

BYLAWS
OF
WARRIORS RIDGE TOWNHOMES HOMEOWNER'S ASSOCIATION, INC.

The following are the Bylaws of the Colorado nonprofit corporation named Warrior's Ridge Townhomes Homeowner's Association, Inc. ("Association").

ARTICLE I
OBJECT

1. The purpose for which the Association is formed is to govern the subdivision property ("Property") situated in the County of Summit, State of Colorado, described in the Declaration of Protective Covenants for Warrior's Ridge Townhomes ("Declaration") recorded _____, at Reception No. _____ in the records of the Summit County, Colorado Clerk and Recorder.

2. All present and future owners, tenants, future tenants or any other person that might own or occupy a Lot or Unit or use the facilities of the Property in any manner are subject to the regulations set forth in these Bylaws. The mere acquisition of any of the Lots or Units or the rental of same in the Property or the mere act of occupancy of any of the same will signify that these Bylaws are accepted, ratified and will be complied with.

3. Terms used in these Bylaws are defined by the Declaration, and any amendments or modifications thereto.

ARTICLE II
MEMBERSHIP, VOTING QUORUM, PROXIES

1. Membership. Any person on becoming an Owner of a Lot or 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 Lot or 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 the Association, or impair any rights or remedies which the Board of Managers 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.

2. Voting. The Association shall have two classes of voting membership as follows:

(a) Class A. Class A members shall be all Owners, with the exception of the Declarant. Class A members shall be entitled to a number of votes equal to the number of Lots owned by such Owner, except as otherwise provided for herein or in the Declaration. When more than one person holds an interest in any Lot or Unit, all such persons shall be members of the Association,

provided, however, that the votes for any Lot shall be exercised as the persons having an interest in such Lot or Unit among themselves shall determine as provided in the Declaration. In no event shall more than one vote be cast with respect to any Lot except as provided in the Declaration, nor shall the votes for any Lot be cast separately.

(b) Class B. The Class B member shall be the Declarant, and Declarant shall be entitled to 1.5 votes times the number of Lots owned by Declarant. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier: (a) when the total votes outstanding in the Class A membership are equal or greater than the total votes outstanding in the Class B membership, or (b) on July 1, 1997.

3. Quorum. A quorum shall be constituted by members present in person or by proxy representing at least fifty percent (50%) of all votes.

4. Proxies. Votes may be cast in person or by proxy. Any Owner may appoint, by written instrument, any person over the age of 18 years to serve as that Owner's proxy. Proxies must be filed with the Secretary before the appointed time of each meeting. Each proxy shall be revocable by the filing of a written termination with the Secretary by the Owner granting the proxy, and every proxy shall in any event terminate eleven (11) months after it is granted. When more than one person holds an ownership interest in a Lot, a proxy to exercise the vote allocated to such Lot must be executed by the representative for such Lot established pursuant to the Declaration.

5. Mortgages as Proxies. In addition to the right of an Owner to appoint a proxy pursuant to Article II, Section 4, owners shall have the right to constitute irrevocably and to appoint a beneficiary of a deed of trust or mortgage their true and lawful attorney to cast their vote in this Association at any and all meetings of the Association and to vest in such beneficiary or his nominee any and all rights, privileges and powers that they have as an Owner under the Articles of Incorporation, Bylaws and Declaration. Such proxy shall become effective upon filing of a notice by the beneficiary with the Secretary of the Association at such time or times as the beneficiary shall deem its security in jeopardy by reason of the failure, neglect, or refusal of the Board of Managers, the Association, the property manager or the Owners to carry out their duties as set forth in the Declaration or Bylaws. A release of the beneficiary's deed of trust shall operate to revoke such proxy. Nothing herein contained shall be construed to relieve Owners, as mortgagors, of their duties and obligations as Owners or to impose upon the beneficiary of the deed of trust the duties and obligations of an Owner.

