

**By-Laws of  
Lake Haus condominium Association No. 1  
(A Colorado Corporation Not-For-Profit)  
Revised August 9, 2007**

**ARTICLE I**

**Condominium Ownership**

1. Condominium Ownership.  
The project located at Summit Cove, Dillon, State of Colorado, known as Lake Haus Condominiums is submitted to the provisions State of Colorado Condominium Ownership Act.
2. By-Laws Applicability.  
The provisions of these By-Laws are applicable to the project.
3. Personal Application.  
All present or future owners, tenants, future tenants, or their employees, or any other person that might use the facilities of the project in any manner, are subject to the regulations set forth in these By-Laws. The mere acquisition or rental of any of the units of the project or the mere act of occupancy of any of said units will signify that these By-Laws will be complied with.
4. Registered Agent.  
The Manager of Lake Haus Condominium Association No. 1 shall be the registered agent.

**ARTICLE II**

**Members-Voting**

1. Membership.  
The total membership is fixed at 87 by the total number of condominium units. Any person on becoming an owner of a condominium unit, subject to the Condominium Declaration of Lake Haus Condominiums, No. 1; Summit County, Colorado, shall automatically become a member of this Association and be subject to those By-Laws. Such membership shall terminate without any formal Association action whenever such person ceases to own such condominium 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 and membership in this Association, or impair any rights or remedies which the Board of Directors of the Association or others may have against such former owner and member arising out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto. No certificates of stock shall be issued by the Association, but the Board of Directors may, if it so elects, issue one membership card to the owner(s) of a condominium unit. Such membership card shall be surrendered to the Secretary whenever ownership of the condominium unit designated thereon shall terminate.
2. Voting.  
Each owner of a condominium unit shall have one vote in any association matters requiring a vote of the membership. Condominiums owned jointly by 2 or more individuals shall have one vote to be cast by the person designated by the joint-owners.

3. Majority Vote Required.  
On all issues except an amendment to the By-Laws and election of a Board of Directors, shall be at least 51% of the total votes outstanding at a meeting where a quorum is present in person or by proxy. An amendment to the By-Laws shall require an affirmative vote of at least 51% of the total membership (44 or more votes). A new Board of Directors may be elected by an affirmative vote of at least 51% of the members present in person or by proxy at the annual meeting.
4. Proxies.  
Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting.
5. Quorum.  
The presence in person or by proxy of a majority of owners (44 or more owners) shall constitute a quorum.

### **ARTICLE III**

#### **Administration**

1. Association Responsibilities.  
The owners of the units will constitute the Association which will have the responsibility of administering the project, approving the annual budget, establishing and collecting monthly assessments and arranging for the management of the project pursuant to an agreement, containing provisions relating to the duties, obligations, removal and compensation of the management agent. Except as otherwise provided, decisions and resolutions of the Association shall require approval by a majority of owners of a quorum of the membership.
2. Place of Meetings.  
Meetings of the Association shall be held at a suitable place convenient to the members as may be designated by the Board of Directors.
3. Annual Meetings.  
The annual meetings of the Association shall be held at such time as the Board of Directors designates. At such meetings there shall be elected, by secret written ballot of the members, a Board of Directors in accordance with the requirements of paragraph 5, Article IV of these By-Laws. The members may also transact such other business of the Association as may properly come before them.
4. Special Meetings.  
It shall be the duty of the President to call a special meeting of the members as directed by resolution of the Board of Directors or upon a petition signed by a majority of the members and having been presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent of simple majority of the members present, either in person or by proxy.
5. Notice of Meetings.  
It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each owner of record, at least 10 days but not more than 50 days prior to such meeting. The mailing of a notice in the manner provided in this paragraph shall be considered notice served.
6. Adjourned Meeting.  
If any meeting of owners cannot be organized because a quorum has not attended, the owners who are present, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight

hours from the time the original meeting was called. In the absence of a quorum, the President may convene the annual meeting as a "Committee of the Whole". However, under these circumstances, any votes taken shall be non-binding.

