

FIRST AMENDMENT TO BYLAWS

OF

THE PEAKS AT ASPEN GLEN HOMEOWNERS' ASSOCIATION

WHEREAS, the Annual Meeting of The Peaks at Aspen Homeowners' Association for the year 2000 was held on June 17th at 8:00 A.M.; and

WHEREAS, a majority of the Board of Directors and Members of the Association, in person or represented by proxy, voted to amend the Bylaws of the Association as set forth below; and

WHEREAS, Article XIII of the Bylaws sets forth that the Bylaws may be amended by the Members at a duly constituted meeting at which amendments are approved by an affirmative vote of a majority of a quorum of the Board of Directors.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PEAKS AT ASPEN GLEN HOMEOWNERS' ASSOCIATION THAT:

1. Section 4.4 of Article IV of the Association Bylaws is hereby amended to read as follows:

4.4 Quorum. The quorum for the transaction of any business at any meeting of the Association shall be thirty-three percent (33%) of the Membership. Quorum shall be established at the commencement of the meeting through membership in actual attendance or attending by a validly executed, written proxy. Should any meeting commence with a quorum in attendance, and the number of Members thereafter drops below the quorum and the question of a lack of quorum is raised by any Member, no further business shall be transacted.

2. Article V of the Association Bylaws, entitled "Board of Directors," is hereby deleted in its entirety and replaced with the following provisions:

5.1 General Powers and Duties of Board. The Board of Directors shall have the duty to manage and supervise the affairs of the Association and shall have all powers necessary or desirable to permit it to do so. Without limiting the generality of the foregoing, the Board of Directors shall have the power to exercise or cause to be exercised for the Association, all of the powers, rights and authority of the Association, not reserved to Members or Declarant, as provided in the Declaration, the Articles of Incorporation, these Bylaws or the Colorado Nonprofit Corporation Act.

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0304 Highway B3
Carbondale, CO 81623

5.2 Special Powers and Duties of Board. Without limiting the foregoing statement or general powers and duties of the Board of Directors or the powers and duties of the Board of Directors as set forth in the Declaration, the Board of Directors of the Association shall be vested with and responsible for the following specific powers and duties:

(a) Assessments. The duty to fix and levy annual and special assessments upon the Members of the Association as provided in the Declaration, to determine and fix the due date for the payment of such Assessments and the date upon which the same shall become delinquent as provided in the Declaration, and to enforce the payment of such delinquent assessments as provided in the Declaration.

(b) Taxes. The duty to pay all taxes and assessments levied upon the Association and all taxes and assessments payable by the Association. The Board of Directors shall also have the power to contest any such taxes or assessments.

(c) Insurance. The duty to contract and pay premiums for fire and casualty, blanket liability and other necessary insurance for the benefit of the Association.

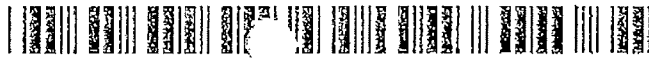
(d) Agents and Employees. The power to select, appoint, and remove all officers, agents, and employees of the Association and to prescribe such powers and duties for them as may be consistent with law, with the Articles of Incorporation, the Declaration and these Bylaws; and to fix their compensation and to require from them security for faithful service as deemed advisable by the Board.

(e) Borrowing. The power, with the approval of Members representing at least eighty percent (80%) of the voting power of the Association (exclusive of the voting power of the Declarant and those Members not entitled to cast votes), to borrow money and to incur indebtedness for the purposes of the Association, and to cause to be executed and delivered therefor, in the Association's name, promissory notes, bonds, debentures, mortgages, pledges, hypothecations or other evidences of debt and securities therefor.

(f) Delegation. The power to delegate its powers according to law.

(g) Rules and Regulations. The power to adopt such rules and regulations as the Board may deem necessary for the management of the Association and the services to be provided by the Association; provided, however, that such rules and regulations shall be enforceable only to the extent that they are consistent with the Declaration, Articles and these Bylaws.

(h) Enforcement. The power to enforce the provisions of the Declaration, these Bylaws or any rules and regulations or agreements of the Association.



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5.3 **Qualifications of Directors.** Notwithstanding the Initial Board of Directors, all Directors serving on the Board shall be Members of the Association.

5.4 **Number of Directors.** As set forth in the Association Articles, the initial number of Directors of the Association shall be three and shall be appointed by Declarant. The number of Directors may thereafter be increased in accordance with these Bylaws at the Board's discretion, provided that in no event shall the number of Directors ever be less than three and no decrease in number shall have the effect of shortening the term of any incumbent Director.

5.5 **Appointment, Election and Term of Office.** Directors may be elected at any Annual Meeting, or Special Meeting called for such purpose, and shall thereafter serve two (2) year terms, at the end of which time they may be reelected or new Directors may be elected in their place. There shall be no limit on the number of terms a Director may serve.

5.6 **Removal of Directors.** At any meeting of Members, the notice of which indicates such purpose, any Director may be removed, with or without cause, by vote of two-thirds (2/3) of the Members of the Association entitled to vote and a successor may be then and there elected to fill the vacancy thus created.

5.7 **Resignation of Directors.** Any Director may resign at any time by giving written notice to the President, Secretary, or Board of Directors stating the effective date of such resignation. Acceptance of such resignation shall not be necessary to make the resignation effective.

5.8 **Vacancies in Directors.** Any vacancy occurring in the Board of Directors shall, unless filled in accordance with Sections 5.5 or 5.6 above, be filled by the affirmative vote of a majority of the remaining Directors. A Director elected or appointed to fill a vacancy shall be elected or appointed for the unexpired term of his predecessor in office.

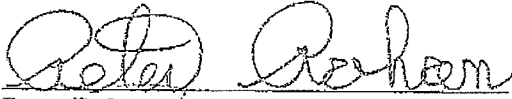
5.9 **Executive Committee.** The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate and appoint an Executive Committee, which shall consist of three or more Directors and which, unless otherwise provided in such resolution, shall have and exercise all the authority of the Board of Directors except authority with respect to the matters specified in the Colorado Nonprofit Corporation Act as matters which such committee may not have and exercise the authority of the Board of Directors.

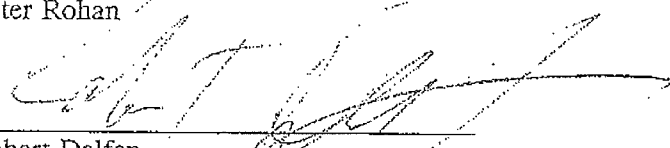
5.10 **Other Committees.** The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate and appoint one or more other committees, which may consist of Members who are not Directors. Any such committee shall have and exercise such authority as shall be specified in the resolution creating such Committee except such authority as can only be exercised by the Board of Directors.

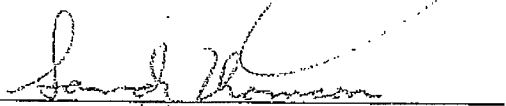
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5.11 General Provisions Applicable to Committees. The designation and appointment of any committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed upon it or him by law. The provisions of these Bylaws with respect to notice of meeting, waiver of notice, quorums, adjournments, vote required and action by consent applicable to meetings of Directors shall be applicable to meetings of committees of the Board of Directors.

IN WITNESS WHEREOF, the undersigned Board of Directors of The Peaks at Aspen Homeowners' Association have adopted this First Amendment to Bylaws this 28th day of August, 2000.


Peter Rohan


Robert Dalfen


Sandy Thompson