

I N D E X

TOWNHOME DECLARATION FOR HIGH TIMBER TOWNHOMES

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TOWNHOME DECLARATION
FOR
HIGH TIMBER TOWNHOMES

This Declaration of Covenants, Conditions and Restrictions, hereinafter called "Declaration," is made and executed in Summit County, Colorado, this ___ day of _____, 1982, by Leisure Development, Inc., a Colorado corporation, hereinafter called "Declarant."

R E C I T A L S

WHEREAS, Declarant is the owner of certain real property situate in the County of Summit, State of Colorado, as more particularly described in Exhibit A hereto, and hereinafter the "Property".

WHEREAS, Declarant intends to construct certain improvements which consist of townhomes for residential purposes on the Property.

WHEREAS, Declarant desires to establish a townhome project to be known as High Timber Townhomes upon the Property and to sell and convey the same to various purchasers subject to the covenants, conditions, and restrictions herein reserved to be kept and observed.

WHEREAS, Declarant desires and intends by filing this Declaration to submit the Property and all buildings, structures and other improvements thereon, together with all appurtenances thereto, to the provisions of this declaration and to impose upon the Property mutually beneficial restrictions under a general plan of improvement for the benefit of all of the Lots and the Owners thereof.

NOW, THEREFORE, Declarant does hereby publish and declare that the Townhome Project shall be held, conveyed, hypothecated, encumbered, leased, rented, occupied and used subject to the following terms, covenants, conditions, easements, restrictions, uses, limitations and obligations, all of which shall be deemed to run with the land, shall be a burden and a benefit to Declarant, its successors and assigns and any person acquiring or owning an interest in the Property and improvements, their grantees, successors, heirs, executors, administrators, devisees or assigns.

1. Definitions. Unless the context shall expressly provide otherwise:

(a) "Lot" means the fee simple interest and title in and to a parcel of land designated on the map as a Lot, together with the improvements thereon.

(b) "Unit" means the improvements contained within the outside perimeter walls of the residential structure located on a Lot.

(c) "Owner" means a person, firm, corporation, partnership, cooperative association, association or other legal entity, or any combination thereof, who own(s) one or more Lots.

(d) "Common Elements" shall be owned by the High Timber Townhome Association and shall include:

(1) the improvements located on and within the Access and Utility Easement;

(2) utility lines external to the point where the utilities enter any Unit;

(e) "Townhome Project" or "Project" means all of the land and improvements submitted to this Declaration.

(f) "Common Expenses" mean and include expenses of administration, operation and management of the Project, and the expense of maintenance, repair or replacement of the Common Elements and all other expenses declared Common Expenses by provisions of this Declaration and the Bylaws of the Association.

(g) "Association of Lot Owners" or "Association" means the High Timber Townhome Association, a Colorado corporation, not for profit, its successors and assigns, the Articles of Incorporation and Bylaws of which, together with this Declaration shall govern the administration of the Project, the members of which shall be all of the Owners of the Lots in every phase of the Project, as it may be expanded pursuant to this Declaration.

(h) "Townhome Map" or "Map" means the plat of the High Timber Townhomes, as recorded under Reception No. 252 334 of the Summit County records.

The initial Map and each supplement thereto shall be recorded prior to the conveyance of any of the Lots shown thereon. The initial Map and the supplements thereto shall depict and show at least the following:

The legal description of the land and a survey thereof; the location of the Lots; the Lot designation; and the certificate of a registered professional engineer, licensed architect, or registered land surveyor certifying that the Map was prepared after substantial completion of the improvements shown thereon and is in substantial compliance with the boundaries, measurements, and improvements shown thereon. Declarant reserves the right to amend the Map, from time to time, to conform the same according to the actual location of any of the improvements and to establish, vacate and relocate easements, access roads and on-site parking areas.

(i) "Property" means the land encompassing the Project as more particularly described as follows:

High Timber Townhomes, according to the recorded plat thereof, under Reception No. _____, County of Summit, State of Colorado.

Declarant reserves the right to amend the Map, from time to time, to establish, vacate and relocate easements.