7. Order of Business.

The order of business at all meetings of the owners of units shall be as follows:

- a) Roll Call.
- b) Proof of notice of meeting or waiver of notice.
- c) Reading of minutes of preceding meeting.
- d) Reports of officers.
- e) Reports of committees.
- f) Unfinished business.
- g) New business.
- h) Adjournment.

## **ARTICLE IV**

### **Board of Directors**

1. Number and Qualification.

The affairs of this Association shall be governed by a Board of Directors composed of seven persons all of whom must be owners of units in Lake Haus Condominiums No. 1 and in good standing in the Association (i.e., current in payment of all assessments and in full compliance with the governing documents of the Association)

2. Powers and Duties.

The Board of Directors shall have all the powers and duties allowed by law and which are necessary or desirable for the administration of the affairs of the Association and for the operation and maintenance of a first class residential condominium project. The Board of Directors may do all such acts and things as are not by law or by these By-Laws or by the Condominium Declaration for LAKE HAUS CONDOMINIUMS, NO.1, directed to be exercised and done by the members themselves.

3. Other Powers and Duties.

The Board of Directors shall be empowered and shall have the duties as follows:

- a) To administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations and all other provisions set forth in the Condominium Declaration of Lake Haus Condominiums, No. 1, as recorded in Summit County, State of Colorado.
- b) To establish, make and enforce compliance with such reasonable rules and regulations as may be necessary for the operation, use and occupancy of this condominium project with the right to amend same from time to time. A copy of such rules and regulations shall be delivered or mailed to each member promptly upon the adoption thereof.
- c) To insure and keep insured all of the insurable general common elements of the property in an amount equal to their maximum replacement value as is provided in the Declaration. Maximum replacement value shall be determined once every 3 years by one or more written appraisals. Further, to obtain and maintain comprehensive liability insurance covering the entire premises in amounts not less than \$500,000.00 per person and \$1,000,000.00 per accident and \$100,000.00 property damages. To insure and keep insured all of the fixtures, equipment and personal property acquired by the Association for the benefit of the Association and the owners of the condominium units and their first mortgages. To keep all lake Haus condo owners informed of exactly what the master policy covers and to notify all owners immediately of any changes in that coverage. To provide all owners with guidelines on personal insurance they should obtain to have optimal insurance coverage.
- d) To fix, determine, levy and collect the assessments to be paid by each of the members of the Association in accordance with the provisions of the Condominium Declaration of

Lake Haus Condominiums, No. 1 as duly recorded; to send the 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) To collect delinquent assessments by suit or otherwise and to enjoin or seek damages from an owner as is provided in the Declaration and these By-Laws.
- f) To protect and defend the entire premises from loss and damage by suit or otherwise.
- g) To borrow funds in order to pay for any expenditure or outlay required; to execute all such instruments evidencing such indebtedness as the Board of Directors may deem necessary, and such indebtedness shall be the several obligation of all of the owners in the same proportion as their fractional interest in the general common elements.
- h) To enter into contracts within the scope of their duties and powers.
- i) To establish a bank account for the common treasury and for all separate funds which are required or may be deemed advisable by the Board of Directors.
- j) 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 owners, and to cause a complete audit of the books and accounts by a competent accountant, once each year.
- k) To prepare and deliver annually to each owner a statement showing all receipts, expenses or disbursements since the last such statement.
- l) To meet at least once each quarter.
- m) To designate the personnel necessary for the maintenance and operation of the general and limited common elements.
- n) To oversee maintenance of the condominium unit (D-12) owned by the Association and used as a residence for the Association's Manager and as an office for use in the transaction of Association business.
- o) In general, to carry on the administration of this Association and to do all of those things, necessary and reasonable, in order to carry out the communal aspect of condominium ownership.
- p) When specific work is deemed necessary for the good of the common property, to notify those owners whose individual units may be affected by such work, that such work will be done.

