote is cast by a member on behalf of such member's Unit without objection at the meeting at which such vote is cast by any other Owner of such Unit, then such person shall be deemed for all purposes under the Declaration and these Bylaws to be the duly and validly appointed representative for all Owners of the Unit, the Association and the Executive Board shall be entitled to rely on the authority of such Owner to vote with respect to the Unit, and the vote cast by such person shall be the validly cast vote of all of the Owners of such Unit and shall bind such other Owners.

Section 3.8 Quorum and Voting. Except as otherwise provided in these Bylaws, the presence in person or by proxy of the Association members possessing twenty percent (20%) of all votes entitled to be cast at a meeting of all members shall constitute a quorum, and such members present in person or by proxy shall constitute the members entitled to vote upon any issue presented at a meeting at which a quorum is present. A majority of votes entitled to be cast by such members present in person or by proxy shall be sufficient to make decisions binding on the Owners, unless a different number or method of voting is expressly required by statute or by the Declaration, the articles of incorporation of the Association, or these Bylaws. At any meeting of all of the members of the Association at which a quorum is present, a quorum shall be deemed to exist throughout such meeting until it is adjourned.

Section 3.9 Action by Written Consent; Action By Ballot. Any action required or permitted by the Declaration, these Bylaws or the articles of incorporation of the Association, or by applicable law, to be approved by the Owners may be approved without a meeting of Owners if the action is approved by written consent of all Owners. Any action that may be taken at any annual, regular, or special meeting of Owners may be taken without a meeting if the Association delivers a written ballot to every Owner entitled to vote on the matter and the matter is approved in conformance with the provisions of Section 7-127-109 of the Colorado Revised Statutes.

Section 3.10 Attendance by Telephone. Any or all Owners may participate in a meeting of the Owners by means of a conference telephone or similar communications equipment through which all persons participating in the meeting can hear each other at the same time. Such participation shall constitute presence in person at the meeting.

ARTICLE 4 EXECUTIVE BOARD

Section 4.1 Number and Qualification. During the Declarant Control Period, the Directors shall be appointed by the Declarant without regard to the Categories of Directors or the election thereof by certain Categories of members as described in this Section below. The initial Executive Board shall consist of three (3) Directors. The Directors elected by the Owners or appointed by Declarant during the Declarant Control Period shall not be classified by Category. Any Director who is required to be elected by Owners other than Declarant during the Declarant Control Period shall be elected at large by all Owners. It is hereby determined that, after the expiration of the Declarant Control Period, in order to protect the valid interests of the various Categories of Owners, each Category requires representation on the Executive Board and is hereby entitled to elect certain Directors thereto. After the expiration of the Declarant Control Period, the Executive Board shall consist of seven (7) Directors, of which the Category of Residential Owners shall be entitled to nominate and elect two (2) Directors, the Category of Commercial Owners shall be entitled to nominate and elect two (2) Directors, the Category of Conference Facility Owners shall be entitled to nominate and elect two (2) Directors, and the Category of Parking Owners shall be entitled to nominate and elect one (1) Director. Only members of a Category shall be entitled to cast a vote with respect to the election of the Director(s) to represent such Category, and the nominee(s) receiving the highest number of votes cast by members of the applicable Category present in person or by proxy at a meeting of the Members at which a quorum is present shall be elected.

Section 4.2 Declarant Control. Notwithstanding anything to the contrary provided for in the Declaration or these Bylaws, Declarant shall be entitled to appoint and remove the members of the Association's Executive Board and officers of the Association until the earlier of: (i) sixty (60) days after conveyance by Declarant of seventy-five percent (75%) of the total number of Units, including all Units permitted to be located in the Expansion Property and the Development Property, to Owners, (ii) two (2) years after the last conveyance of a Unit by Declarant in the ordinary course of business, (iii) two (2) years after any right to add new Units was last exercised, or (iv) the date on which Declarant voluntarily relinquishes such power, evidenced by a notice recorded in the Office of the Clerk and Recorder for Gunnison County, Colorado (the "Declarant Control Period"). If Declarant voluntarily relinquishes such power as evidenced by a notice executed by Declarant and recorded in the Office of the Clerk and Recorder of Gunnison County, Colorado, Declarant may at its option require that specified actions of the Association or the Executive Board as described in the recorded notice, during the period Declarant would otherwise be entitled to appoint and remove Directors and officers, be approved by Declarant before they become effective.