(j) "Mortgage" as used herein shall mean any mortgage, deed of trust or other document pledging a Lot or interest therein as security for the payment of a debt or obligation.

(k) "Mortgagee" shall mean any person, corporation, partnership, trust, company, association or other legal entity which takes, owns, holds or receives a mortgage or deed of trust.

(l) "Party Walls". All walls common to two adjacent Units, together with the footings beneath them and the portions of the roof above them are collectively designated "Party Walls".

2. Division of Property into Lots. The Property is hereby divided into ten (10) fee simple estates, each such estate consisting of one Lot.

3. Description of a Lot. A contract for the sale of a Lot written prior to the filing for record of this Declaration and the Map may legally describe a Lot by its identifying Lot number, followed by the words High Timber Townhomes with further reference to the Declaration and the Map.

Subsequent to the filing of the Map and the recording of the Declaration, every deed, lease, mortgage, trust deed, will or other instrument may legally describe a Townhome Lot as follows:

High Timber Townhome Lot__ according to the Townhome Declaration for High Timber Townhomes recorded _____, 1982, at Reception Number _____, and the Map thereof recorded on Feb 16, 1983, at Reception Number 252334 of the Summit County, Colorado records.

Every such description shall be good and sufficient for all purposes to sell, convey, transfer, encumber or otherwise affect the Lot.

4. Ownership - Title. A Lot may be held and owned by more than one person as joint tenants or as tenants-in-common, or in any real property tenancy relationship recognized under the laws of the State of Colorado.

5. Easements. Each Lot in the Project shall be subject to the following easements:

(a) Utility Easements: There are hereby dedicated nonexclusive easements for the installation, maintenance, and use of utility lines serving one or more of the Lots. The easements are granted to the Association, and the location of the easements are on and beneath the surface of the ground where the existing water, sewer, electric, telephone, and cable television lines are now installed. Parties providing or

maintaining utilities shall have the right to enter upon the easements at any reasonable time for the maintenance, repair, and servicing of these utility lines. No Owner shall commit an act or omission which would cause an interruption in the utility service to another.

(b) Easement for Encroachments: If any portion of a structure built by Declarant encroaches upon or over an adjoining Lot or Lots, a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. Such encroachments and easements shall not be considered and determined to be encumbrances on the Lots. Encroachments referred to herein include, but are not limited to, encumbrances caused by error in the original construction of any improvements, by error in the Map, by settling, rising or shifting of the earth, or by changes in the position caused by repair or reconstruction of the Project or any part thereof. Encroachments referred to herein specifically do not include encumbrances caused by the act of any Owner.

(c) Easement for Repairs, Maintenance and Emergencies: Some of the utility services and structural members are, or may be, located within a Unit or may be conveniently accessible only through a Unit. The Association or affected Lot Owner, shall have a non-exclusive easement for access through each Lot, from time to time, during such reasonable hours as may be necessary for the maintenance, repair or replacement of any of the utilities or structural members located therein or accessible therefrom or for making any repairs therein necessary to prevent damage to another Unit. Damage to the interior or any part of a Unit resulting from emergency repairs, at the instance of the Association, shall be a Common Expense of all Owners within that contiguous building. No diminution or abatement of Common Expense assessments shall be claimed or allowed for inconvenience or discomforts arising from the making of repairs and improvements or for action taken to comply with any law, ordinance or order of any governmental authority. Restoration of the damaged improvements shall be to substantially the same condition in which they existed prior to the damage. The foregoing notwithstanding, if any such damage is the result of the carelessness or the negligence of any Owner, then such Owner shall be solely responsible for the costs and expenses of repairing such damage. There is also hereby created a non-exclusive emergency easement for ingress and egress across the Property for the use of any governmental agency.

(d) Access and Utility Easement:

(1) Each Owner, his invitees, guests, and family shall have a non-exclusive easement over and across the Access and Utility Easement designated on the Map for ingress, egress, parking, and other purposes pursuant to Rules and Regulations that may be adopted from time to time by the Board of Managers.

(2) A Pedestrian Access Easement is hereby granted to the Owner of Lot 6 over and across Lots 4 and 5, and to the Owner of Lot 5 over and across Lot 4, for access to and from the garages appurtenant to such Lots, all as designated on the Map.