4. Managing Agent.

The Board of Directors may employ for the Association a Managing Agent at a compensation established by the Board to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in paragraph 3 of this Article.

5. Election and Term of Office.

The Directors shall be elected by the members by secret written ballot to hold office until the next annual meeting or until their successors are elected and qualified. However, the requirement for a secret written ballot is waived if the election is uncontested and a motion is passed to elect the unopposed candidates by acclamation (by "white ballot").

6. Vacancies.

Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Association shall be filled by vote of the majority of the remaining Directors even though they may constitute less than a quorum; and each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association.

7. Regular Meetings.

Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least four such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone or email, at least three days prior to the day

named for such meeting.

8. Special Meetings.

Special meetings of the Board of Directors may be called by the President on three days notice to each Director, given personally, or by mail, telephone or email, 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 request of at least three Directors.

9. Waiver of Notice.

Before or at any meeting of the Board of Directors, any Director may, 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.

10. Board of Director's 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 of Directors, there be less than a quorum present, the majority of these present may adjourn the meeting from time to time. At such adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice.

11. Fidelity Bonds.

The Board of Directors shall require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the association.

## **ARTICLE V**

### **Officers**

1. Designation.

The officers of the Association shall be a President, a Vice-President, a Secretary, and a Treasurer, all of whom shall be elected by and from the Board of Directors. The Directors may appoint such other officers as in their judgment may be necessary.

2. Election of Officers.

The officers of the Association shall be elected annually by the Board of Directors at the initial meeting of each new board and shall hold office at the pleasure of the Board.

3. Removal of Officers.

Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose. If the members remove one or more Directors, the members shall elect Directors to fill the vacancies caused by the removal.

4. President.

The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of the president of an association, including but not limited to the power to appoint committees from among the members from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

5. Secretary.

The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Association; he shall have charge of such books and papers as the Board of Directors may direct; and he shall, in general, perform all the duties incident to the office of Secretary.

The Secretary shall compile and keep up to date a complete list of members and their last known addresses as shown on the records of the Association. Such list shall also show opposite each member's name the number or other appropriate designation of the condominium unit owned by such member. Such list shall be open to inspection by members and other persons lawfully entitled to inspect the same at reasonable times.

6. Treasurer.

The Treasurer shall have responsibility for Association funds and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors.

7. Vice-President.

The Vice-President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the president nor the Vice-President is able to act, the Board of Directors shall appoint some other member of the Board to do so on interim basis. The Vice-President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

## **ARTICLE VI**

### **Indemnification of Officers and Managers**

The Association shall indemnify every Director or officer, his heirs, executors and administrators, against all loss, costs and expense, including counsel fees, 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 or officer of the Association, except as to matters as to which he shall finally be adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. 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 gross negligence or willful misconduct in the performance of his duty as such Director or officer in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such Director or officer may be entitled. All liability, loss, damage, costs and expenses incurred or suffered by the Association by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as common expenses; provided, however, that nothing in this Article VI contained shall be deemed to obligate the Association to indemnify any member or owner of a condominium unit who is or has been a Director or officer of the Association with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of Condominium Declaration for LAKE HAUS CONDOMINIUMS, NO. 1 as a member or owner of a condominium unit covered thereby.

## **ARTICLE VII**

### **Obligation of the Members**

1. Assessments.

Except as is otherwise provided in the Condominium Declaration for LAKE HAUS CONDOMINIUM, NO. 1, all members shall be obligated to pay monthly assessments imposed by the Association to meet the common expenses in the manner set forth in the Condominium

Declaration. A member shall be deemed to be in good standing and entitled to vote at any annual or at a special meeting of members, within the meaning of these By-Laws, if and only if he shall have fully paid all assessments made or levied against him and the condominium unit owned by him.