Section 4.3 Terms of Office of Initial Board. The terms of office of the Executive Board initially appointed by Declarant shall be set by Declarant (subject to the provisions of termination under Section 4.2).

Section 4.4 Terms of Office of Subsequent Boards. Every Director elected to replace the members of the Executive Board appointed by Declarant during the Declarant Control Period shall serve a term of from one (1) to three (3) years, so that the term of one-third (1/3) (or as close thereto as possible) of the Directors shall expire each year. Elections of Directors shall be conducted as provided in Section 4.5 below. The Directors shall hold office until their successors have been elected and qualified.

Section 4.5 Board Elections. Upon the events listed in Section 4.2 above requiring that the members of the Executive Board be elected by the Owners other than Declarant, a special meeting of the Association shall be called to hold elections for persons to replace such resigning members of the Executive Board. Votes for contested positions on the Executive Board shall be taken by secret ballot and, at the discretion of the Executive Board or upon the request of 20% of the Owners who are present at the meeting in person or by proxy, a vote on any other matter affecting the Association on which all

Owners are entitled to vote shall be by secret ballot. Ballots shall be counted by a neutral third party or by a committee of volunteers who are Owners selected or appointed at an open meeting, in a fair manner by the President or other officer presiding at such meeting. The volunteers shall not be members of the Executive Board, and, in the case of a contested election for a board position, shall not be candidates. The results of the vote shall be reported without reference to names, addresses, or other identifying information of Owners, participating in such vote.

Nominations of candidates for the Executive Board may be made by any members of the Association (including persons who are then members of the Executive Board). The candidate receiving the largest percentage of all votes of members present in person or represented by proxy at the meeting shall be elected. Cumulative voting shall not be allowed.

The Directors shall hold office until their successors have been elected and qualified. Nominations of candidates for the Executive Board may be made by any member of the Association (including persons who are then members of the Executive Board). The candidate receiving the largest percentage of all votes of members present in person or represented by proxy at the meeting shall be elected. Cumulative voting is prohibited.

Section 4.6 Removal of Directors. At any regular or special meeting of the Association duly called at which a quorum exists, any one or more of the Directors may be removed with or without cause by a vote of sixty-seven percent (67%) of the votes of such members present and entitled to be cast at such meeting who are entitled to cast votes for the election of such Director; provided, however, that any Director elected or appointed by the Declarant may be removed only by the Declarant. Successors may then and there be elected by such members to fill the vacancies thus created.

Any Director whose removal has been proposed shall be given an opportunity to be heard at the meeting. The Executive Board shall designate by resolution or motion when such regular or special meeting shall be held after such meeting is properly set or called in accordance with these Bylaws and Colorado law.

Section 4.7 Vacancies. Any vacancy occurring in the Directors, other than as provided in Section 4.6 above, may be filled by the affirmative vote of a majority of the remaining Directors, though less than a quorum of the Executive Board.

Section 4.8 Quorum of Directors. A majority of the number of Directors fixed from time to time by these Bylaws shall constitute a quorum for the transaction of business. Provided a quorum is present when a vote is taken, the affirmative vote of a majority of Directors present and voting on the matter is the act of the Executive Board unless the vote of a greater number of Directors is required by Articles 121 to 137 of Title 7 of the Colorado Revised Statutes. At any meeting of the Executive Board at which a quorum is present, a quorum shall be deemed to exist throughout such meeting until it is adjourned. 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 Section 4.8 and as permitted by Section 7-128-202 of the Colorado Revised Statutes, Directors may not vote or otherwise act by proxy.