ARTICLE III
ADMINISTRATION

1. Annual Meetings. The first meeting of the members of the Association shall be held within sixty days after the filing of the Articles of Incorporation with the Secretary of State. Thereafter, the annual meetings of the members of the Association shall be held during the month of _____ of each succeeding year on a day and at a time designated by the Board of Managers each year or, in the absence of action by the Board, upon the fifth day of _____. At such meetings members of the Board of Managers shall be elected in accordance with the requirements of these Bylaws. The members also may transact such other business of the Association as may properly come before them.

2. Special Meetings. It shall be the duty of the President to call a special meeting of the Association as directed by resolution of the Board of Managers or upon presentation to the Secretary of a petition signed by Owners representing at least twenty-five percent (25%) of all votes. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business except as stated in the notice shall be transacted at a special meeting. Any such meeting shall be held at such place and time as the President determines and, if held as the result of a petition of the Owners, within thirty (30) days after presentation of such petition.

3. Place of Meetings. Meetings of the Association shall be held at such place within Summit County, Colorado, as the Board of Managers may determine.

4. 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 it is to be held, to each member of the record, at the registered address of each member, at least ten (10) days but not more than thirty (30) days prior to such meetings. The mailing of a notice in the manner provided in this section, or the personal delivery of such notice to a member, shall be considered notice served, and a certificate of the Secretary that notice was duly given shall be prima facie evidence thereof.

5. Adjourned Meetings. If there is not a quorum attending any meeting of the members, the members 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 to be held. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

6. Order of Business. The order of business at all annual meetings of the members shall be as follows:

- (a) Roll call and certifying proxies;

- (b) Proof of notice of meeting or waivers thereof;
- (c) Approval of Minutes of previous meeting;
- (d) Reports of Officers, if any;
- (e) Any other reports;
- (f) Old business;
- (g) New business;
- (h) Election of Managers; and
- (i) Adjournment.

7. Rules of Meetings. The Board may prescribe reasonable rules for the conduct of all meetings of the Board and Owners and in the absence of such rules, Robert's Rules of Order shall be used.

8. Action without Meeting. At the direction of the Board of Managers, any matter which could come before a special meeting of a membership of the Association may be submitted to a vote of the membership without a meeting; provided, however, that the annual meeting of the membership and votes pursuant to paragraph 8 of Article IV shall not be subject to the terms of this subparagraph. In the event that the Board submits a matter to vote without a meeting, the Secretary of the Association shall mail, first class mail, postage prepaid, an explanation of the matter to be voted upon a form of resolution approved by the Board, and a ballot to each Owner at the address shown upon the records of the Association. The explanation shall state a date, not less than twenty (20) nor more than forty (40) days from the date of mailing, by which the ballot must be returned to the Secretary and shall state the address to which the ballots shall be returned. A ballot shall be counted only if it is received by the Secretary on or before the return date specified in the explanation notice and is signed or accompanied by proxies by person(s) sufficient to exercise the vote(s) of such Lot at a meeting. The affirmative vote of the percentages of Owners specified in Article II of these Bylaws shall be necessary to adopt a resolution submitted to the membership without a meeting pursuant to this subparagraph. Within five (5) days of the return date specified in the notice, the Secretary, in the presence of at least two (2) members of the Board of Managers, shall open and count the ballots and shall certify the results of the vote in a notice to the Board and the members of the Association.

ARTICLE IV BOARD OF MANAGERS

1. Number and Qualification. Until the Lots within the Project have been sold (meaning that title to the Units has been conveyed by the Declarant), or until three (3) years from the recordation of the Declaration of Protective Covenants for Warrior's Ridge Townhomes, whichever is earlier, the members of the Board of Managers shall be appointed by the Declarant and need not be Owners of Lots; provided, however, that Declaration shall have an option at any time to turn over control of the Board of Managers to the Owners upon sixty (60) days prior written notice. The Board

of Managers shall consist of three persons. By action of the Board, the number of managers may be increased to five (5), but in not event shall there be fewer than three (3) members of the Board.