The monthly assessments during the first year following incorporation of the Association shall be \$30.00 for each condominium unit. Thereafter, the Board of Directors of the Association shall fix the amount of such monthly assessments as provided in the Condominium Declaration for LAKE HAUS CONDOMINIUMS, NO.1.

Monthly assessments shall be due in advance on the first day of each month. Contribution for monthly assessments shall be prorated if the ownership of a condominium unit commences on a day other than the first day of a month.

2. Maintenance and Repair.

- a) Every member must perform promptly at his own expense all maintenance and repair work within his own apartment unit which, if omitted, would affect the project in its entirety or in part belonging to other members, being expressly responsible for the damages and liabilities that his failure to do so may engender.
- b) All the repairs of internal installations of the unit such as water, light, gas, power, sewage, telephone, air conditioners, sanitary installations, doors, windows, electrical fixtures and all other accessories, equipment and fixtures, including air conditioning equipment belonging to the unit area shall be at the member's expense.
- c) A member shall be obligated to reimburse the Association promptly upon receipt of its statement for any expenditures incurred by it in repairing or replacing any general or limited common element damaged by his negligence or by the negligence of his tenants or agents.
- d) Condo owners may obtain satellite TV service at their expense but the size, configuration and placement of the satellite dish must be approved by the manager or Board of Directors prior to installation of the dish.

3. Use of Family Units – Internal Changes.

- a) All units shall be used for residential purposes only.
- b) An owner shall not make structural modifications or alterations in his unit or installations located therein without previously notifying the Association in writing, through the Managing Agent or the President or the Board of Directors. The Association shall have the obligation to answer within 30 days and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification or alteration.
- c) All drapery will be white on windows or doors facing the outside of the buildings.
- d) Only gas-insert fireplaces are permitted at Lake Haus. Wood-burning fireplaces and stoves are strictly prohibited. Furthermore, it is prohibited to convert an existing gas fireplace to a wood-burning fireplace or to remove the gas fireplace in any way, shape or form.

4. Use of Common Areas and Facilities.

- a) Common areas shall be used only for purposes designated.
- b) Pets are permitted in the common areas but must be under leash control at all times. Pet droppings must be picked up promptly by the owner.

5. Right of Entry.

An owner shall grant the right of entry to the management agent or to any other person authorized by the Board of Directors of the Association in case of any emergency originating in or threatening his unit, whether the owner is present or not.

6. Rules of Conduct.

- a) Residents shall avoid making loud noises (excessively loud radios, TV's, musical instruments, repetitive slamming of doors, screaming or yelling, etc.) that are disturbing to neighbors. Since parties often become loud and boisterous, it is recommended that the Recreation Center be used for such events whenever possible.
- b) Residents (and companies or workers they may hire) shall avoid using chemicals or

