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Amendment to the Restated Bylaws of Canterbury Homeowners Association, Inc.  
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This Amendment to the Bylaws of Canterbury Homeowners Association, Inc. (the "Association") is made this 9 day of Feb, 2005 by the Board of Directors.

RECITALS

WHEREAS, the Restated By-Laws of Canterbury Homeowners Association, Inc. were adopted November 10, 1980 and recorded on November 10, 1980 in Book 3373 at Page 386 of the records of the Clerk and Recorder of El Paso County, Colorado (hereinafter called "the Bylaws"), and

WHEREAS, Section 1 of Article XIV of the Bylaws allows the Board of Directors to amend the Bylaws.

NOW, THEREFORE, the Board of Directors amends the Bylaws as follows:

1. Section 1 of Article IV is hereby amended to delete "who need to not be Members of the Association" and replace it with "who shall be Members of the Association; Members of the Association are limited to the record Owners of Lots, as set forth in Section 1, Article III and Section 2, Article I of the Restated Declaration."
2. Section 1 of Article V is hereby amended to delete "or non-Members" from the last sentence.
3. Except as amended hereby, the terms and provisions of the Bylaws shall continue in full force and effect.

IN WITNESS WHEREOF, the Board of Directors has directed the undersigned officers to execute this Amendment on the day and year shown below

Canterbury Homeowners Association, Inc.  
a Colorado nonprofit corporation

By: *CM Gustaf*  
President

Attest:

*Doreen L. Lundahl*  
Secretary

28 (2)

## RESTATED BY-LAWS

OF

## CANTERBURY HOMEOWNERS ASSOCIATION, INC.

The following Restated By-Laws correctly set forth the provisions of the By-Laws, as amended, of Canterbury Homeowners Association, Inc., revoke and supersede the original By-Laws, and were duly adopted pursuant to the Colorado Nonprofit Corporation Act and Article IX of the original By-Laws:

## ARTICLE I

NAME AND LOCATION

The name of the corporation is CANTERBURY HOMEOWNERS ASSOCIATION, hereinafter referred to as the "Association". The principal office of the corporation shall be located at 2993 Broadmoor Valley Road, Colorado Springs, Colorado, but meetings of Members and directors may be held at such places within the State of Colorado as may be designated by the Board of Directors, which shall also be known and referred to sometimes herein as the Board of Managers.

## ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to CANTERBURY HOMEOWNERS ASSOCIATION, INC., a Colorado non-profit corporation, its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of 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 3. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

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Section 4. "Common Area" shall mean all property (including the improvements thereto) owned by the Association for the common use and enjoyment of the Owners as described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map including the Properties with the exception of the Common Area, but together with all appurtenances and improvements now or hereafter thereon.

Section 6. "Declarant" shall mean and refer to Arthur J. Pamas and J. C. Albertson & Co., Inc., a Colorado Corporation, its successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 7. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded or to be recorded in the Office of the Clerk and Recorder of El Paso County, Colorado.

Section 8. "Member" shall mean and refer to every person or entity who holds membership in the Association as provided in the Declaration.

Section 9. "Architectural Control Committee" shall mean the committee of three or more persons appointed by the Declarant or the Lot Owners to review and approve the plans for all improvements constructed on the Properties.

### ARTICLE III

#### MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one year from the date of incorporation of the Association, and each subsequent regular 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.

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 the Members who are

entitled to vote one-fourth (1/4) of all of the votes of the Class A membership.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 30 but not more than 60 days prior to such meeting, to each Member entitled to vote thereat, -addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of 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 the meeting of Members entitled to cast, or of proxies entitled to cast, one-third (1/3) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting, from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

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

Section 6. Majority of Members. As used in these By-Laws, the term "majority of Members" shall mean fifty percent (50%) of the votes cast by the Members present at a meeting containing a quorum. 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.

Section 7. Order of Business. The order of business at all meetings of the Members shall be as follows:

- (a) Roll call and certifying proxies
- (b) Proof of notice of meeting or waiver of notice
- (c) Reading and disposal of unapproved minutes
- (d) Reports of officers
- (e) Reports of committees

- (f) Election of directors
- (g) Unfinished business
- (h) New business
- (i) Adjournment

#### ARTICLE IV

##### BOARD OF DIRECTORS: SELECTION, TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of five (5) directors, who need not be Members of the Association.

