

BYLAWS OF
OAK MEADOWS HOMEOWNERS ASSOCIATION

ARTICLE I

OFFICES

1. The principal office of the corporation shall be at 818 Colorado Avenue, Glenwood Springs, Colorado. The corporation may also have one or more offices at such other place or places within or without the State of Colorado as the Board of Directors may from time to time determine or the business of the corporation may require.

ARTICLE II

MEMBERS' MEETINGS

1. Meetings of members shall be held at the principal office of the corporation or at such other place or places, within or without the State of Colorado, as may be from time to time determined by the Board of Directors. The place at which such meetings shall be held shall be stated in the notice of the meetings.

2. The annual meetings of members, after the year 1977, for the election of Directors to succeed those whose terms expire and for the transaction of such other business as may come before the meeting, shall be held in each year on the second Wednesday in April. If the day so fixed for such annual meeting shall be a legal holiday, then such meeting shall be held on the next succeeding business day.

3. Special meetings of members for any purpose or purposes may be called at any time by the Board of Directors and shall be called by the Chairman of the Board of Directors or the Secretary upon the request of the holders of not less than one-half of the total members' votes in the corporation entitled to vote at the meeting. The purposes of such special meeting shall be stated in the notice therefor.

4. Notice of each meeting of members, whether annual or special, shall be given not less than ten nor more than fifty days prior thereto to each member of record entitled to vote thereat by delivering written or printed notice thereof

to each member personally or by mailing the same to his address as it appears on the books of the corporation. The notice of all meetings shall state the place, day and hour thereof.

5. At least ten days before every meeting of members a complete list of members entitled to vote thereat, arranged in alphabetical order, showing the address of each member and the number of votes to which each is entitled, shall be prepared by the Secretary of the corporation and shall be open to the inspection of any member during usual business hours for a period of at least ten days prior to such meeting at the principal office of the corporation, and such list shall be produced and kept at the time and place of the meeting during the whole time thereof, and subject to the inspection of any member who shall be present.

6. Members of this corporation shall have the right to vote the election of the Directors of the corporation and upon all other matters properly brought to a vote of the members by virtue of the Articles of Incorporation or the Bylaws of the corporation, or the laws of Colorado, in the following manner:

(a) There shall be one membership for each lot or unit within Oak Meadows Ranch and Blocks One and Three, Oak Meadows Subdivision, Filing Number Three.

(b) Each member shall be entitled to cast one vote for each \$1,000.00, or fraction thereof, of the assessed valuation as then established by the Garfield County Assessor, of all real property and improvements to real property which the member owns in fee within the area herein defined as Oak Meadows Ranch and Blocks One and Three, Oak Meadows Subdivision, Filing Number Three.

Provided, however, that so long as Redstone Corporation is a member of this corporation and owns one-fifth or more of the building sites within the area defined herein as Oak Meadows Ranch and Blocks One and Three, Oak Meadows Subdivision, Filing Number Three, said Redstone Corporation shall be entitled to elect three-fifths (3/5ths) of the Directors of this corporation and shall be entitled to cast three-fifths (3/5ths) of the votes cast on all other questions voted on by the members.

7. The cumulative system of voting shall not be used for any purpose. Each member shall be entitled to vote in person or by proxy executed in writing by such member or by his duly authorized attorney in fact; provided, however, that no such proxy shall be valid after eleven months from the date of its execution, unless the proxy provides for a longer period. When a quorum is present at any meeting, the

vote of a majority of the members' votes present in person or represented by proxy shall decide any question brought before such meeting, unless the question is one upon which by the express provisions of the laws of Colorado, or of these Articles of Incorporation, or of the Protective Covenants for Oak Meadows Ranch or Blocks One and Three, Oak Meadows Subdivision, Filing Number Three, a different vote is required, in which case the express provisions shall govern and control the decision of such question.

8. The Board of Directors shall close the membership transfer books of the corporation for a period of not less than ten days nor more than fifty days preceding the date of any meeting of members.

9. The holders of a majority of the total members' votes entitled to vote thereat, present in person or represented by proxy, shall be requisite to and shall constitute a quorum at all meetings of members for the transaction of business, except as otherwise expressly provided by law or by these Articles of Incorporation. If such quorum shall not be present or represented at any such meeting, the holders of a majority of the votes present in person or represented by proxy and entitled to vote thereat shall have power to adjourn the meeting from time to time until a quorum shall be present or represented.