2. Election of Board Members. After the initial term of the appointed Board of Managers as is stated in the above item 1, the respective candidates for the Board of Managers shall be elected by members of the Association. A majority of the eligible votes cast, either in person or by proxy, shall determine an election of a Manager.

3. Powers and Duties. The Board of Managers shall have the power and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of the Property in a first class manner.

4. Other Powers and Duties. Without limitation, the Board of Managers shall be empowered and shall have the duties as follows:

(a) To administer and to enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations and all other provisions set forth in the Declaration and the Articles and Bylaws of the Association, and any amendments thereto.

(b) To establish, make and enforce compliance with such rules as may be necessary for the operation, rental, use and occupancy of the General Common Areas, recreation facilities, and all of the Lots, with the right to amend such rules from time to time. The members may, either at any annual meeting or at a special meeting called for such purpose, amend the rules or adopt new rules. Rules amended or adopted by the membership may only be changed by the members. A copy of the rules, or any amendments thereto, shall be delivered or mailed to such member upon adoption thereof.

(c) To designate and to remove personnel necessary to the operation, maintenance, repair and replacement of the General Common Areas, roadways, recreational facilities, and other property to be maintained by the Association and to incur such costs and expenses as may be necessary to keep them in good order, condition and repair. However, any single cost incurred in the maintenance, repair or replacement of the General Common Areas or other property that will exceed three months regular common expense assessments authorized in the Declaration, or \$10,000.00, whichever is less, must have the prior approval, in writing or by vote at a meeting, of a majority of the members.

(d) To insure and keep insured all of the insurable General Common Areas, recreational facilities, or other property of the Association in an amount up to the maximum replacement value. Further, to obtain and maintain comprehensive liability insurance covering the General Common Areas and any roads, recreational facilities, or other such items.

(e) To prepare annually a budget for the Association in order to determine the amount of the common assessments necessary to meet the common expenses, to allocate and assess such common charges among the Owners, and to adjust the amount of the periodic assessments and, at the Board's discretion, to remit or return any excess of assessments over expenses, working capital, sinking funds, reserves for deferred maintenance and replacement to the Owners at the end of each operating year. To levy and to collect special assessments whenever 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.

(f) To collect delinquent assessments by suit or otherwise and to enjoin or seek damages from a member as is provided in the Declaration and these Bylaws.

(g) To protect and defend, in the name of the Association, any part or all of the Property from loss and damage by suit or otherwise.

(h) To borrow funds in order to pay for any expenditure or outlay required pursuant to the authority granted by the provisions of the Declaration and these Bylaws, and to execute all such instruments evidencing such indebtedness as the Board may deem necessary to give security therefor. Such indebtedness shall be the several obligation of all of the Association members in the same proportion as their voting interest in the Association. The persons who shall be authorized to execute promissory notes and security instruments shall be the President and Secretary, but in any case, no encumbrance may be placed on the General Common Areas unless each Owner gives prior written approval.

(i) To enter into contracts to carry out their duties on powers.

(j) To establish a bank account or accounts for the common treasury and for all separate funds which are required or may be deemed advisable.

(k) To make repairs, additions, alternations and improvements to the General Common Areas, recreational facilities, and other improvements consistent with managing the Property in a first class manner and consistent with the best interests of the Owners.

(l) To keep and maintain full and accurate books and records showing all of the receipts, expenses or disbursements and to permit examination thereof at reasonable times by each of the members under the conditions specified in Article V hereto, and to prepare or have prepared annually unaudited financial statements.

(m) To prepare and deliver annually to each member a consolidated statement showing receipts, expenses or disbursements since the last such statement.

(n) To meet at least semi-annually, either in person or by telephone or other similar means of communication.

(o) In general, to carry on the administration of this Association and to do all things necessary and reasonable in order to carry out the governing and the operation of the Property.

(p) To control and manage the use of all open spaces and other common property.