Section 2. Term of Office. At the first annual meeting, the Members shall elect two directors for one-year terms, two directors for two-year terms and one director for a three-year term, 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 three years.

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

Section 4. 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.

Section 5. 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. 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

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. 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. Such nominations may be made from among Members or non-Members.

Section 2. Election. 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.

## ARTICLE VI

### MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at least quarterly, at such time and place 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.

Section 2. Organization 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 legally to constitute such meeting, providing a majority of the whole Board shall be present.

Section 3. Special Meetings. Special meetings of the Board of Directors may be called by the President of the Association upon three days notice to each director, given personally or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of two or more directors.

Section 4. Waiver of Notice. Before or at any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 5. Quorum. 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 be less than a quorum present, the majority of 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.

#### ARTICLE VII

#### POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(a) 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. A copy of such rules and regulations shall be delivered or mailed to each Member upon the adoption thereof;

(b) suspend the voting rights and right to use of the recreational facilities of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration, necessary for the administration of the affairs of the Association and for the operation and maintenance of the Properties;

(d) incur such costs and expenses as may be necessary to keep in good order, condition and repair all of the Common Area and facilities and all items of common personal property;

(e) 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; and

(f) employ a manager, an independent contractor or such other employees as they deem necessary, and to prescribe their duties, subject to the provisions of the Declaration.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or, at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A Members who are entitled to vote;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) 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; however,

(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 thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth



whether or not any assessment has been paid. A reasonable charge may be made by the 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;

(e) procure and maintain adequate liability and hazard insurance on the property owned by the Association, insure and keep insured all of the insurable Common Area facilities in an amount equal to the maximum replacement value for the benefit of all Lot Owners and their first mortgagees and procure and maintain all other insurance required or permitted by the Declaration;

(f) 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;

(g) cause the Common Area to be maintained and to make repairs, additions, alterations and improvements in the manner consistent with the best interests of the Lot Owners;

(h) 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 a complete audit of the books and accounts by a certified or public accountant, once each year; and

(i) meet at least once each quarter.

Section 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 By-Laws or rules and regulations adopted pursuant thereto, shall not constitute or be deemed a waiver, modification or release thereof, and the Board of Directors shall have the right to enforce the same hereafter.

## ARTICLE VIII

### OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of the Association shall be a President, a Vice-President, who shall at all

times be Members of the Board of Directors, a Secretary and a Treasurer, and such other officers as the Board of Directors shall, from time to time, elect. The office of President and Treasurer may be held by the same person, and the office of Vice-President 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.

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 and shall hold office at the pleasure of the Board.

Section 3. Term. The officers 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.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time 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 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.

Section 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 all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes. Further, he shall have all of the general powers and duties which are usually vested in the office of president of an association, 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 meetings of the Board and of the Members; provide notice of default, as required by the Declaration, to any first mortgagee or Seller under a Veterans Administration land contract, 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) 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 Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; 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.

## ARTICLE IX

### INDEMNIFICATION OF OFFICERS AND DIRECTORS

Section 1. Indemnification. The Association shall purchase an insurance policy covering all directors, officers and executives of the Association. Such policy shall, in accordance with the limitations set forth therein, indemnify such officers, directors and executives against losses, costs and expenses, including counsel fees if applicable, reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a director,

officer or executive of the Association, except as to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or wilful misconduct. Such indemnification shall be limited to the amount of the policy secured. The foregoing shall not be exclusive of other rights to which such director, officer or executive may be entitled. Nothing contained in this Article IX shall be deemed to obligate the Association to indemnify any Member or Lot Owner who is or has been a director, officer or executive of the Association with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of the Declaration.

Section 2. Other. Contracts or other commitments made by the Board of Directors or officers shall be made as agent for the Lot Owners, and they shall have no personal responsibility on any such contract or commitment (except as Lot Owners), and the liability of any Lot Owner on any such contract or commitment shall be limited to such proportionate share of the total liability thereof as the common interest of each Owner bears to the aggregate common interest of all of the Owners, except that any losses incurred because of an inability to collect such proportionate amount of the total liability owed by an Owner shall be shared proportionately by the other Owners.

