

AMENDED AND RESTATED

BYLAWS

of the

STONE CREEK MEADOWS CONDOMINIUM ASSOCIATION

ARTICLE I – NAME

The name of the Association will be THE STONE CREEK MEADOWS CONDOMINIUM ASSOCIATION, or as otherwise provided in the Condominium Declaration For Stone Creek Meadows Condominiums (the “Declaration”) and the Articles of Incorporation, as amended from time to time, hereinafter called “the Association”.

ARTICLE II – OFFICE

The principal office of the Association will be located at the offices of the management company engaged by the Board from time to time, currently Vail Management Company, with an address of P.O. Box 6130, 100 West Beaver Creek Boulevard, Suite 230, Avon, CO 81620, or at such place in Eagle County, Colorado, as the Board of Directors of the Association may determine from time to time. The books of the Association shall be kept at the principal office and shall contain the Certificate of Incorporation, and any other documents of the Association. Such address may be changed from time to time upon written notice to all members.

ARTICLE III – MEMBERSHIP, VOTING, QUORUM AND PROXIES

1. Membership and Voting Rights - The members and voting rights of the Association shall be as set forth in the Articles of Incorporation, Bylaws and Policies and Procedures of the Association, as amended from time to time. The Owner or Owners of any Unit constitute one member for purposes of these Bylaws and will be entitled to one vote at any meeting of the Association. Only members in good standing as defined by the Association’s Policy on Conduct of Meetings are eligible to vote.

2. Quorum – Except as otherwise provided in these Bylaws, the presence in person or by proxy of 40 percent or more of the members entitled to a vote will constitute a quorum at a meeting of the members.

3. Proxies – Votes may be cast in person or by proxy. Every proxy must be executed in writing by the member or his or her duly authorized attorney-in-fact. No proxy will be valid after the expiration of three months from the date of its execution unless otherwise provided in the proxy.

4. Majority Vote – At any meeting of members, if a quorum is present, the affirmative vote of more than 50 percent of the votes represented at the meeting, in person or by proxy, will be the act of the members, unless the vote of a greater number is required by law, the Articles of Incorporation, the Condominium Declaration, the Policies and Procedures, or these Bylaws.

ARTICLE IV – BOARD OF DIRECTORS

1. General Powers – The business affairs of the Association will be managed by a Board of Directors (hereinafter the “Board”). The Board will have and may exercise all the powers of the Association as provided by law or by the Articles of Incorporation, the Declaration, the Bylaws, the Rules and Regulations and the Policies and Procedures of the Association (hereinafter the “Governing Documents”) except for such powers as are expressly conferred upon the members in their capacity as owners, including but not limited to, the power to administer and enforce the covenants, regulations, easements, uses, and limitations as provided in the Condominium Law of the State of Colorado.

2. Composition – The Board will consist of not less than three (3) Directors, each of whom shall be an individual owner/member of the Association. Only owners, eligible to vote and otherwise in good standing, may be elected or appointed to fill a vacancy on the Board. In the case where, through removal or resignation, the total number of Board members is less than five, the Board will be considered properly constituted until such vacancies are filled. The number of members of the Board may be increased or decreased by amendment of these Bylaws; provided the number must always be an odd number.

3. Election – Directors will be elected by a majority vote of the members qualified to vote at each annual meeting.

4. Resignations, Removal; Vacancies

a. Any Director may resign at any time by giving written notice to the Board. Such resignation will take effect at the time specified therein and, unless specified therein, the acceptance of such resignation will not be necessary to make it effective. Any vacancy occurring on the Board (by reason of resignation, death, disability of a Director, or an increase in the number of Directors) may be filled by the Board at its next regular meeting. Such Director will serve until the next annual meeting.

b. Any Director may be removed at any time, either with or without cause, by a vote of the Board or the members. A Director who has been elected by the members may be removed, with or without cause, by a vote of the members representing a majority of the members who are present and entitled to vote at a special meeting of the members called for this purpose, at which a quorum is present. Voting by mail to remove a Director will not be allowed.

c. Any Director absent without prior notification from three (3) Board meetings in a twelve month period will be presumed to have resigned, provided that, in exceptional circumstances, the President may waive automatic resignation.

d. Any Director may request a leave of absence from the Board. The leave of absence must be for a specified period of time not to exceed six months and shall run concurrently with the Director's term of office. While on leave, the Director will continue as a non-voting member of the Board.