Section 4.9 Place and Notice of Directors' Meetings. Any regular or special meetings of the Executive Board may be held at such place within or without the State of Colorado and upon such notice as the Board may prescribe. Attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except when 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. Before, at, or after any meeting of the Executive Board, any member of the Executive Board may, in writing, waive notice of such meeting, and such waiver shall be deemed equivalent to the giving of such notice. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Executive Board need be specified in the waiver of notice of such meeting. The Executive Board 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 members of the Executive Board. Any action so approved shall have the same effect as though taken at a meeting of the Executive Board.

The Executive Board may participate in a meeting by means of a conference telephone or similar communications equipment by which all persons participating in the meeting can hear each other at the same time. Such participation shall constitute presence in person at the meeting.

Section 4.10 Powers and Duties. The Executive Board shall have the powers and duties necessary for the administration of the affairs of the Association. The Executive Board may do all such acts and things which are not specifically required to be done by the members of the Association by law, the Declaration, the articles of incorporation of the Association, or these Bylaws.

Section 4.11 Other Powers and Duties. Without limiting the generality of the powers and duties set forth in Section 4.10 of these Bylaws, the Executive Board shall be empowered and shall have the powers and duties as follows:

4.11.1 To administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations, and all other provisions, and to perform the functions of the Association, set forth in the Declaration.

4.11.2 To adopt and amend from time to time administrative rules and regulations governing the use and operation of the Common Elements as provided in the Declaration.

4.11.3 To keep in good order, condition, and repair all the Common Elements and all items of personal property, if any, used in the enjoyment of Mountaineer Square in accordance with the terms of the Declaration. No approval of the Owners is required for expenditures for these purposes.

4.11.4 To designate and remove personnel necessary for the operation, maintenance, repair, and replacement of the Common Elements in accordance with the terms of the Declaration.

4.11.5 In accordance with the terms of the Declaration, to obtain and maintain in effect the insurance coverage specified in the Declaration to the extent that insurance is available from reputable carriers at costs which are not demonstrably unreasonable.

4.11.6 Subject to the budgeting procedures contained in the Declaration, to fix, determine, levy, and collect the prorated annual Assessments to be paid by each of the members toward the gross expenses of Mountaineer Square, and to adjust, decrease, or increase the amount of the Assessments, and to credit any excess of Assessments over expenses and cash reserves to the members against the next succeeding Assessment period.

4.11.7 To levy and collect special Assessments whenever, in the opinion of the Executive Board, it is necessary to do so in order to meet increased operating or maintenance expenses or costs, or additional capital expenses, or because of emergencies, subject to the requirement that all special Assessments shall be based on a budget adopted in accordance with the terms of the Declaration prior to levying a special Assessment.

4.11.8 To collect delinquent Assessments by suit or otherwise and to enjoin or seek damages from an Owner as provided in the Declaration and these Bylaws; to enforce a late charge of fifteen percent (15%) of the amount outstanding or such other charge as the Executive Board may fix by rule from time to time in connection with Assessments remaining unpaid more than fifteen (15) days from due date for payment thereof; and to collect interest on unpaid Assessments in accordance with the Declaration at the Maximum Rate in effect on the date the obligation to pay such interest arises.

4.11.9 To protect and defend Mountaineer Square from loss and damage by suit or otherwise.

4.11.10 To borrow funds in order to pay for any expenditure or outlay required for Mountaineer Square or portion of Mountaineer Square pursuant to the authority granted by the provisions of the Declaration and these Bylaws and to authorize the appropriate officers to execute all such instruments evidencing such indebtedness as the Association may deem necessary; provided, however, that the Association shall not borrow more than \$25,000 or cause the Association to be indebted for more than \$25,000 at any one time without the prior approval of a majority of the votes of the Owners present and entitled to be cast at a meeting of the Owners.

4.11.11 To dedicate, sell, or transfer all or any part of the Common Elements, subject to any applicable requirements of the Act.

4.11.12 To enter into contracts within the scope of their duties and powers, including, without limitation, contracts with any other owners' associations or entities to provide services for the benefit of members and their families, guests, tenants and invitees.