#### ARTICLE X

##### COMMITTEES

The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

#### ARTICLE XI

##### BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

## 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 the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided, and a reasonable attorney's fees to be fixed by the court, together with the costs of the action. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

## ARTICLE XIII

## CORPORATE SEAL

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

## ARTICLE XIV

## AMENDMENTS

Section 1. These By-Laws may be altered, amended or repealed and new By-Laws may be adopted by the Board of Directors at any regular or special meeting of the Board of Directors.

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

## ARTICLE XV

## MISCELLANEOUS

The fiscal year of the Association shall begin on the first

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

ARTICLE XVI

WAIVER OF NOTICE

Whenever any notice is required to be given to any shareholder or Director of the Association under the provisions of these By-Laws, under the provisions of the Articles of Incorporation, under the Declaration of Covenants, Conditions and Restrictions, or the laws of the State of Colorado, a waiver thereof, in writing signed by the person or persons entitled to such notice, whether before or after the time stated herein, shall be deemed the equivalent to the giving of such notice.

ARTICLE XVII

INFORMATION ACTION BY MEMBERS

Any action required to be taken at a meeting of the members, or any other action which may be taken at a meeting of the members, may be taken without a meeting or at a meeting where the required quorum is not present in person or by proxy, providing, however, that a consent in writing setting forth the action so taken shall be signed by a sufficient number of members to constitute a quorum as hereinabove defined.

IN WITNESS WHEREOF, we, being all of the directors of the CANTERBURY HOMEOWNERS ASSOCIATION, INC., have hereunto set our hands this 10<sup>th</sup> day of NOVEMBER, 1980.

JOHN C. ALBERTSON

ARTHUR J. PASMAS

ROBERT K. SCOTT

STUART R. SCOTT

I. BRUCE MALTZ

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of the CANTERBURY HOMEOWNERS ASSOCIATION, INC., a Colorado Non-Profit Corporation, and,

THAT the foregoing By-Laws constitute the original By-Laws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 7<sup>th</sup> day of NOVEMBER, 1980.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 10<sup>th</sup> day of NOVEMBER, 1980.

  
\_\_\_\_\_  
ROBERT K. SCOTT, Secretary

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CANTERBURY HOMEOWNERS ASSOCIATION  
CHANGES TO THE CHOA BY-LAWS  
1 SEPTEMBER 1988

Certain sections of the Canterbury Homeowner's Association By-Laws require definition or additions. The following changes have been approved by the Board of Directors, Canterbury Homeowner's Association. Please make note of these and include them in your copy of the Declaration Covenants and By-Laws.

ADD or CHANGE THE FOLLOWING SECTIONS

Article I, line 3: Change the address to read: "...shall be located in the offices of the Management Agent at its address in Colorado Springs Colorado, but meetings..."

Article II, Section 11. The following definition is provided: Appraisal. The appraisal required before insurance is obtained to cover the buildings in the community is defined as the insurer's written estimate of the current fair market value of each lot, including buildings, fixtures, improvements and service equipment thereon and of the common area improvements, without deducting for depreciation. "Providing a copy of the appraisal to owners" is interpreted to mean responding to the written request from an owner or any first mortgagee, a copy of the appraisal shall be sent to that requestor, either by registered or certified mail, postage prepaid to the requestor at his registered mailing address. The appraisal will be maintained by the Management Agent. The requestor will billed a charge of \$10.00 payable to the Association and sent to the Managing Agent.

Article III, Section 3, line 7: Change "books" to "records".

Article VII, Section 2 (h), Line 7: Change "once each year" to "once every five years, with a suitable review of the books to made each intermediate year by an organization typically providing such services, such as a CPA, accounting firm, or other similar financial or accounting organization."

ADD:

ARTICLE X.  
COMMITTEES

Section 1. Required Committees. The Association will appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee as provided in these By-Laws. Additionally, the Board may appoint Ad Hoc Committees for a specific, single functional purpose, with the intent that any Ad Hoc Committee will dissolve after it has completed its work, or has submitted a complete report to the Board concerning its efforts.



