Hatcher Village Condo

Owner’s Association

Bylaws

Update May 24, 2016

BYLAWS OF HATCHER VILLAGE CONDOMINIUM ASSOCIATION, INC.

ARTICLE I

OBJECT AND DEFINITIONS

Section 1.01 Purposes. The specific purposes for which the Association is formed are to provide for maintenance, preservation and control of the condominium Units and Common Elements within that certain tract of real property situated in the County of Archuleta, State of Colorado, which property is described in that certain Condominium Declaration for Hatcher Village Condominiums hereinafter called the “Declaration” or “Condominium Declaration”, filed for record with the Clerk and Recorder of Archuleta County, Colorado on the 13th day of March, 1991, at Reception Number 103482 in Book 178 at Page 497-529, and as the same may be amended therein provided said Declaration and any amendment thereto being incorporated herein as if set forth at length; and to promote the health, safety and welfare of the Owners and residents within the above-described property (hereinafter referred to as the “Condominium Project”).

Section 1.02 Assent. All present or future owners, tenants, future tenants or any other person using the facilities of the Condominium Project in any manner are subject to these Bylaws and rules adopted by the Board of Directors pursuant hereto. The mere acquisition or rental of any of the Condominium Units (hereinafter sometimes referred to as “Units”) of the Condominium Project or the mere act of occupancy of any of said Units shall constitute an acceptance and ratification of these Bylaws and an agreement to comply with said rules.

ARTICLE II

MEMBERSHIP

Section 2.01 Membership. Ownership of a Unit is required in order to qualify for membership in the Association, provided, however, that if title to a Unit is held by a firm, corporation, partnership, association or other legal entity, or any combination thereof, of if any individual or entity shall have title to more than one Unit, that individual or other legal entity may appoint, by a writing furnished to the Association, a Delegate to represent each such Unit as a candidate for, and if elected, as a member of the Board of Directors. Such Delegate shall not vote as a member of the Association unless such person shall be appointed by a proxy executed in conformance with Section 3.06 and 3.07 of these Bylaws to cast the voting interest of the Unit which he represents. Any persons on becoming an Owner of a Unit shall automatically become a member of the Association and be subject to the Bylaws. Such membership shall terminate without any formal Association action whenever such person ceases to own a Unit, but such termination shall not relieve or release any such former Owner from any liability or obligation incurred under, or in any way connected with, the Association during the period of such ownership, or impede any rights or remedies which the Board of Directors of the Association or others may have against such former Owner and member arising out of or in any way connected with ownership and membership and the covenants and obligations incident thereto. No certificates of stock shall be issued by the Association, but the Board of Directors may, if it so elects, issue membership cards to Owners of Units. Such membership cards shall be surrendered to the Secretary whenever ownership of the Unit designated thereon shall terminate.

Section 2.02 Classes of Membership and Voting Rights. There shall be one class of membership. Each Condominium Unit owned by a member shall be entitled to one vote. When more than one person holds an interest in a Condominium Unit they may appoint one of the co-owners or a delegate as proxy to cast the vote for that Condominium Unit. The vote for such Condominium Unit shall be cast as the Owners thereof agree but the voting interest allocated to such Condominium Unit shall not be divided among co-owners.

ARTICLE III

MEETINGS OF MEMBERS

Section 3.01 Place of Meeting. Meetings of the Association members shall be held at such place within or without the State of Colorado as the Board of Directors may determine.

Section 3.02 Annual Meeting. Thereafter, the annual meetings of the Association members shall be held on a date and at a time selected by the Board of Directors in August of each succeeding year. The purpose of the annual meetings is for the election of Directors and the transaction of such other business of the Association as may properly come before the meeting.

Section 3.03 Special Meetings. Special meetings of the Association members may be called by the President or the Board of Directors, or by members having ownership interest in the Common Elements representing one fourth (1/4) of the total interests in the Common Elements.

Section 3.04 Notice of Meetings. Written notice stating the place, day and hour of each meeting, and in the case of a special meeting, the purpose or purposes for which the meeting is called shall be delivered not less than 10 nor more than 50 days before the date of the meeting; either personally or by mail, or at the direction of the President, or the Secretary or the persons calling the meeting, to the registered mailing address of each Unit entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United State mail addressed to the registered mailing address as it appears on the records of the Association with postage thereon prepaid.

Section 3.05 Adjourned Meetings. If any meeting of Association members cannot be organized because a quorum, as hereinafter defined in Section 3.08, has not attended, the members who are present, either in person or by proxy, may adjourn the meeting until a quorum is obtained.

Section 3.06 Proxies. Votes may be cast in person or by proxy but no proxy shall be valid after 11 months from the date of its execution unless otherwise provided in the proxy. Proxies may be filed with the Secretary at or before the appointed time of each meeting.

Section 3.07 Designation of Voting Representative – Proxy. If title to a Unit is held by more than one individual, by a firm, corporation, partnership, association or other legal entity or any combination thereof, a proxy must be executed and filed with the Association appointing and authorizing one person or alternate persons to attend all annual and special meetings of Association members and thereat to cast the voting interest allocated to that Unit as provided in the Declaration. Such proxy shall be effective and remain in force unless voluntarily revoked, amended or sooner terminated by operation of law; provided however that within 30 days after such revocation, amendment or termination, the Owner or Owners shall reappoint and authorize one person or alternate person to attend all annual and special meetings as provided by this Section.