4.11.13 To establish a bank account for the treasury and for all separate funds which are required or may be deemed advisable by the Executive Board. All payments from said account shall be, at minimum, approved by an officer of the Association or by such additional persons as the Board shall from time to time direct.

4.11.14 To keep and maintain full and accurate books and records showing all of the receipts, expenses, or disbursements of the Executive Board and to permit examination thereof by Owners and their mortgagees at convenient weekday business hours.

4.11.15 To prepare and deliver annually to each member a statement showing all receipts, expenses, or disbursements since the last such statement, including depreciation and other tax information.

4.11.16 To provide or cause to be provided education to Owners at no cost on at least an annual basis as to the general operations of the Association and the rights and responsibilities of Owners, the Association and the Executive Board under Colorado law.

4.11.17 In general, to perform all other acts permitted under applicable law, to carry on the administration of the Association and to do all those things necessary and responsible in order to carry out the proper governance and operation of the Association, all in accordance with the Declaration.

Section 4.12 Managing Agent. The Executive Board may employ for the Association a Managing Agent at a compensation established by the Executive Board, to perform such duties and services specified in Section 4.11 above as the Executive Board shall authorize; provided, however, that the Executive Board in delegating such duties shall not be relieved of its responsibility under the Declaration or applicable law.

Section 4.13 Hearing Procedure. The Executive Board will not impose a fine, suspend voting, or suspend any rights of an Association member or other occupant of Mountaineer Square for violations of rules and regulations or of the provisions of the Association unless and until the procedure below is followed:

4.13.1 Demand. Written demand to cease and desist from the alleged violation will be served upon the alleged violator specifying:

4.13.1.1 the alleged violation;

4.13.1.2 the action required to abate the violation; and

4.13.1.3 a time period of not less than 10 days during which the violation may be abated without further sanction, if such violation is a continuing one, or a statement that any additional similar violation may result in the imposition of a sanction after notice and hearing, if the violation is not continuing.

4.13.2 Notice of Hearing. At any time within 12 months of such demand, if the violation continues past the period allowed in the demand for abatement without penalty or if the same rule is subsequently violated, the Executive Board or its delegate will serve the violator with written notice of a hearing to be held by the Executive Board. The notice will contain the following:

4.13.2.1 the nature of the alleged violation;

4.13.2.2 the time and place of the hearing, which time will be not less than 10 days from the giving of the notice;

4.13.2.3 an invitation to attend the hearing and produce any statement, evidence and witness on the Association member's behalf; and

4.13.2.4 the proposed sanction to be imposed.

4.13.3 Hearing. The hearing will be held pursuant to the notice, affording the Association member a reasonable opportunity to be heard. Prior to the effectiveness of any sanction under these Bylaws, proof of notice and the invitation to be heard will be placed in the minutes of the meeting. Such proof will be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, Director or agent who delivered such notice. The notice requirement will be deemed satisfied if the alleged violator appears at the meeting. The minutes of the meeting will contain a written statement of the results of the hearing and the sanction, if any, imposed. Written and oral evidence may be presented. The presenting party will provide copies of any written evidence to the other party or parties. The decision of the Executive Board will be final.

4.13.4 Appeal. The Executive Board may in its discretion appoint a hearing committee ("Hearing Committee") to hear the matter. In such event the above procedure will apply except that either party may appeal the decision of the Hearing Committee to the Executive Board by written notice to the Hearing Committee, the other party (if any) and the Executive Board given within ten (10) days after the hearing. The Executive Board will consider the minutes of the hearing and report the decision of the Executive Board within a reasonable period of time not exceeding 60 days after receipt of the notice. The decision of the Executive Board will be final.

Section 4.14 Directors' Compensation. Directors shall not be paid any compensation for their services performed as such Directors unless a resolution authorizing such remuneration shall have been

adopted by the Association. Each member of the Executive Board may receive reimbursement for reasonable transportation, meals, and lodging expenses for attendance at any regular or special meeting of the Executive Board or for other actual expenses incurred in connection with the performance of his or her duties of office as a member of the Executive Board.