Section 2. Other Committees. In an effort to facilitate certain community functions, the Board may establish the following standing committees, with duties as indicated. Any community resident may volunteer as a member of any one or more of these committees.

a. Maintenance Committee. Membership, a minimum of three, with the Chair as a Board member. Its primary responsibility is to advise and assist the Board in preserving and enhancing the physical environment provided originally by the developer, and improved on after the Association assumes responsibility for the common area. Specific duties include:

1. Review all contracts to ensure they are correctly priced and properly describe the services to be performed. Insure the CHOA is receiving the best value for its expenditures.

2. Establish procedures between CHOA and the maintenance personnel of the maintenance company, and of the management group.

3. Meet with companies providing services to CHOA to review contract specifications, prices, performance standards, and to establish communications as often as the committee deems necessary.

4. Make periodic and final inspections of work to insure timely completion and conformity with approved contractual arrangements.

5. Evaluate proposed changes in light of possible increase in costs or difficulty in maintenance.

6. Inspect the pool facilities yearly with professional advice when appropriate and make recommendations to the Board for necessary repairs and maintenance.

7. Study and evaluate the present and chart the future of the community, with particular emphasis on the upkeep and appearance of the common area, including the exterior of all units.

8. Supervise and direct the functions and operations of the Beautification Committee, if one exists.

9. Report to the Chair, Architecture Committee on projects which may possibly influence the appearance of the community.

b. Beautification Committee. Membership taken from residents of the community, unlimited in size. Chair by agreement of the members, approved by the Maintenance Chair. Must be responsive to and report to the Maintenance Committee. Must seek approval of the Architecture Committee for any plans to modify the appearance of the common area. Specific duties include:

1. Develop a grounds and facilities beautification program to meet the requirements and desires of the community. The program should detail all the aspects of year round common area maintenance. Experts in the various fields of landscape, lawn, pool, tennis court maintenance should be consulted. The program should take the form of a landscaping plan.

2. Make recommendations to the Board about planting projects, walkway additions, additional lighting, and other improvements to the existing landscaping plan.

3. Inspect the grounds and facilities yearly with professional advice when appropriate and supervise or make landscaping repairs when necessary.

4. Recommend to the Board projects for land maintenance and facilities maintenance to maintain the appearance of the common area.

5. Advise the Maintenance Committee of the need for supplies for budgetary reasons. Provide input on condition of the common area and exterior of units which go beyond beautification, and become a pure maintenance function.

c. Social Committee. Minimum of three members, reporting directly to the Board. The primary responsibility is to advise and assist the Board to create and implement a social and recreational program consistent with the desires of the homeowners; to advise and assist the Board on the safe and sanitary operation of the pool facilities, and to recommend ways and means of obtaining maximum community pool use. Specific duties include:

1. Plan social events so that there is minimal cost to all residents.

2. Run social and recreational activities on a self sustaining basis.

3. Foster an active and open community spirit that helps residents identify with the community.

4. Recommend pool rules, regulations, and laws of operation, including any disciplinary actions if necessary.

5. Prepare a monthly newsletter informing residents about CHOA, its structure, role and objectives, and of developments and activities of the Association.

6. Publish a community directory.

7. Establish welcoming information for new residents, with an introductory package of information explaining the community environment.

8. Encourage new residents to participate in association activities.

9. Organize a welcoming committee to call on new residents with the welcoming package.

d. Finance Committee. Minimum of two members, the Association Treasurer, a member of the Board, is the Chair. The primary responsibilities are to advise the Board on the annual budget; suggest the type of annual audit to be made; review the audit report; recommend a system and internal control audit to the Board, if needed; review all contracts with the Maintenance Committee, making suitable recommendations to the Board; make recommendations on enforcing payment of dues through legal action of the Board. Specific duties include:

1. Work with the Management Company on the budget.

2. Recommend to the Board appropriate budget adjustments.

3. Recommend budget procedures, insurance programs, and auditing procedures to the Board.

4. Review all association insurance policies. Initiate a title examination with appropriate searches to ascertain the quality of title which the Association holds to the common areas

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5. As required, provide various committees with budget information necessary for them to accomplish their responsibilities.

6. Work with the Management Agent to monitor all accounting procedures.

7. Review monthly receipts and disbursement statements as prepared by the Management Agent. Reviews monthly reconciliation of bank accounts.