(e) Party Wall Easements. Mutual reciprocal easements are hereby established, declared, and granted for all party walls between improvements constructed or to be constructed on Townhome Lots, which reciprocal easements shall be for mutual support, and shall be governed by this Declaration. Every deed, whether or not expressly

so stating, shall be deemed to convey and to be subject to such reciprocal easements. Each wall which is built as a part of the original construction of the improvements upon the Property and placed on the dividing line between the Lots shall constitute a party wall; and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and of liability for property damage due to negligence or willful acts or omissions shall apply thereto.

(f) Snow Storage. There are hereby dedicated nonexclusive easements to the Association for snow storage purposes as designated on the Map.

(g) Refuse Easement. There is hereby dedicated an easement for the location of a dumpster and for the collection of trash as designated on the Map.

6. Owners' Maintenance Responsibility for Lot. Unless otherwise provided herein, an Owner shall maintain and keep in repair his own Unit, including the fixtures and personal property therein, and the windows and doors in the walls that surround the Unit. All fixtures, utilities, and equipment installed within the Lot commencing at a point where the utilities enter the Lot shall be maintained and kept in repair by the Owner thereof. An Owner shall do no act nor any work that will impair the structural soundness or integrity of any improvements or impair any easement.

7. Termination of Mechanic's Lien Rights and Indemnification. Subsequent to the completion of the improvements described on the Map, no labor performed or materials furnished and incorporated in a Unit with the consent or at the request of the Owner or his agent or his contractor, materialman, or subcontractor shall be the basis for filing of a lien against the Lot of any other Owner not expressly consenting to or requesting the same, or against the Common Elements. Each Owner shall indemnify and hold each of the other Owners harmless from and against all liability or loss arising from the claim of any lien against the Lot of any other Owner or against the Common Elements for construction performed or for labor, materials, services or other products incorporated in the Owner's Unit at such Owner's request. The Board of Managers identified in Paragraph 8(c) may in its discretion enforce such indemnity by collecting from the Owner of the Lot on which labor was performed and materials furnished, the amount necessary to discharge any lien and all costs incidental thereto, including reasonable attorneys' fees. If such amount is not promptly paid, the Board of Managers may collect the same in the manner provided herein for the collection of Assessments.

No mechanic's lien filed against all or part of the Property will be a valid lien except against the Lot or Lots for which work was performed or materials were provided, and which are described in the lien statement. No other lien arising under the laws of Colorado shall relate to the entire Property, but shall relate only to one or more individual Lots.

8. Administration and Management; Association; Managing Agent.

(a) The Association will be formed to manage the Common Elements as provided in this Declaration and to further the interests of all Owners of Lots in the Project. The Association shall have all powers necessary or desirable to effectuate such purposes. Subject to the provisions of this Declaration, the administration and management of the Association shall be governed by the Articles of Incorporation and

Bylaws thereof. An Owner of a Lot, upon becoming an Owner, shall be a member of the Association and shall remain a member for the period of his ownership.

(b) Each Owner shall be entitled to one vote for each Lot owned.

(c) The affairs of the Association shall be managed by a Board of Managers as is provided in the Articles of Incorporation and Bylaws of the Association. Notwithstanding anything to the contrary provided herein, until six (6) Lots within the Project have been sold (meaning that title to said Lots has been conveyed by the Declarant) or until January 30, 1986, whichever is earlier, the members of the Board of Managers shall be appointed by the Declarant and need not be Owners of Lots. The Declarant shall have the option at any time to turn over control of the Board of Managers to the Owners upon sixty days' prior written notice.

(d) The Board of Managers may by resolution delegate any of its duties, powers and functions to a person or firm which will act as Managing Agent. No agreement for professional management of the Property, or any other contract providing services of the Declarant, may exceed three (3) years; any such agreement must provide for termination by either party without cause and without payment of a termination fee on ninety (90) days or less written notice.