10. The Chairman of the Board of Directors shall call meetings of members to order and act as chairman of such meetings. In the absence of said officer, any member entitled to vote thereat, or any proxy of any such member, may call the meeting to order and a chairman shall be elected. The Secretary of the corporation shall act as Secretary of such meetings.

ARTICLE III

DIRECTORS

1. After each annual election of Directors, the Board of Directors shall meet for the purpose of organization, the election of officers, and the transaction of any other business.

2. Regular meetings of the Board of Directors may be held without notice at such time and place as shall from time to time be determined by the Board.

3. Special meetings of the Board of Directors may be called by the Chairman of the Board of Directors on five days' notice to each Director, either personally or by mail or by telegram, and shall be called by the Chairman of the Board of Directors or Secretary in like manner and on like notice on the written request of any two Directors.

4. Meetings, including organizational meetings, of the Board of Directors may be held at such place or places either within or without the State of Colorado as shall from time to time be determined by the Board, or as shall be fixed by the Chairman of the Board of Directors and designated in the notice of the meeting.

5. A majority of the number of Directors shall constitute a quorum at all meetings of the Board of Directors, and the act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. In the absence of a quorum at any meeting, a majority of the Directors present may adjourn the meeting to a later day and hour without further notice.

6. Directors shall be paid no compensation by the corporation for their services. All Directors may be allowed expenses incurred for attendance at each regular or special meeting of the Board as may be from time to time fixed by resolution of the Board. Nothing herein contained shall be construed to preclude any Director from serving the corporation in any other capacity and receiving compensation therefor.

ARTICLE IV

OFFICERS

1. The Board of Directors, annually, shall elect a Chairman of the Board of Directors, a Secretary and a Treasurer. The Board may also elect or appoint such other officers as may be determined by the Board. Every officer so elected or appointed shall continue in office until his successor shall be elected or appointed and shall qualify, unless sooner removed. Any individual, except the Chairman of the Board of Directors, may hold two or more offices simultaneously. Any officer elected or appointed by the Board of Directors may be removed at any time by an affirmative vote of a majority of the whole Board of Directors. If the office of any officer becomes vacant for any reason the vacancy shall be filled by the Board of Directors.

2. Officers of the corporation shall be entitled only to such salaries, emoluments, compensation or reimbursement as shall be fixed or allowed by the Board of Directors.

3. The Chairman of the Board of Directors shall be the chief executive officer of the corporation; he shall preside at all meetings of the members and Directors; shall have general and active management of the operation of the corporation; and shall see that all orders and resolutions of the Board of Directors are carried into effect.

4. The Secretary shall give, or cause to be given, notice of all meetings of the members and Directors and shall attend all such meetings and keep a record of their proceedings. The Secretary shall be the custodian of the seal of the corporation and shall have power to affix the same to all documents, the execution of which on behalf of the corporation is authorized by these Bylaws, by the Articles of Incorporation, or by the Board of Directors. The Secretary shall have charge of membership records of the corporation and shall in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to the Secretary by the Board of Directors or the Chairman of the Board of Directors.

5. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the corporation and shall deposit all such funds in the name of the corporation in such banks or other depositories as shall be selected by the Board of Directors. The Treasurer shall collect and receive and give receipts for all monies or securities belonging to the corporation. In general the Treasurer shall perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to the Treasurer by the Board of Directors, or by the Chairman of the Board of Directors. The Treasurer shall give a bond for the faithful discharge of his duties if, and in such sums and with such sureties as, the Board of Directors shall require.

ARTICLE V

ASSESSMENTS

1. Assessments may be levied by the corporation upon the members of the corporation by vote of the majority of the members of the corporation present in person or by proxy at any duly called meeting of the members for the purpose of funding any of the activities of the corporation, which shall include, but not be limited to: payment of taxes on real and personal property; interest on monies borrowed; road and easement construction, surfacing, maintenance, snow removal; legal and accounting fees; managerial salaries; and any and all expenditures needed or required for the operation of the Association affairs. Assessments shall not include charges for water, sewer or other utilities. All such charges for utilities shall be made separate and apart from assessments levied under this Article.

