

**BYLAWS**  
**OF**  
**EATON PAGOSA ESTATES PROPERTY OWNERS ASSOCIATION**

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**ARTICLE I**  
**PURPOSE**

The Eaton Pagosa Estates Property Owners Association, Inc. shall have as its purpose the promotion and enhancement of the community welfare of its members. it shall have such powers as are set forth in its Articles of Incorporation and which are granted to it by law. It shall have the power to acquire, own, operate and maintain property of all kinds or classifications, whether by purchases or by gift, and, it shall do whatever is necessary, appropriate or incidental to the accomplishment of its purposes or powers, subject to any limitations in its Articles of Incorporation, these Bylaws or the recorded Declaration of Protective Covenants for the Eaton Pagosa Estates Subdivision, as may be amended from time to time.

**ARTICLE II**  
**DEFINITIONS**

The following terms are used in these Bylaws are defined as follows:

- (1) Association - The Eaton Pagosa Estates Property Owners Association, Inc., a Colorado non-profit corporation.
- (2) Board - The Board of Directors of the Eaton Pagosa Estates Property Owners Association, Inc.
- (3) Declarant - Means Eaton Pagosa Properties, Inc.
- (4) Declaration - Means the Declaration of Protective Covenants for the Eaton Pagosa Estates Subdivision as the same may be supplemented or amended from time to time.
- (5) Subdivision - Means the Eaton Pagosa Estates Subdivision.
- (6) Lot - Means a lot as designated on the plat of the Eaton Pagosa Estates Subdivision.
- (7) Owner - Means the record owner, whether one or more persons or entities, of fee simple title to any Lot; provided, however, that prior to the first conveyance of any Lot for value by the Declarant, the Owner shall

mean the Declarant.

- (8) Plat - Means the map and plat of the Eaton Pagosa Estates Subdivision as recorded, including amendments and replats thereof.

### **ARTICLE III**

#### **MEMBERSHIP**

Section 1. Classes of Members - There shall be members and associate members. A member is entitled to all privileges of the Association and to one vote at Association elections, except that each Lot shall only be entitled to one vote as provided in Article IV, hereof. An associate member is entitled to all privileges of the Association but has no vote.

Section 2. Members - Any person whose name appears as Owner or part Owner on a deed for a lot in the Subdivision shall be a member of the Association and shall be entitled to all rights of the membership in the Association for the duration of that ownership, provided lot assessments are paid up currently and provided further that no owner shall have more than one membership per Lot owned by such member.

Section 3. Associate Members - the following persons, if not otherwise a member, shall, subject to such conditions, rules and regulations of the Board, be associate members of the Association.

- (a) The spouse and children under 18 years of age of a member who have the same principal residence as the member.
- (b) Persons who are tenants or regular occupants of residences constructed on any Lot.
- (c) Persons who, by virtue of specific written agreement with the Association, shall be entitled to associate membership.

Section 4: Privileges and Duties of Members -

- (a) Use of Facilities - Members shall have the right to use the facilities owned or operated by the Association. The use thereof shall be subject to such rules and regulations and charges which may be established by the Board or by the owner or operator of such facility.
- (b) Duty to Pay Assessments - Each member shall pay the Association the regular assessments or charges, any special assessments or charges, and any default assessment or charges, all of which shall be fixed, established and collected by the Board of Directors as provided in the Declarations. Such sums or any other sums which may be established under these Bylaws shall become a lien as provided in the Declaration

and be collectible in accordance therewith. No charge or assessments shall ever be made against, or be payable by, the Declarant, the Association, or the owners of the utilities serving the Association.

- (c) Suspension of Privileges of Membership - The Board may suspend the voting privileges (if any) of a member and the rights of any member or associate member to use properties owned or controlled by the Association for the following causes:

(1) Non-payment of the charges or assessments levied by the Association.

(2) Continuing violation of the provisions of the Declaration, after the existence of the violation has been brought to the attention of the member in writing by the Board, and the member has had a reasonable opportunity to respond to the claimed violation.

Section 5. Privileges and Duties of Associate Members - Associate members shall have such privileges and duties, and be subject to such charges or fees as the Board from time to time may by resolution establish.

Associate members are subject to the rules and regulations affecting the member with whom the associate member is associated.

## **ARTICLE IV**

### **VOTING**

Section 1. Each Lot shall be entitled to one (1) vote in the Association upon each subject properly submitted to vote. Declarant shall be entitled to one (1) vote per Lot for each lot that has not been sold and conveyed by Declarant.