9. Powers and Duties of the Association. By way of enumeration and without limitation the Association shall have the following powers and duties:

(a) Association as Attorney-in-Fact for owners: The Association is hereby irrevocably appointed attorney-in-fact for the Owners, and each of them, to manage, control and deal with the interest of such Owner in the Common Elements so as to permit the Association to fulfill all of its duties and obligations hereunder and to exercise all of its rights hereunder, to deal with the Project upon its destruction or obsolescence as hereinafter provided and to grant utility and other easements and rights of way through any Lots. The acceptance by any Owner of any interest in any Lot shall constitute an appointment of the Association as attorney-in-fact as provided above and hereinafter. The Association shall be granted all of the powers necessary to govern, manage, maintain, repair, administer and regulate the Project and to perform all of the duties required of it. Notwithstanding the above, unless one hundred percent (100%) of the first Mortgagees of Lots and sixty-six percent (66%) of the Owners have given their prior written approval, the Association shall not be empowered or entitled to:

- (i) by act or omission, seek to abandon or terminate the Project;
- (ii) partition or subdivide any Lot;
- (iii) by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer any of the Common Elements;
- (iv) use hazard insurance proceeds for loss to the improvements for other than repair, replacement or reconstruction of such improvements; or

(v) change the prorata ownership interest or obligation of any Lot for the purpose of allocating the proceeds of hazard insurance or condemnation awards.

(b) Common Elements: The Association, subject to the rights and obligations of Owners with respect to the interior of the Units, shall be responsible for the exclusive management and control of the Common Elements and all improvements thereon (including equipment related thereto), and shall keep the same in good, clean, attractive, and sanitary condition. The cost of such management, operation, maintenance, and repair by the Association shall be borne as a Common Expense. The Association shall also be responsible for the maintenance and repairs of exterior surfaces of all buildings, including without limitation, painting as often as necessary, the replacement of trim and caulking, and the maintenance and repair of roofs.

(c) Other Association Functions: The Association may undertake any activity, function or service for the benefit of or to further the interests of all, some or any Owners of Lots on a self-supporting, special assessment or common assessment basis.

(d) Labor and Services: The Association (i) may obtain and pay for the services of a Managing Agent to manage its affairs, or any part thereof to the extent it deems advisable, as well as such other personnel as the Association shall determine to be necessary or desirable for the proper operation of the Project, whether such personnel are furnished or employed directly by the Association or by any party with whom or which it contracts; (ii) may obtain and pay for legal, accounting and other professional services necessary or desirable in connection with the operation of the Project or the enforcement of this Declaration; and (iii) may arrange with others to furnish lighting, heating, water, trash collection, sewer service, landscaping maintenance, snow removal and other common services.

(e) Property of Association: The Association may pay for, acquire and hold tangible and intangible personal property and may dispose of the same by sale or otherwise. Upon termination of the Project and dissolution of the Association, the beneficial interest in any such property shall be deemed to be owned pro rata by the then Owners as tenants in common. A transfer of a Lot shall transfer to the transferee ownership of the transferor's beneficial interest in such property without any reference thereto. Each Owner may use such property in accordance with the purposes for which it is intended, without hindering or encroaching upon the lawful rights of the other Owners. The transfer of title to a Lot under foreclosure shall transfer ownership in such property associated with the foreclosed Lot.

(f) Association Right to Lease and License Common Elements: Subject to the requirements of Paragraph 11(a)(iii), the Association shall have the right to lease or license or permit the use of, by less than all Owners or by non-owners on either a short-term basis or long-term basis and with or without charge as the Association may deem desirable, any portion of the Common Elements or any Lot owned by the Association. The rights granted to the Association in this subparagraph shall only be used in the promotion of the collective best interests of the Owners.

(g) Mortgagee Inspection: The Association shall grant to each first Mortgagee of a Lot the right to examine the books and records of the Association at any reasonable time.

(h) Architectural Control/Approval Required:

(1) No Owner shall materially alter the construction, external decoration, external color scheme of a Unit, or permit any addition, alteration, fencing, outbuilding, shed, privacy wall, or any other structure of any kind to be commenced, erected, or maintained on the Lot or the Property until satisfactory and complete plans and specifications showing the nature, shape, heights, materials, and locations of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures, topography, and natural surroundings by the Architectural Control Committee. Approval by the Architectural Control Committee is in addition to and not in lieu of county and other building code requirements.