- equipment or engaging in activities that threaten the health or safety of neighboring residents or may cause property damage.
- c) Smoking is prohibited within condominiums and in the common stairwells because smoke travels to all of the condominiums sharing a common stairwell. Smoking is permitted outdoors away from all entrances to the condominiums. This ban is to protect nonsmokers in adjoining units from the irritation and dangers of secondhand smoke.
  - d) Owners are permitted to have pets in their unit but are encouraged to have no more than one pet. Neither long-term renters, short-term renters, or visitors are allowed to have pets at Lake Haus. As mentioned in Article VII, 4b above, pets are permitted in the common areas but must be under leash control at all times. Pet droppings must be picked up promptly by the owner(s). Failure to comply with this rule despite two (2) written notifications from management will result in a \$50.00 fine for each future violation. Owners of a dog that barks excessively and disturbs the occupants of neighboring condominiums may be required to remove the offending dog(s) from Lake Haus. Dogs are not to be tied to patios, buildings, trees, stakes, etc. at anytime. Whenever outdoors on Lake Haus property, a dog must be on a leash.
  - e) It is prohibited to hang anything from windows, decks, railings, or from any part of the buildings. This includes such things as laundry, rugs, sports and recreation equipment, etc. Articles stored on decks shall be kept below the railing.
  - f) Dumpsters are provided for trash. Trash is not to be left in the halls, on decks, or in the common areas outdoors, or stacked outside the dumpster.
  - g) Vehicles: each condominium is permitted no more than 2 vehicles.
    - a. Reserved parking is provided for one vehicle per condominium unit. All extra vehicles are to be parked in designated common parking areas. Vehicles are not to be parked on the lawns. Inoperable or junk vehicles are not to be stored on Lake Haus property and will be towed away at the member's expense. Boats, snowmobiles, motorcycles, trailers, motor homes, etc. are not to be stored at Lake Haus for more than 72 hours without permission from the Managing Agent.
    - b. Repair work on vehicles – mechanical repair work on vehicles is not permitted at Lake Haus except for emergency repairs.
    - c. Operation of vehicles on Lake Haus property – vehicles such as motorcycles, dirt bikes, ATV's and snowmobiles may not be operated on Lake Haus property.
    - d. Snow removal – all vehicles must be moved to accommodate snow removal from the parking lots. If, after a heavy snowfall, a member is leaving their condominium and must leave a vehicle in the parking lot, a key to the vehicle must be given to the Managing Agent so the vehicle can be moved to facilitate snow removal.
  - h) The common hallways are to be kept clean and are not to be used as work, storage or play areas. The closets under the stairs are not to be used for storage of personal items. The entry door to each condominium unit should be kept closed when not in use.
  - i) Due to the severe winters, all thermostats must be kept at a minimum temperature of 55-60 degrees when the condominium is unoccupied to prevent freezing of water pipes. Thermostats in the common hallways are to be adjusted only by the Managing Agent.
  - j) The shut-off valves for each condominium unit are located in the back of the closet under the stairs in the common hallway. It is recommended that the water to a condominium unit be turned off when said unit is not in use.
  - k) Only gas or electric BBQ grills are allowed at Lake Haus. Charcoal grills are strictly prohibited.\*
  - l) Each member is responsible for guests and tenants abiding by these By-Laws. Each owner is responsible for any damages caused by guests or tenants.

\*Installation of natural gas appliances or outdoor grills may be done if county permits are obtained, the resident manager must be informed and give approval, all outside pipes must be painted to match the buildings and the homeowner must pay all costs of the installation. The homeowner will assume all liability, now and in the future, for such installations.

## 7. Rental of Condominiums



A condominium owner who plans to rent the unit either on a long-term or short-term basis is required to notify the manager who will furnish the condominium owner guidelines on rentals at Lake Haus.

8. Other Obligations.

Each member shall be bound by any and all obligations and his condominium unit shall be subject to all restrictions and limitations imposed by the Condominium Declarations.

**ARTICLE VIII**

**Amendments to By-Laws**

These By-Laws may be amended by the Association at a duly constituted meeting for such purpose, provided, no such amendment shall take effect unless approved by a majority of the members as defined in these By-Laws.

These By-Laws may also be amended by a majority vote of the Board of Directors; however, no amendment adopted by the membership shall be repealed or modified by a vote of the Directors until such amendment has been in force for at least six (6) months and until the Directors unanimously vote in favor of such repeal or modification.

**ARTICLE IX**

**Mortgages**

1. Notice to Association.

A member who mortgages his unit shall notify the Association through the Managing Agent, if any, or the President of the Board of Directors, giving the name and address of his mortgagee. The Association shall maintain such information in a book entitled "Mortgagees of Units".

2. Notice of Unpaid Assessments.

The Association shall at the request of a mortgagee of a unit report any unpaid assessments due from the owner of such unit.

**ARTICLE X**

**Evidence of Ownership, Registration of Mailing Address and Required Proxies**

1. Proof of Ownership.

Any person on becoming an owner of a condominium unit shall furnish to the Managing Agent or Board of Directors a photocopy or a certified copy of the recorded instrument vesting that person with an interest of ownership which instrument shall remain in the files of the Association. A member shall not be deemed to be in good standing nor shall he be entitled to vote at any annual or at a special meeting of members unless this requirement is first met.