5. Additional Powers and Responsibilities – In addition to its general powers, the Board shall have the right and responsibility:

a. to establish, amend and enforce all such reasonable rules and regulations as may be necessary and appropriate for the use and occupancy of the property known as Stone Creek Meadows Condominiums (hereinafter the "Premises");

b. to maintain in good order, condition and repair, the general and common elements and all items of personal property located on and constituting the Premises;

c. to obtain and maintain insurance on the Premises in such amounts and providing such coverage in favor of the Association, the members and the holders of first liens on units as set forth in the Declaration.

d. to fix, determine, levy and collect all monthly and special assessments to be paid by each of the members for the maintenance and improvement of the common elements and to establish a contingency reserve therefore, all as specifically provided in Paragraph 8 of the Declaration;

e. to collect promptly all delinquent assessments by legal action or otherwise and to enjoin or seek damages from a delinquent owner as provided in the Declaration, these Bylaws and the Association's Policy on Collection of Unpaid Assessments;

f. to protect and defend the Premises from loss by lien or lawsuit or otherwise;

g. to borrow funds in order to pay for any expenditure or outlay authorized by the Declaration or the Bylaws and to execute all such instruments evidencing such indebtedness as the Board may deem necessary or advisable;

h. to enter into contracts within the scope of their duties and powers;

i. to establish a bank account for the common treasury and for all separate funds that are required or may be deemed advisable by the Board;

j. to maintain full and accurate books and records as required by Colorado law and by the Governing Documents of the Association. Any member or his or her first lienor, as defined in the Declaration, may inspect such records as provided by the Association's Policy on Maintenance, Inspection and Copying of Association Records;

k. to prepare and deliver annually to each member a statement showing all receipts, expenses or disbursements since the last such statement;

6. Managing Agent – The Board may employ a managing agent for the Association at a compensation established by the Board to perform such duties and services as the Board may authorize including, but not limited to, the duties listed in Section 6 of this Article IV.

7. Conflict of Interest and Incurring of Association Obligations

a. Any conflicting interest transactions of directors and officers of the Association will be governed by the Association's Conflict of Interest Policy.

b. Except as may otherwise be provided in these Bylaws, no member of the Board may obligate the Association without specific authority of the Board. No Director may seek or accept payments loans, services or personal gifts from an individual or representative of a business doing or seeking to do business with the Association.

8. Compensation – No Director may receive directly or indirectly, any salary, compensation or other financial benefit from the Association by reason of service as a Director. Directors may receive reimbursement for reasonable expenses actually incurred in the performance of Association duties as set forth in these Bylaws.

ARTICLE V – MEETINGS

1. Meetings of the Board

a. Regular Meetings - Regular meetings of the Board may be held at least 6 times per year at such place within Eagle County, Colorado, and at such times, as the Board may from time to time by vote determine. Any business may be transacted at a regular meeting, including, but not limited to, the election of officers.

b. Special Meetings – Special Meetings of the Board may be held at any place within Eagle County, Colorado, at any time when called by the President, by two or more Directors, or by the request of 25% of the members.

2. Annual Meeting of Members – The Association shall hold an annual meeting of the members at such date, time and place in Eagle County, Colorado, as shall be determined from time to time by the Board for the purpose of electing Directors and such other business as may come before the meeting.

3. Quorum – A quorum for the transaction of business by the Board shall be a majority of the Directors. For purposes of this Article V, the term “present” (i.e., in attendance) will include attendance in person or by proxy (or in any manner provided in Section 5 below). A vote of a majority of the voting Directors present at any meeting at which a quorum is present shall constitute action by the Board unless otherwise required by law.

4. Notice – Notice of any regular or special meeting of the Board shall be sent to all Directors, and to all members, in such a manner that it could reasonably be expected to be received at least three days prior to the meeting. In the case of the annual meeting, notice shall be sent to all members at least 30 days prior to the meeting. Notice may be by mail, telephone, fax or e-mail. Such notice shall specify the nature of the business to be transacted at the meeting. Any Director may waive notice, in writing of any meeting. The attendance of any Director at any meeting shall constitute a waiver of notice of such meeting.

5. Meetings by Telephone – Any Director may attend a meeting of the Board by: (i) using an electronic or telephonic communication method whereby the Director may be heard by the other Directors and may hear the deliberations of the other Directors on any matter properly brought before the Board; or (ii) by participating in “real time” e-mail communication when all Board members are participating in this form of communication. The vote of such Director shall be counted and the presence noted as if that Director was present in person on that particular matter.