ARTICLE 5 OFFICERS AND THEIR DUTIES

Section 5.1 Enumeration of Officers. The officers of the Association shall be a President, one or more Vice-Presidents, a Secretary, a Treasurer and such other officers as the Executive Board may from time to time by resolution create. The President must be a member of the Executive Board.

Section 5.2 Election of Officers. The election of officers shall take place at the first meeting of the Executive Board and thereafter at the first meeting of the Executive Board following each annual meeting of the members.

Section 5.3 Term. The officers of the Association shall be elected annually by the Executive Board and each shall hold office for one year unless such officer shall sooner resign, or shall be removed or otherwise disqualified to serve.

Section 5.4 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 Executive Board may from time to time determine.

Section 5.5 Resignation and Removal. Any officer may be removed from office with or without cause by the Executive Board. 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.

Section 5.6 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 replaces.

Section 5.7 Multiple Offices. Any two or more offices may be held by the same person, except the offices of President and Secretary.

Section 5.8 Duties. The duties of the officers are as follows:

5.8.1 President. The President shall: preside at all meetings designated for all Association members and the Executive Board; see that orders and resolutions of the Executive Board are carried out; sign all leases, mortgages, deeds, and other written instruments; co-sign all promissory notes; and exercise and discharge such other duties as may be required of the President by the Executive Board.

5.8.2 Vice-President. 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 exercise and discharge such other duties as may be required of the Vice-President by the Executive Board.

5.8.3 Secretary/Assistant Secretary. The Secretary shall: record the votes and keep the minutes of all meetings and proceedings of the members and the Executive Board; keep the corporate stamp or seal of the Association and place it on all papers requiring said stamp or seal; serve notice of meetings of the Executive Board and of the members; keep appropriate current records showing the members of the Association together with their addresses; and exercise and discharge such other duties as

required by the Executive Board. Any Assistant Secretary from time to time created and elected by the Executive Board shall act in the place and stead of the Secretary in the event of his absence, inability, or refusal to act; and exercise and discharge such other duties as may be required of the Secretary by the Executive Board.

5.8.4 Treasurer. The Treasurer shall: receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Executive Board; co-sign all promissory notes of the Association; sign all checks of the Association unless the Executive Board specifically directs otherwise; keep proper books of account; at the direction of the Executive Board, cause an annual audit of the Association books to be made by a certified public accountant at least once in every three fiscal years; prepare an annual budget and a statement of income and expenditures to be presented to the Executive Board for approval, and deliver a copy of each to the members; and exercise and discharge such other duties as required by the Executive Board.

ARTICLE 6 INDEMNIFICATION OF DIRECTORS AND OFFICERS

To the fullest extent permitted by law and consistent with the articles of incorporation of the Association, the Association shall indemnify every Director, officer, employee and agent of the Association and every person who serves at the request of the Association as a manager, director, officer, employee, fiduciary or agent of any other foreign or domestic corporation or of any partnership, joint venture, trust, or other enterprise or employee benefit plan against any liability asserted against or incurred by such person in any such capacity or arising out of that person's capacity as such. The indemnification permitted under this Article shall not extend, in any event, to any act or omission occurring prior to the date of incorporation of the Association.

In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person to be indemnified has not been guilty of such actions or omissions in the performance of such person's duties for the Association. The foregoing rights shall not be exclusive of other rights to which such Director or officer or other person may be entitled. All liability, loss, damage, cost, and expense arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as a Common Expense.

ARTICLE 7 CONFLICT OF INTEREST – EXECUTIVE BOARD

Matters related to questions of conflict of interest by any member of the Executive Board shall be resolved as provided in the Act.

ARTICLE 8 BYLAWS

Section 8.1 Amendments. These Bylaws may be amended by action of the Executive Board at a regular or special meeting of the Executive Board, and, in addition, the Declarant during the Declarant Control Period. No amendment shall serve to shorten the term of any Director, conflict with applicable law or delete any provision which must be contained in these Bylaws under the terms of applicable law, or conflict with the articles of incorporation of the Association or the Declaration.