2. Assessments shall be levied pro rata on the members in accordance with the assessed value, as established by

the Garfield County Assessor on the date of the levy, of the lands and improvements to lands owned in fee by each member in the area defined herein as Oak Meadows Ranch and Blocks One and Three, Oak Meadows Subdivision, Filing Number Three. The total sum to be levied on all members shall be divided by the total assessed value of the land and improvements owned in fee by all members. The resulting percentage shall be multiplied against the assessed valuation of each member to determine the assessment to be paid by each member. The pro rata share of such first yearly assessment shall be payable upon date of purchase of each coordinate point. All assessments thereafter shall be payable as directed at the meeting whereat the assessment is established.

3. Every assessment duly levied against any member by the corporation shall become a lien on the lands and improvements to lands owned by such member in the area defined as Oak Meadows Ranch and Blocks One and Three, Oak Meadows Subdivision, Filing Number Three. The corporation shall be entitled to maintain an action in the District Court in and for the County of Garfield and State of Colorado for the purpose of recovering any unpaid assessments made against any member, and for the purpose of foreclosing its lien against the real property and improvements of such member for the satisfaction of such unpaid assessments. Upon the request of any member, the Board of Directors shall execute and deliver an agreement subordinating the lien provided for in this paragraph to the lien of any first mortgage or deed of trust on the real property and improvements owned by the member in Oak Meadows Ranch and Blocks One and Three, Oak Meadows Subdivision, Filing Number Three. The Board of Directors may, in its discretion, also subordinate the lien provided for in the paragraph to any second or subsequent mortgage or deed of trust.

ARTICLE VI

UTILITIES

1. The water system within Oak Meadows Ranch and Blocks One and Three, Oak Meadows Subdivision, Filing Number Three, and the sewer system within Oak Meadows Ranch, shall be owned or managed by the Association. The Association shall also have the right and authority to own or manage any other utility systems as it may from time to time deem necessary, expedient or appropriate.

2. The operation of utility systems owned or managed by the Association shall be governed by rules and regulations adopted by the Association for the operation of each such system.

3. Tap fees, readiness to serve charges, system improvement fees, service charges or other fees or charges for the construction and maintenance of utility systems owned or managed by the Association shall be as from time to time established by the Association in the rules and regulations adopted for the operation of such utility systems.

ARTICLE VII

CONVEYANCES AND LOANS

1. Conveyance or encumbrance of all or any part of the corporate property may be made as provided in the Articles of Incorporation. A certification contained in any such conveyance or encumbrance, reciting the names of the Directors of the corporation in office at the time of execution of the conveyance or encumbrance, and setting forth the text of the resolution of the members authorizing the conveyance or encumbrance, signed by the Secretary of the corporation and bearing the corporate seal, shall be binding on the corporation as to the facts therein stated.

2. Loans may be contracted on behalf of the corporation upon resolution duly passed by the Board of Directors.

ARTICLE VIII

INDEMNIFICATION

The Corporation shall indemnify any and all of its Directors or officers, or former Directors or officers, against expenses actually incurred by them in connection with the defense of any action, suit, or proceeding in which they or any of them are made parties or party by reason of being or having been Directors or officers or a Director or officer of the corporation, except in relation to matters as to which any such Director or officer, or former Director or officer shall be adjudged in such action, suit, or proceeding to be liable for negligence or misconduct in the performance of duty. Such indemnification shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of members, or otherwise.

ARTICLE IX

CORPORATE SEAL

The corporate seal shall consist of two concentric circles, between which shall be the name of the corporation and the word "Colorado," and in the center shall be inscribed the word "SEAL." Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

ARTICLE X

AMENDMENTS


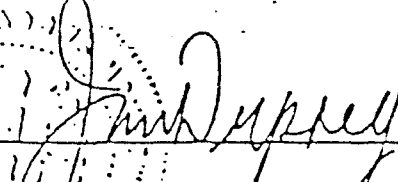
This corporation reserves the right to amend, alter, change or repeal any provisions contained in, or to add any provisions to, its Articles of Incorporation or its Bylaws from time to time, by resolution adopted at any regular or special meeting by three-fourths (3/4) of the votes of all of the members entitled to be cast thereat, whether present in person or represented by proxy or absent.