6. Informal Action by Directors – Any action required or permitted to be taken at a meeting of the Board may be taken without a meeting if a consent in writing, setting forth the action so taken is signed by all of the Directors entitled to vote with respect to the subject matter thereof, is filed with the Board. Such consent shall have the same force and effect as a unanimous vote of the Directors.

ARTICLE VI – OFFICERS

1. Officers – The officers of the Association will be a President, a Vice-President, a Secretary, a Treasurer, all of whom shall be members of the Board, and such additional officers as may be designated by the Board. One person may hold any two offices, except that no person may simultaneously hold the offices of president and secretary. In any case where the duties of an officer are not prescribed by the Bylaws or by the Board, such officer will follow the orders and instructions of the President.

2. Election – The President, Vice-President, Secretary and Treasurer will be elected by the Board. Vacancies in any elected office may be filled by election at a meeting of the Board.

3. Duties of Officers

a. The President will be the chief executive officer of the Association, will call and preside at all meetings of the Association and of the Board, and will have

such powers, and perform such duties, as usually pertain to the office or as may be required by the Board.

b. The Vice-President will perform all duties of the president in the event of the President's absence or inability to act and will perform all such other duties as are designated by the President and the Board.

c. The Secretary will be responsible for recording minutes of all meetings of the Board and shall perform such other duties as are designated by the President and the Board.

d. The Treasurer will be the principal financial officer of the Association and will have responsibility for the care and custody of all funds. The Treasurer will cause all debts and obligations of the Association to be paid, will perform all other duties incident to the office of the treasurer or requested by the Board and, upon request of the Board, make, or cause to be made, such reports to it as may be required at any time.

ARTICLE VII – COMMITTEES OF THE BOARD

The Board may establish such standing, ad hoc or special committees as are determined to be necessary from time to time. Members of such committees will be appointed by the President or any officer(s) designated by the President for such purpose.

ARTICLE VIII – OBLIGATIONS OF THE MEMBERS

1. Assessments

a. Each member must pay his **or her** share of all assessments imposed by the Association to meet the common expenses. Each assessment will be allocated among the Owners on the basis of their Sharing Ratios as defined in the Declaration. If a Unit is owned by two or more Owners, each of such co-Owners will be jointly and severally liable for the portion of the assessment attributable to such Unit. Assessments will be due and payable on the date or dates specified in the assessment notice. All unpaid assessments may bear interest at a rate determined by the Board from time to time, be subject to late payment penalties and may be secured by a lien on the Unit owned by the defaulting Owner, in accordance with the provisions of the Declaration and the Association's Policy on Collection of Unpaid Assessments.

b. All sums assessed but unpaid for the share of common expenses assessed to any Unit will constitute a lien on each Unit in favor of the Association pursuant to subparagraph 8(f) of the Declaration.

2. Maintenance and Repair

a. Every Owner will perform, or cause to be performed at his or her own expense, all maintenance and repair work within his or her own Unit (as defined in the Declaration) necessary to maintain such Unit in a good and habitable state of repair.

b. All repairs of internal installations in a Unit such as water, light, power, sewage, telephones, air conditioners, sanitary installations, doors, windows, electrical fixtures and all other accessories, equipment and fixtures belonging to a particular Unit shall be at the Owner's expense.

c. Each Owner will reimburse the Association promptly upon receipt of a statement for any expenditure incurred by the Association in repairing or replacing any general or limited common element damaged by the negligence or intentional acts of such Owner, his or her family, tenants or invitees.

3. Compliance With Declaration, Articles, Bylaws, Rules and Regulations and Policies and Procedures – Each member will comply with all of the provisions of the Governing Documents of the Association. If a member fails to comply, the Association has the power, during the period of such delinquency, (a) to revoke a delinquent member's right to use general common elements designed for recreational purposes, if any, and (b) to suspend a member's voting privileges.

4. Responsibility for Liens - Although the Association does not anticipate that an Owner will purchase his or her Unit subject to any liens, except for the lien imposed by law for real property taxes levied on the Unit for the year in which it is purchased, there are liens imposed by the laws of the United States and the State of Colorado that may not appear of record. Each prospective Owner is advised to avail him or herself of a title insurance commitment prior to closing of title on a Unit.