Section 2. The one (1) vote for each lot shall be exercised by the Owner and when more than one person or entity holds an interest in a Lot, the vote for the Lot shall be exercised as the owners may determine among themselves, but a vote for the Lot shall be cast by only one person.

## **ARTICLE V**

### **EVIDENCE OF MEMBERSHIP AND TRANSFER**

Section 1. Membership Certificates - Certificates of Membership in the Association may be issued to members and associate members. Such certificates shall be in such form as the Board shall from time to time designate. Such certificates shall indicate whether or not the holder is a member or an associate member and shall also indicate the Lot, the ownership of which gives rise to the membership. Such certificate shall also clearly state on its face that the Association is a non-profit corporation. Adequate records shall be

maintained by the Association showing the names of the members and associate members, the type of membership and the date thereof.

Section 2. Transfer - When a member ceases to be an owner, such person's membership, and those associate memberships existing through relationships to such person, shall cease, but such person shall remain liable for all charges by the Association incurred prior to the giving of written notice to the Association that such person is no longer an owner.

## **ARTICLE VI**

### **MEETINGS OF MEMBERS**

Section 1. Place of Meetings - Meetings of the members of the Association may be held within or outside the State of Colorado, provided that no meeting shall be held at a place other than Pagosa Springs, Colorado, except pursuant to a bylaw or resolution adopted by the Board of Directors.

Section 2. Date of Annual Association Meeting - The date for the annual Association meeting shall be the last Saturday in July unless it is changed by resolution of the board of Directors.

Section 3. Procedure for Calling a Meeting - Meetings of the members of the Association shall be held annually and at such other times as the Board may designate. Written notice of the place, date, and hour of the meetings and designating the purpose or purposes for which the meeting has been called shall be delivered not less than 30 days nor more than 60 days before the date of the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the person/persons entitled to such notice, as their names appear in the records of the Association with postage prepaid.

Section 4. Quorum - A quorum at a meeting of the Association shall be twenty percent (20%) of the persons entitled to vote by attendance or by proxy. A vote of a majority of the votes entitled to be cast at a meeting at which a quorum is present shall be necessary for the adoption of any matter voted upon, unless a greater proportion is required by law, the Declaration, or these bylaws.

Section 5. Proxies - Any member may at any time nominate and appoint any person or persons of lawful age, with or without the right of substitution, as his attorney-in-fact and agent in his name, place and stead, to vote as his proxy at any meeting of the members of the Association, and such person named as proxy shall have all of the powers and privileges that the member would have if present in person. Such appointment of proxy shall be valid for a period in excess of eleven (11) calendar months immediately following the date of execution. To be entitled to vote such persons appointed as attorneys-in-fact and agents of any member to vote as his proxy, or such person's substitute, shall be present at the meeting for which said person is appointed. All

substitutions shall be in writing. A telegram, ore telefax which is reduced to writing and delivered to the Association shall be considered as being "in writing" under the provisions of this Section.

## **ARTICLE VII**

### **BOARD OF DIRECTORS**

Section 1. Powers and Duties - The Board of Directors shall:

- (a) Manage and control the affairs of the Association.
- (b) Designate a banking institution as the depository for the Association's funds, and the officer or officers authorized to make withdrawals therefrom and to execute obligations on behalf of the Association.
- (c) Perform other acts the authority for which has been granted in these Bylaws or by law, including the borrowing of money for Association purposes. A resolution by the Board that the interest of the Association requires the borrowing of money shall be sufficient evidence for any person that the borrowing is for a proper corporate purpose. The Association may, if it determines that the same shall be reasonably necessary, assign, pledge, mortgage or encumber any Association property as security for such borrowing, and may pledge or assign future revenues of the Association as security therefor.
- (d) Adopt such rules and regulations relating to the use of Association property, and sanctions for non-compliance therewith as it may deem reasonably necessary for the best interests of the Association and its members. The Board may also establish and levy reasonable fees for the review of applications, plans, plat plans and other documents relating to the erecting or placing of improvements upon any Lot, and also for the issuance of permits for the use of Association property.
- (e) Cause the Association to employ sufficient personnel to adequately perform the responsibilities of the Association to its members.
- (f) Adopt reasonable rules of order for the conduct of meetings of the Association, except that on procedural questions upon which no rules have been adopted, the ruling of the chairman of the meeting shall be final.
- (g) Officers of the Association. The Board shall select a president, vice-president, a secretary and a treasurer. No officer except the president need be a member of the Board, but a vice-president who is not a director shall not succeed to nor fill the office of president.