(q) If necessary, to employ for the Association a property manager who shall have and exercise those duties and powers granted to him by the Board, including those set forth above, but not those powers which the Board may not delegate by law. Any delegations to a property manager of the Board's duties and powers shall not relieve the Board of its responsibilities under the Declaration. Any management contract so entered into shall be for such term as the Board may agree, but shall provide that it may be canceled upon sixty (60) days written notice without cause or by the Board at any time for cause, and further, that no termination fee be provided for such case.

5. Reserved

6. Election and Term of Office. At the first meeting of the members of the Association the term of office of one of the Managers shall be fixed for one year, the term of office for the second Manager shall be fixed for two years, and the term of office for the third Manager shall be set for three years. At the expiration of the initial term of office for each respective Manager, his successor shall be elected to serve a term of three years. If the Board is expanded to five members, one of such additional managers shall serve for a one year term and the second shall serve for a two year term. At the expiration of the initial term of office of each such Manager his successor shall be elected to a term of three years. The Managers shall hold office until their qualified successors have been elected and hold their first meeting.

7. Vacancies. Vacancies on the Board of Managers caused by any reason other than the removal of a Manager by a vote of the Association, which vacancies shall be filled in the manner provided in the next paragraph (paragraph 8, Article IV), shall be filled by vote of the majority of the remaining Managers even though they may constitute less than a quorum; and each person so elected shall be a Manager until a successor is elected at the next annual meeting of the Association. Each vacancy shall be filled consistent with the qualifications set forth in paragraph 1 of this Article IV

8. Removal of Managers. At any regular or special meeting of the Association duly called, any one or more of the Managers may be removed with or without cause by a majority in membership interest of the members, and, consistent with the qualifications set forth in paragraph 1 of this Article IV, a successor may then

and there be elected to fill the vacancy thus created. Any Manager whose removal has been proposed by the members shall be given an opportunity to be heard at the meeting.

9. Organization Meeting of Managers. The Board of Managers shall hold an organization meeting immediately following each annual meeting of the Association, and no notice shall be necessary to the incumbents or the newly elected Managers in order to legally constitute such meeting.

10. Regular Meetings. Regular meetings of the Board of Managers may be held at such time and place as shall be determined, from time to time, by a majority of the Managers, but such meetings shall be held at least semi-annually during each fiscal year. Notice of regular meetings of the Board of Managers shall be given to each Manager, personally or by first class mail, telephone or telegraph, at least three days prior to the day named for such meeting. Notices given by mail shall be deemed to have been given two (2) days after they are postmarked.

11. Special Meetings. Special meetings of the Board of Managers may be called by the President on five (5) days notice to each Manager, given personally, or by first class mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting. Notices given by mail shall be deemed to have been given two (2) days after they are postmarked. Special meetings of the Board of Managers shall be called by the President or Secretary in a like manner and on like notice on the written request of at least two (2) Managers.

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

13. Board of Managers' Quorum. At all meetings of the Board of Managers, a majority of the Managers shall constitute a quorum for the transaction of business, and the acts of the majority of the Managers present at a meeting at which a quorum is present shall be the acts of the Board of Managers. If, at any meeting of the Board of Managers, 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.

14. Compensation; Fidelity Bonds. The members of the Board shall serve without salary or compensation, except as permitted in Article XIII. The Board of Managers may require that all officers and employees of the Association handling or responsible for

Association funds shall furnish fidelity bonds. The premiums on such bonds shall be paid by the Association.

15. Conference Call Meetings. Upon proper notice as provided above, the Board of Managers may conduct meetings by telephone conference call where the participating Managers can both hear all comments and speak so the other participants can hear. Any business conducted during such conference call shall be deemed to have been conducted at a special or regular meeting of the Board, as may be appropriate.

ARTICLE V RIGHT TO INSPECT RECORDS, STATE OF ACCOUNT

1. Inspection. All Owners, Mortgagees and other persons lawfully entitled to inspect the same shall have the right to inspect the Association's and the property manager's business records at reasonable times during business hours.

2. Statement of Account. Upon ten (10) days notice to the Board, or to the property manager if one is employed, and payment of a reasonable fee not to exceed \$50.00, any prospective grantee, Owner or Mortgagee of a Lot 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.