5. Right to Mortgage - Each owner may mortgage his or her Unit and the mortgage may cover such Owner's interest in general and limited common elements. However, except for mechanics liens, assessment liens or tax liens, no other liens may be obtained against the general or limited common elements.

ARTICLE IX – EVIDENCE OF OWNERSHIP, REGISTRATION OF
MAILING ADDRESS AND LIEN HOLDERS

1. Proof of Ownership – Except for those Owners who initially contracted to purchase a Unit from the original owner and developer of the Premises, known as Stone Creek Meadows, a joint venture, as Declarant, any person on becoming an Owner must furnish to the Association a photocopy or a certified copy of the recorded instrument vesting that person with an interest or ownership. Such copy must remain in the files of the Association. A member will not be deemed to be in good standing and will not be entitled to vote at any annual or special meeting of members unless this requirement is first satisfied. The Association may issue membership certificates to its members; however, such certificates will not be deemed to be shares of stock in the Association.

2. Registration of Mailing Address – If a Unit is owned by two or more Owners, such co-Owners must designate one address as the registered address required by the Declaration. The registered address of an Owner or Owners must be furnished to the Secretary within five days after transfer of title, or after a change of address, and such registration must be in written form and signed by all of the Owners or by such persons as are authorized by law to represent the interest of the Owners thereof.

3. Liens – Any Owner who mortgages or grants a deed of trust covering his or her Unit must notify the Board of the name and address of the mortgagee or beneficiary of the deed of trust and must file conformed copies of the note and security instrument with the Board. The Board will maintain such information in a book entitled “Liens on Units”. The Board, when giving notice to an Owner of default in paying an assessment or other default must send a copy of such notice to each mortgagee or beneficiary of a deed of trust covering such Owner’s Unit whose name and address has theretofore been furnished to the Board. First lienors, as shown in Liens on Units, will have the right to examine the books and records of the Association at any reasonable time.

ARTICLE X – AMENDMENTS

1. By Directors – Except as otherwise provided by law or the action of the members, the Articles of Incorporation, the Declaration or the Bylaws, the Board may amend or repeal the Bylaws of the Association at any regular of the Board or any special meeting called for that purpose at which a quorum is represented, provided that a copy of the proposed amendment or a statement of its purpose has been sent to all directors with notice of the meeting. Any such amendment will require a vote of two-thirds of the Board, whether present in person or by written proxy delivered to a voting member of the Board. However, if the members amend or repeal any Bylaw, the Board may not thereafter amend the same in such manner as to defeat or impair the object of the members in taking such action.

2. By Members – The members may by the vote of the holders of at least 75 percent of the votes of the members, unless expressly made subject to a higher voting requirement by law, the Articles of Incorporation, the Declaration or the Bylaws, amend or repeal the Bylaws of the Association at any annual meeting or at any special meeting called for that purpose at which a quorum is represented.

ARTICLE XIII – MISCELLANEOUS

1. Right of Entry – The Property Manager or its representative and any person authorized by the Board will have the right to enter each Unit in case in case of emergency originating in or threatening such Unit whether or not the Owner or occupant is present at the time.

2. Fiscal Year – The fiscal year of the Association will be such as may be established by the Board from time to time.

SCHEDULE A

New Additions of General and Limited Common Elements

1. Effect on Owner in Reference to Ownership Interest in Existing General and Limited Common Elements an New General and Limited Common Elements

With new additions of general and limited common elements, each Owner shall have the same ownership interest in the new general and limited common elements as he or she has in existing general and limited common elements, which interest is set forth in Exhibit B of the Declaration. His or her ownership interest in existing general and limited common elements shall remain unaffected.

2. Effect on Owner in Reference to Voting Power in the Association – The new addition of general and limited common elements will have no effect on an Owner in reference to his voting power in the Association.

3. New Additions of General and Limited Common Elements – Attached hereto as Schedule A is a statement relating to new additions of general and limited common elements.

March 26, 2011
Dated

David Weiss
David Weiss, President

March 26, 2011
Dated

Jay Jasper French
Jay Jasper French, Vice-President

March 26, 2011
Dated

Mary Jane Sloat
Mary Jane Sloat, Treasurer

March 26, '11
Dated

Laurie Mactavish
Laurie Jean Mactavish

March 26/2011
Dated

Elizabeth G. Clark
Elizabeth G. Clark, Secretary