- (h) Committees of the Association. The Board may establish committees of the Association and appoint the members thereof. It may assign to such committees responsibilities and duties not inconsistent with the provisions of the Bylaws or with law as it may deem appropriate.
- (i) Architectural Review Committee. The Board shall appoint an Architectural Review Committee which shall consist of 3 - 5 members. The committee shall have all rights, duties, powers and authority granted to it under the Declaration and such other powers and duties as the Board may designate.
- (j) In order to facilitate the business of the Association and to further the interest of its members, the Board may enter into agreements with the Declarant relating to the orderly transfer of properties from the Declarant to the Association. Such agreements may contain such provisions as the Directors may in their judgment feel are appropriate and in the best interest of the Association and its members. However, the existence of such agreements and the provisions and terms thereof shall be made known to the general membership in such manner as may be deemed appropriate by the Board.
- (k) The Board shall annually adopt an operating budget for the Association. In so doing the Board shall take into consideration all sources of income that the Association may have. It shall then levy the annual regular assessment for the following year, except no regular assessment shall be levied until the proposed budget for the year shall be presented to and approved by the members at the annual meeting of the membership.
- (l) The Board of Directors shall also have the power to levy special assessments and default assessments. However, any such special assessment that exceeds \$250.00 in an aggregate amount shall be subject to approval by a majority of the members of the Association either through a vote at a regular or special meeting of the membership or by written approval by a majority of the membership.

Section 2. Number - The number of Directors shall be three (3). The Board of Directors may, by resolution, increase the number of Directors to five (5). Except for the initial Board of Directors, at least two (2) of the Directors must be residents of Archuleta County and be members of the Association.

Section 3. Selection and Term - The initial Board of Directors is named in the Articles of Incorporation. Unless the Declaration provides for a period of Declarant control during which the Declarant or persons designated by such Declarant may appoint and remove

the Officers and members of the Executive Board, the initial Board shall serve as the Board of Directors until the first annual meeting of members, at which time the members shall elect a new Board of Directors. Thereafter, a Board of Directors shall be elected annually at the annual meeting of the members. In the event of a vacancy on the Board as a result of the death, resignation or incapacity of a director or for any other reason, the remaining directors shall fill the vacancy. Directors may be elected for succeeding terms. In the event there are no remaining directors, the members of the Board of Directors shall be elected by the members of the Association at a Special Meeting called for that purpose.

Section 4. Voting - all votes of the Board of Directors shall be by majority vote.

## **ARTICLE VIII**

### **THE OFFICERS**

Section 1. Officers - the officers of the Association shall be the President, a Vice-President, a Secretary, and a Treasurer. Officers shall serve at the will of the Board, except as otherwise provided in the Declaration with respect to a period of Declarant control.

Section 2. President - The President shall be the general managerial officer of the corporation, except as may be otherwise determined by the Board, and he shall be vested with the powers and duties generally incident to the office of President of a non-profit corporation, except as otherwise determined by the Board or as may be otherwise set forth in these Bylaws.

Section 3. Vice-President - In the absence of the President, or in the event of his inability or refusal to act, the Vice-President has the power to act and shall thereupon be vested with the powers and duties of the President.

Section 4. Secretary - The Secretary of the corporation shall keep the minutes of the business and other matters transacted at the meetings of the members and of the Board. He shall mail, or cause to be mailed, all notices required under the Bylaws. He shall have custody of the corporate records and maintain a list of the members and their addresses and perform all other duties incident to the office of Secretary.

Section 5. Treasurer - The Treasurer shall have custody of the funds of the Association, collect monies due, pay obligations of the Association out of its funds, and perform such other duties as are incident to the office of Treasurer. The Board may require that the Treasurer be bonded for such amount and under such conditions as the Board may require.

Section 6. Removal of Officer - Any officer may be removed when in the judgment of the Board, the best interest of the Association will be served by such removal. An officer may be removed by the Declarant during a period of Declarant control as provided in the Declaration.

Section 7. the officers may not delegate any of their powers to any other person.

**ARTICLE IX**  
AMMENDMENT OF ARTICLES OF INCORPORATION,  
BYLAWS AND DECLARATION

Section 1. The Articles of Incorporation and the Bylaws of the Association may be amended by a two-thirds vote of the members of the Association present at a meeting called for<sup>5</sup> such purpose. Any proposed change in the Bylaws must first be submitted to the Board of Directors for approval prior to submission to the general membership for a vote. The cal for the meeting must include amendments or changes that are proposed to be made.

Section 2. The Declaration can only be terminated, extended, modified or amended as provided in Article 16 of the Declaration. Subject to the requirements of the Declaration, only the President and Secretary of the Association are authorized to prepare, execute, certify and record amendments to the De4claration.

Approved by Board of Directors on October 18, 1996.