8. Presents statement of financial position to the Board.

9. Recommends investment of funds set aside for capital improvements.

10. Provide periodic reports to the Board on the reviews and recommendations specified above.

ADD:

ARTICLE XVI  
HOMEOWNERS AS LESSORS.

General: Section 7, Article X of the Restated Declarations requires all leases to comply with these Bylaws, which impose the following requirements:

Section 1. All leases shall provide: (a) for an assignment of rents which states that if the owner of the unit does not pay his homeowner's dues or other assessments levied by the Board, the Association may make demand directly upon the tenant who shall pay his rents to the Association, rather than the owner; such rents shall be applied against the owner's arrearages, expenses of collection, and any surplus, which shall be held as security for future assessments.

(b) that the owner and tenant are jointly and severally liable to comply with the Declarations, Articles of Incorporation, By-Laws and the Rules and Regulations.

(c) that the CHOA may, on behalf of the owner, evict any tenant or occupant who is violating the governing documents and the tenant or occupant shall pay all costs and expenses of collection, including attorneys fees.

(d) that each tenant/occupant will be issued a set of governing documents of the Canterbury Homeowners Association (CHOA), which set will be returnable to the owner, or the owner's agent upon termination of the lease or departure of the renters from the unit. The governing documents will include:

- the Restated Declaration of Covenants, Conditions and Restrictions of Canterbury Townhomes
- the Restated By-Laws of Canterbury Homeowners Association, Inc.
- the Restated Articles of Incorporation of Canterbury Homeowners Association, Inc., and,
- the Rules and Regulations Supplement to Declarations and By-Laws of the Canterbury Homeowners Association, with any and all changes to any of these documents.

Section 2. An owner who leases a unit shall provide a copy of the lease, fully executed to the Management Agent.

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Section 3. (Note ENFORCEMENT AUTHORITY AND PROCEDURES under Rules and Regulations for the Association). In those cases when the occupant is the homeowner, the Board will communicate with the homeowner if she/he or any member of her/his family is alleged to be an offender of any of the stipulations of the governing documents of the Association. If the tenant/occupant is not the homeowner, but occupying a unit under terms of a lease, the unit owner will be notified of any reported infractions with a copy to the unit tenant/occupant.

Section 4. There may be instances currently where leases do not have instructions for the tenant/occupant concerning compliance with the governing documents of the Association. The tenant/occupant must be advised by the unit owner by a lease amendment that the governing documents specified in Section 2 of this Article provide various restrictions governing the entire community, and must be adhered to as a provision of occupancy in the unit. If a current lease does not contain these instructions, a copy of this lease amendment will be instituted by the homeowners, and forwarded to the management company under contract to the Association for appropriate reference if needed.

Section 5. Tenants/occupants will be permitted to own pets if and only if the owner requires as a stipulation of the lease deposit equal to four times the monthly assessment, which shall be forwarded to the Management Agent. After the tenant leaves, the common area will be appraised either by the owner or his agent, and either a member of the CHOA Board, or a representative of the Managing Agent for any damages which the pet may have made. If necessary, any damages will be repaired so that the common area is returned to its original condition before the tenant/occupant occupied the unit. If the deposit is insufficient to defray repair expenses, CHOA considers the owner will have sole responsibility to pay for the damages. Such payment will be billed by the Managing Agent. Refusal by the owner to pay will allow the CHOA Board to take whatever legal action is necessary to recover the debt. The owner will also pay all costs and expenses of collection, including attorneys fees. If the deposit is in excess of the repair expenses, the excess will be returned to the owner.

Section 6. Owners must notify CHOA's Managing Agent of any change of tenants, including the name; number of tenants; pets, if any; and terms of the lease concerning length of stay.

Section 7. Owner's must notify their agents of the conditions required by this article so that the agent will be aware of any stipulations noted by this Article regarding actions and behavior of tenants.

Section 8. Owner's are responsible that each tenant/occupant returns the set of governing documents of the Association to the owner or the owner's agent so that the governing documents may be given to new tenants/occupants if the unit is leased

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again. Owner's will bear the cost of reproducing a set of governing documents if the original documents issued to current renters cannot be given to any succeeding renters.

Change : ARTICLE XVI to read XVII; and ARTICLE XVII to read ARTICLE XVIII.

J. Patrick Kelly El Paso Cty, CO

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