2. Registration of Mailing Address.

All members, being owners of a single condominium unit, shall have one and the same registered mailing address to be used by the Association for mailing of monthly statements, notices, demands and all other communications, and such registered address shall be the only mailing address of a person or persons, firm, corporation, partnership, association or other legal entity or any combination thereof to be used by the Association. Such registered address of a member of members, owning a given condominium unit, shall be furnished by such members to the Secretary within five days after transfer of title, such registration shall be in written form and signed by all of the members owning the condominium unit or by such persons as are authorized by law to represent the interest of (all of) such members.

3. Required Proxies.

- a) If title to a condominium unit is held by more than one person or by a firm, corporation, partnership, association, or other legal entity, or by combination thereof, such members shall execute a proxy appointing and authorizing one person or alternate persons to attend all annual and special meetings of members and thereat to cast whatever vote the owner or owners, collectively, of such unit desires to cast. Such proxy shall be effective and remain in force unless voluntarily revoked, amended or sooner terminated by operation of law: provided however, that within thirty days after such revocation, amendment or termination, the owner shall appoint and authorize one persona or alternate persons to attend all annual and special meetings as is provided by this paragraph 3. The requirements herein contained in this Article shall be first met before a member of a condominium unit shall be deemed in good standing and entitled to vote at any annual or special meeting of members.
- b) If so required by his first mortgagee, any owner shall constitute such mortgagee the beneficiary of his interest in the Association and his attorney in fact to vote such interest by proxy; this proxy to become automatically effective upon the filing of notice by said beneficiary with the Secretary of the Association and only at such time or times as the beneficiary hereunder shall deem the security in jeopardy by reason of the failure, neglect, or refusal of the Association or Managing Agent or the members of the Association to carry out their duties as set out and required by these By-laws, the Articles of Incorporation of LAKE HAUS CONDOMINIUM ASSOCIATION NO.1, or the Condominium Declaration for LAKE HAUS CONDOMINIUMS, NO.1. Nothing herein contained shall be construed to relieve any member herein of his duty as a member of the Association or to impose upon the beneficiary the duties and obligations of such membership.

#### **ARTICLE XI**

##### **Compliance**

These By-Laws are set forth to comply with the requirements of the State of Colorado Condominium Ownership Act. If any of these By-Laws conflict with the provisions of said statute, it is hereby agreed and accepted that the provisions of the statute will apply.

#### **ARTICLE XII**

This Association is not organized for profit. No member, member of the Board of Directors or persons from whom the Association may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operation thereof, and in no event shall any part of the funds or assets of the Association be paid as a salary or compensation to, or distributed to or inure to the benefit of any member of the Board of Directors; provided however, always (1) that reasonable compensation may be paid to any member of Director while acting as an agent or employee of the Association for services rendered in effecting one or more of the purposes of the Association, and (2) that any member or Director may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

#### **ARTICLE XIII**

The persons who shall be authorized to execute any and all instruments of conveyance or encumbrances, including promissory notes, shall be the President or Vice-President and Secretary of the Association.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands and seals at \_\_\_\_\_, Colorado, this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_.

BOARD OF DIRECTORS:

\_\_\_\_\_ (seal)

\_\_\_\_\_ (seal)

\_\_\_\_\_ (seal)

KNOW ALL MEN BY THESE PRESENTS: That the undersigned Secretary of the Corporation known as the LAKE HAUS CONDOMINIUM ASSOCIATION NO. 1 does hereby certify that the above and foregoing By-Laws were duly adopted by the Directors of said Corporation as the By-Laws of said Corporation on the \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_, and that they do now constitute the By-Laws of said Corporation.

ATTEST:

\_\_\_\_\_ (seal)

Secretary