The plans submitted to the Architectural Control Committee shall include any request the Owner may wish to make for temporary use of the Common Elements for storage of construction materials or use by construction equipment. This request must specify the amount of surrounding Common Elements needed, the duration of the use, and the plans to restore the Common Elements upon completion. No such use shall be permitted unless the Architectural Control Committee grants its prior written consent, and then the approval shall be only for the area and duration so approved. The Architectural Control Committee shall have the authority to so authorize use of the General Common Elements so long as the use is necessary for the construction of improvements on a Lot and so long as the use does not unreasonably interfere with the use and enjoyment of any other Lot by its Owner.

(2) Committee: The Board of Managers shall serve as the Architectural Control Committee. The Board shall review, study, and approve or reject proposed improvements upon the Property subject to these covenants and restrictions and as further set forth in the rules, regulations, and bylaws of the Architectural Control Committee. Any decision of the Architectural Control Committee may be overturned by the decision of two-thirds of the ten Lot Owners.

(3) Rules: The Architectural Control Committee may make such rules, regulations, and bylaws as it may deem appropriate to govern its proceedings.

(4) Criteria: In passing upon plans and specifications, the Architectural Control Committee shall consider:

a. Architectural and Engineering Services: Each Owner shall employ competent architectural and engineering advisors who will coordinate the plans and specifications and provide on-site job observation for the construction of each structure, addition, or alteration with the Architectural Control Committee. The plans and specifications shall provide a construction schedule with an estimated date of completion for each phase of construction. The Architectural Control Committee will reserve the right to require additional information in order to make decisions. In addition, the Architectural Control Committee shall be entitled to charge a reasonable review fee to reimburse its expenses and to require an Owner to pay for the cost of any consulting fees paid to an architect or engineer hired by the Committee to evaluate the Owner's plan.

b. Generally. It shall be an objective of the Architectural Control Committee to make certain that no improvements impair the aesthetic and monetary values of the High Timber Townhomes. The Architectural Control Committee shall consider the suitability of the improvements and the materials of which they are to be constructed; the quality of materials to be utilized in any proposed improvement; the effect of any proposed improvement on the Project; the location and character and method of utilization of all utility lines; and impact of any proposed improvement upon the natural surroundings; and the timely and orderly completion of all such improvements.

(5) Contractor Suitability. The Architectural Control Committee shall have the right to disapprove the choice by an Owner of any construction contractor for the building of any improvement or any other structure of any kind on any Lot. Grounds for such disapproval shall be only one or both of the following: (1) a reasonable belief that the contractor is not financially responsible to complete the improvements, and (2) nonconformance by the contractor with approved plans when previously undertaking construction work on a Lot of the Property. This Declaration establishes no duty upon Declarant or the Architectural Control Committee to investigate the financial responsibility of construction contractors or the performance by the contractor of construction work, and this Declaration vests no rights in Owners, any contractor, or other third party as against Declarant, the Architectural Control Committee, or the Association with respect to approval or disapproval of construction contractors.

(6) Approval of Contractor and Inspection of Construction. No Owner shall build any structure of any kind on any Lot until the Owner has obtained a building permit from the applicable authority having jurisdiction over building permits on High Timber Townhomes and until the approved building permit and the construction contract shall have been submitted to the Architectural Control Committee for approval of contractor suitability as specified in Paragraph 9(h)(5).

(7) Utilities. The Architectural Control Committee must approve all additional utility connections to Units on the Property and improvements thereon prior to installation, subject to the same criteria set forth in this Paragraph for other improvements.

(i) Rules and Regulations: The Association shall have the right to adopt such bylaws and to promulgate such reasonable rules and regulations as it deems necessary or desirable to effectuate the intent and to enforce the duties and obligations set forth in the Declaration and the Articles of Incorporation and Bylaws of the Association.