Section 8.2 Conflict Between Documents. In the case of any conflict between the articles of incorporation of the Association and these Bylaws, the articles shall control; and in the case of any conflict between the Declaration and these Bylaws or the articles of incorporation of the Association, the Declaration shall control.

ARTICLE 9 SERVICES

The Association, whether through the Owners or through a Managing Agent, shall initially provide, among others, the following services relating to the administration and operation of the Association and Mountaineer Square, funded through the related payments outlined below from regular, annual Assessments, which may be amended or supplemented from time to time by the procedures set forth in the Declaration:

- (a) administrative payroll;
- (b) accounting services;
- (c) provision of office supplies;
- (d) provision of maintenance supplies;
- (e) legal services;
- (f) electricity service for the Common Elements, including area lighting;
- (g) payment of reimbursable expenses of the Executive Board;
- (h) maintenance of insurance for Common Elements, and other insurance specified in the Declaration; and
- (i) establishment of reserve fund for maintenance, repair, and replacement of the Common Elements as required by the Declaration.

ARTICLE 10 NONPROFIT CORPORATION

The Association is not organized for profit. No member of the Association, member of the Executive Board, or person from whom the Association may receive any property or funds or shall be lawfully entitled to receive any pecuniary profit from the operations of the Association, and in no event shall any part of the funds or assets of the Association be paid as a dividend, or be distributed to, or inure to the benefit of, any member of the Association or Director. The foregoing, however, shall neither prevent nor restrict the following: (1) reasonable compensation may be paid to any member or Director acting as an agent or employee of the Association for services rendered in effecting one or more of the purposes of the Association, (2) any member or Director may, from time to time, be reimbursed for his or her actual and reasonable expenses incurred in connection with the administration of the affairs of the Association, and (3) the distribution of any proceeds of insurance or from condemnation or the sale of Mountaineer Square as described in the Declaration.

ARTICLE 11 COMMITTEES

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

ARTICLE 12 BOOKS AND RECORDS; STATEMENT OF ACCOUNT

Section 12.1 Inspection. The records of receipts and expenditures of the Executive Board and other books, records and papers of the Association, including the Declaration, the articles of incorporation of the Association, and these Bylaws, as well as any Management Agreement and any rules and regulations of the Association, shall be available for inspection during convenient weekday business

hours by the Owners and their lenders and to holders, insurers or guarantors of first priority liens at the principal office of the Association, where copies may be purchased at reasonable cost. In addition, Association records shall be maintained and made available in accordance with Sections 38-33.3-209.4 and 38-33.3-317 of the Colorado Revised Statutes.

Section 12.2 Statement of Account. Upon fourteen (14) calendar days' prior written notice to the relevant Managing Agent, if any, or to the Executive Board, and payment of a reasonable fee, any Owner shall be furnished a statement of the Owner's account setting forth the amount of any unpaid assessments or other charges due and owing from such Owner, together with such other information available pursuant to the Declaration.

ARTICLE 13 CORPORATE SEAL

The Association may have a seal or stamp in circular form having within its form the words: "Mountaineer Square Condominium Association".

ARTICLE 14 FISCAL YEAR

The fiscal year of the Association shall begin on a date to be determined by action of the Executive Board, except that the first fiscal year shall begin on the date of incorporation.

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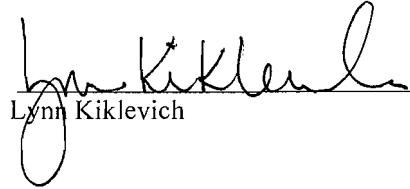
CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of Mountaineer Square Condominium Association, a Colorado nonprofit corporation; and

That the foregoing Bylaws constitute the original Bylaws of that Association, as duly adopted by written action of the Executive Board of that Association, on the 6th day of April, 2007.

Dated: April 10, 2007.



Lynn Kiklevich