ARTICLE IV OFFICERS

1. Designation. The officers of the Association shall be a President, a Vice President, a Secretary, a Treasurer, all of whom shall be elected by and from the Board of Managers, and such assistant officer positions as the Board of Managers may, from time to time, directly be filled. Assistant officers need not be Board members. Officers may hold more than one position at one time except for President and Secretary, which positions must be held by two different individuals.

2. Election of Officers. The officers of the Association shall be elected annually by the Board of Managers at the organizational meeting of each 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 Managers, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Managers or any special meeting of the Board called for such purpose.

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 Managers. He shall have all the general powers and duties which are usually vested in the office of president of a corporation, including but not limited to

the power to appoint committees from among the Owners from time to time as he may in his discretion decide to be 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.

5. Vice President. The Vice President shall have all the powers and authority and perform all the functions and duties of the President, in the absence of the President or his inability for any reason to exercise such powers and functions or perform such duties.

6. Secretary. The Secretary shall keep all the minutes of the meetings of the Board of Managers and the minutes of all meetings of the Association; he shall have charge of such books and papers as the Board of Managers 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 at the principal office of the Association a complete list of members and their registered mailing addresses. Such list shall also show opposite each member's name the number or other appropriate designation of the Unit, Tract, or Lot 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 during regular business hours.

7. Treasurer. The Treasurer shall have the 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; provided, however, that when a property manager has been delegated the responsibility of collecting and disbursing funds, the Treasurer's responsibility shall be to review the accounts of the manager not less often than semi-annually.

ARTICLE VII

INDEMNIFICATION OF OFFICERS, MANAGERS AND PROPERTY MANAGER

1. Indemnification. The Association shall indemnify each Manager, officer, property manager, their respective successors, personal representatives and heirs, against all losses, costs and expenses, including attorney's fees, reasonably incurred by them in connection with any action, suit or proceeding to which they may be made a party by reason of their position with or employment by the Association to the full extent permitted by the Articles of Incorporation, except as to matters as to which such person(s) shall be finally 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 Manager, officer or property manager in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such Manager, officer or property manager is entitled. All liability, loss, damage, cost and expense incurred or suffered by the Association by reason of or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as a common expense, provided, however, that nothing in Article VII contained hereto shall be deemed to obligate the Association to indemnify any member or Owner who is or has been a Manager, officer or property manager of the Association with respect to any duties or obligations assumed or liabilities incurred by him as a member or Owner under and by virtue of the Declaration.

2. Other. Contracts or other commitments made by the Board of Managers, an officer or the property manager shall be made as an agent for the Association, and they shall have no personal responsibility on any such contract or commitment.

ARTICLE VIII OBLIGATIONS OF THE OWNERS

1. Assessments. All Owners shall be obligated to pay the monthly assessments imposed by the Association to meet all of the expenses incurred by this Association. Additionally, each Owner, other than Declarant, may be required to deposit and maintain with the Association an amount equal to one quarter of the estimated annual assessment for each Lot, which sum shall be used by the Association as a reserve for paying such Owner's assessments, for purchase of the equipment and supplies, and for working capital of the Association. Such advance payment shall not relieve an Owner from making the regular payments of assessments as the same become due. An Owner shall be deemed to be in good standing and entitled to vote at any annual or at a special meeting of Owners, within the meaning of these Bylaws, if and only if he shall have fully paid all assessments made or levied against him and the Unit owned by him.

2. Notice of Lien or Suit. An Owner shall give notice to the Association of every lien or encumbrance upon his Unit, other than for taxes and special assessments, and notice of every suit or other proceeding which may affect the title to his Unit, and such notice shall be given within five days after the Owner has knowledge thereof.

3. General.

(a) Each Owner shall comply strictly with the provisions of all legal and other documents affecting his Lot or Unit and the General Common Areas, including these Bylaws.

(b) Each Owner shall always endeavor to observe and promote the cooperative purposes for which the Subdivision was built.