(j) Enforcement by Association: The Association may suspend any Owner's voting rights in the Association or the right of an Owner to use the Common Elements during any period or periods during which such Owner fails to comply with the Association's rules and regulations, or with any other obligations of such Owner under this Declaration. The Association may also take judicial action against any owner to enforce compliance with such rules, regulations or other obligations or to obtain damages for noncompliance, all to the extent permitted by law.

ARTICLE XI
SERVICES

The Association shall initially provide the following services to be paid for from the Common Expenses, which may be amended or supplemented from time to time by the Board of Managers:

1. Snow removal from the General Common Elements.
2. Water and sewer service.
3. Grounds maintenance.
4. Trash removal.
5. Lighting of Common Elements
6. Woodmoor Association dues

ARTICLE XII
AMENDMENTS TO BYLAWS

1. Bylaws. These Bylaws may be amended by majority vote of the Board of Managers of the Association at a meeting duly constituted for such purpose. The Lot Owners may, at any annual meeting, or a special meeting called for such purpose, amend these Bylaws. Any such amendment adopted by the Lot Owners may only be changed by the Lot Owners.

ARTICLE XIII
MORTGAGES; SALES

1. Notice to Association. An Owner who intends to sell or mortgage his Lot shall notify the Association through the Managing Agent or the Secretary of the Board of Managers prior thereto, giving the name and address of his Purchaser or mortgagee. The Association shall maintain such information in its files.

2. Registration of Mailing Address. The Owner of each Townhome Lot shall have one and the same registered mailing address to be used by the Managing Agent or the Association for mailing of monthly statements, notices, demand and all other communications, and such registered address shall be the address of the Lot, unless said Owner by written notice to the Association specified another mailing address to be used by the Association and/or Managing Agent.

3. Required Proxies. If title to a Townhome Lot is held by more than one person or by a firm, corporation, partnership, cooperative association, association, or other legal entity, or any combination thereof, such Owners 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 himself might cast if he were personally present. 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 reappoint and authorize one person or alternate persons to attend all annual and special meetings as is provided by this paragraph 3. The requirements herein contained in this Article XIII shall be first met before an Owner shall be deemed in good standing and entitled to vote at any annual or special meeting of members.

ARTICLE XIV
ABATEMENT AND ENJOINMENT
OF VIOLATIONS BY LOT 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 Managing Agent the right, in addition to any other rights set forth therein, (a) to enter the Unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Lot 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 Managing Agent 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.

ARTICLE XV
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 or Manager 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 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.

ARTICLE XVI
EXECUTION OF DOCUMENTS

The persons who shall be authorized to execute any and all instruments of conveyance under the provisions of the Declaration shall be the President and the Secretary or Assistant Secretary of the Association, and the same persons shall be authorized to execute promissory notes as is provided in paragraph 4(i) of Article IV of these Bylaws.

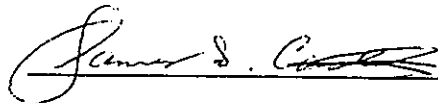
ARTICLE XVII
ATTORNEY IN FACT

Owners shall have the right to irrevocably constitute and appoint the beneficiary of a trust deed their true and lawful attorney to vote their Lot membership 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 Lot Owners under the Certificate of Incorporation and Bylaws of this Association or by virtue

of the Townhome Declaration. Such proxy shall become effective upon the filing of 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 a default under the trust deed or the failure, neglect or refusal of the Association, the Managing Agent or the Lot Owners to carry out their duties as set forth in the Townhome Declaration. A release of the beneficiary's deed of trust shall operate to revoke such proxy. Nothing herein contained shall be construed to relieve Townhome Lot Owners, as mortgagors, of their duties and obligations as Townhome Lot Owners or to impose upon the beneficiary of the deed of trust the duties and obligations of a Lot Owner.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands
this ___ day of _____, 1983.

BOARD OF MANAGERS



KNOW ALL MEN BY THESE PRESENTS: That the undersigned Secretary of the corporation does hereby certify that the above and foregoing Bylaws were duly adopted by the Managers of said corporation as the Bylaws of said corporation on the ___ day of _____, 1983, and that they do now constitute the Bylaws of said corporation.

ATTEST:

Secretary