Adopted by the Board of Directors of the Oak Meadows Homeowners Association this 6th day of October, 1977.



President

ATTEST:

SECRETARY.

COPY

AMENDMENT TO BY-LAWS OF
OAK MEADOWS HOMEOWNER'S ASSOCIATION

The By-Laws of the Oak Meadows Homeowner's Association are hereby amended as follows:

Section 6 of Article II of the By-Laws is amended to read in its entirety as follows:

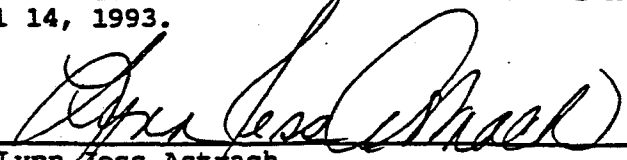
The right to vote for the election of Directors of the Corporation and on other matters properly brought to a vote of the Members, shall vest exclusively in the owners of Sites as defined in the General Declaration recorded as Reception No. 276560 in Book 492 at Page 894, et. seq. of the Garfield County records. If any Site is owned by two or more persons, the Membership appurtenant to such Site shall be joined in a single Membership therefore and shall be held in the names of all owners of such Site who shall designate to the Corporation, in writing, one person who shall have the power to vote such Membership. In the absence of such written designation, the Board of Directors of the Corporation may designate one of the owners as the voting Member. Members shall be entitled to one vote for each Site owned.

Section 1 and 2 of Article V is amended to read:

1. The Corporation, upon approval by vote of a majority of the members of the Corporation who are subject to a proposed assessment and who are present, in person or by proxy, at any duly called meeting, may levy assessments, whether regular or special, as necessary to fund any of the activities of the Corporation including, but not limited to: payment of taxes on real and personal property; interest on monies borrowed; road and easement construction, surfacing, maintenance and snow removal; legal and accounting fees; managerial salaries; and any and all expenditures needed or required for the operation of the Corporation's affairs.

2. Except for charges for water and/or sewer service as hereinafter provided, assessments shall be levied prorata among the Membership based on the total number of Sites owned by Members of the Corporation. Any charges assessed by the Corporation for water and/or sewer service may be levied on the basis of metered usage, flat rates or other equitable charging methods as established by the Corporation's Board of Directors from time to time.

I hereby certify that the foregoing Amendment was duly adopted by vote of three-fourths (3/4) of the votes of all of the Members entitled to be cast at the Annual Meeting of the Association's Members held on April 14, 1993.



Lynn Jess Astrach
Secretary, Oak Meadows Homeowner's Association

**RESOLUTION OF MEMBERS
OF OAK MEADOWS HOMEOWNERS ASSOCIATION
TO AMEND BYLAWS**

THE UNDERSIGNED President and Secretary, respectively, of the Oak Meadows Homeowners Association, a Colorado non-profit corporation, do hereby certify that the following resolution was duly adopted at a special meeting of the members of the Association held June 6, 1995, by the affirmative vote of at least three-fourths (3/4ths) of the votes of all of the members entitled to be cast at such meeting, whether present in person or represented by proxy or absent, to wit:

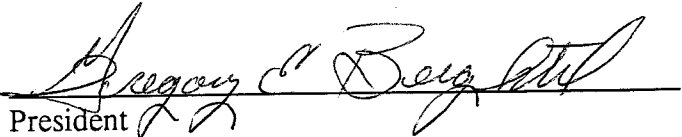
RESOLVED, that Section 1 of Article VI of the Bylaws of the Oak Meadows Homeowners Association is hereby amended to read in its entirety as follows:

1. The water and sewer systems serving all or any part of the residential lots or units owned by the Association's members in the Oak Meadows Ranch and Oak Meadows Subdivision may be owned and managed by the Association or the Association may convey all or any part of its interests in such systems to another corporation, district or other entity for ownership, management and operation of said systems or the part thereof conveyed. The Association shall also have the right and authority to own or manage any other utility systems as it may from time to time deem necessary, expedient or appropriate.

EXECUTED this 6th day of June, 1995.

OAK MEADOWS HOMEOWNERS ASSOCIATION

BY:


President

ATTEST:


Secretary