4. Uses of Units. All Lots may be used and occupied only for residential purposes by the Owners or by invitees and tenants of the Owners.

5. Use of General Common Areas. Each Owner may use the General Common Areas of the Property in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights of other Owners.

6. Right of Entry. An Owner shall grant the right of entry to the property manager or to any person authorized by the Board of Managers in case of an emergency originating in or threatening his Unit, whether the Owner is present at the time or not.

ARTICLE IX AMENDMENTS

1. Articles of Incorporation. The Articles of Incorporation may be amended in the manner provided by law.

2. Bylaws. These Bylaws may be amended by a majority vote of the members at a duly constituted meeting of the members for such purpose; provided, however, that no amendment shall conflict with or omit any of the particulars required by applicable law.

ARTICLE X MORTGAGES OR SALES

1. Notice to Association. An Owner who intends to sell or mortgage his Lot or Unit shall notify the Association through the property manager or the Secretary of the Board of Managers at the time of such sale or mortgage, giving the name and address of the purchaser or mortgage. The Association shall maintain such information in its files.

2. Notice of Unpaid Assessments. The Association shall within twenty (20) days of the request of an Owner, purchaser or mortgagee of a Lot or Unit report any unpaid assessments due from the Owner of such Lot or Unit.

ARTICLE XI EVIDENCE OF OWNERSHIP, REGISTRATION OF MAILING ADDRESS AND REQUIRED PROXIES

1. Proof of Ownership. Except for those Owners who initially purchase a Lot or Unit from Declarant, any person on becoming an Owner of a Lot or Unit shall furnish the Board of Managers or Secretary a copy of the recorded instrument vesting that person with an interest or ownership in a Lot or Unit, which copy 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 special meeting of members unless this requirement is first met.

2. Registration of Mailing Address. The Owner or several Owners of an individual Unit shall have one and the same registered mailing address to be used by the Association for mailing the monthly statements, notices, demands and all other communications, and such registered address shall be the only mailing address of a person or persons, firms, corporation, partnership, association or other legal entity or any combination thereof to be used by the Association. Such registered address of a member or members shall be furnished by such member(s) to the Board or Secretary within fifteen (15) days after transfer of title, or after a change of address, and such registration shall be in written form and signed by (all) of the Owner(s) of the Unit or by such persons as are authorized by law to represent the interest of (all of) the Owner(s) thereof.

ARTICLE XII

ABATEMENT AND ENJOINMENT OF VIOLATIONS BY UNIT OWNERS

1. Abatement and Enjoinment. The violation of any rule or regulation adopted by the Board of Managers, or the breach of any Bylaw, or the breach of any provisions of the Declaration, shall give the Board of Managers or the property manager the right, in addition to any other rights set forth therein, (a) to enter the Lot or Unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions thereof, and the Board of Managers or property manager shall not be deemed guilty in any manner of trespass or any other civil or legal violation; and (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach.

2. No Waiver of Rights. The omission or failure of the Association or any Owner to enforce the covenants, conditions, restrictions, easements, use, limitations, obligations or other provisions of the Declaration, these Bylaws or the rules adopted pursuant hereto, shall not constitute or be deemed a waiver, modification or release thereof, and the Association shall have the right to enforce the same thereafter.

ARTICLE XIII

NON-PROFIT

This Association is not organized for profit. No member, member of the Board of Managers or person 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 salary or compensation to, or distributed to, or inure to the benefit of any member of the Board of Managers; provided, however, always (1) that reasonable compensation may be paid to any member, Manager or officer 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, manager 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.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands as of the _____ day of _____, 1995.

BOARD OF MANAGERS

Craig Beardsley, President

KNOW ALL MEN BY THESE PRESENTS: That the undersigned Secretary of Warrior's Ridge Townhomes Homeowner's Association, Inc. does hereby certify that the above and foregoing Bylaws were duly adopted by the Managers of said corporation as the Bylaws of said corporation as of the _____ day of _____, 1995 and that they do constitute the Bylaws of said corporation.

ATTEST:

Secretary