Section 3.08 Quorum. Except as otherwise provided in these Bylaws the presence in person or by proxy of Association members possessing a sufficient voting interest to constitute 25% of the voting interests of all members shall constitute a quorum and such members present in person or by proxy shall constitute the members entitled to vote upon any issue presented at a meeting at which a quorum is present. A majority of votes entitled to be cast by such members present in person or by proxy shall be sufficient to make decisions binding on all Owners unless a different number or method of voting is expressly required by statute or by the Declaration, Articles of Incorporation or Bylaws.

ARTICLE IV

BOARD OF DIRECTORS

Section 4.01 Number and Qualification. The affairs of the Association shall be governed by a Board of Directors composed of five persons who may be nonresidents of Colorado but must be members of the Association or their Delegates. The Board of Directors may use teleconferencing for their regular and executive meetings. A Director must physically attend at least two Board meetings during the year. Failure to attend at least two meetings a year in person could lead to removal (see section 4.03). Directors are strongly encouraged to attend the Annual meeting each year.

Section 4.02 Election and Term of Office. At the first annual meeting the members shall elect one Director for a term of one year, two Directors for a term of two years and two Directors for a term of three years; and at each annual meeting thereafter the members shall elect one or two Directors (as the case may be) for a term of three years to replace the outgoing Director. The Directors shall hold office until their successors have been elected and qualified. Nominations of candidates for the Board may be made by any member of the Association including present members of the Board of Directors. The Candidate receiving the largest percentage of all votes cast for a position on the Board shall be elected and each position shall be filled by a separate vote of the members entitled to vote. Cumulative voting is prohibited.

Section 4.03 Removal of Directors. At any regular or special meeting duly called by any one or more of the Directors whose terms expire at the next annual meeting of Directors may be removed with or without cause by a majority vote and any one or more of the Directors whose terms do not expire at the next annual meeting of members may be removed only by a vote of at least two thirds (2/3) of the votes and successors may then and there be elected to fill the vacancies thus created. Any Director whose removal has been proposed shall be given an opportunity to be heard at the meeting. The Board of Directors shall designate by resolution or motion when such regular and special meetings shall be held.

Section 4.04 Vacancies. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining Directors. Any Directorship filled in this manner shall be for a term expiring on the next annual meeting of members; other Directorships so filled shall be for the term of the replaced Director.

Section 4.05 Place and Notice of Directors’ Meetings. Meetings of the Board of Directors, regular or special, may be held at such place within or without the State of Colorado and upon such notice as the Board may prescribe. Attendance of a Director at any meeting shall constitute a waiver of notice of such meeting except when a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Before, at, or after, any meeting of the Board of Directors any member of the Board may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Neither the business to be transacted at nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the waiver of notice of the meeting. The Board of Directors shall have the right to take any action in the absence of a meeting, which they could take at a meeting by obtaining the written approval of all members of the Board of Directors. Any action so approved shall have the same effect as though taken at a meeting of the Board of Directors.

Section 4.06 Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association. The Board of Directors may do all such acts and things as are not by law or by the Articles of Incorporation or these Bylaws or by the Declaration directed to be exercised and done by the members.

Section 4.07 Other Powers and Duties. Without limiting the generality of the powers and duties set forth in Section 4.07 of these Bylaws the Board of Directors shall be empowered and shall have the powers and duties as follows:

a) To administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations and all other provisions set forth in the Declaration.

b) To establish, make and enforce compliance with such reasonable rules as may be necessary for the operation, use and occupancy of the Condominium Project with the right to amend same from time to time. A copy of such rules and regulations shall be delivered to or mailed to each member promptly upon the adoption thereof.

c) To keep good order, condition and repair all the Common Elements and all items of personal property if any, used in the enjoyment of the Condominium Project. No approval of the Owners is required for expenditures of these purposes.

d) The Condo Owner has the responsibility to have adequate insurance to cover replacement costs as determined by their insurance company representative. The association is indemnified from any responsibility of the insurance is not adequate.

e) To fix, determine, levy and collect the prorated annual assessments to be paid by each of the members towards the gross expenses of the Condominium Project, and to adjust, decrease or increase the amount of the assessments, and to credit any excess of assessments over expenses and cash reserves to the members against the next succeeding assessment period. To levy and collect special assessments whenever, in the opinion of the Board, it is necessary to do so in order to meet increased operating or maintenance expenses or cost, or additional capital expenses or because of emergencies. All special assessments shall be in statement form and shall set forth the detail of the various expenses for which the assessments are being made.

f) To collect delinquent assessments by suit or otherwise and to enjoin or seek damages from an Owner as is provided in the Declaration and these Bylaws. To enforce a late charge of not more than $50 per month in connection with assessments remaining unpaid more than 145 days from due date for payment thereof and to collect interest at the rate of 12% per annum on unpaid assessments in accordance with Section 8.11 of the Declaration.

g) To protect and defend the Condominium Project from loss and damage by suit or otherwise.

h) To borrow funds in order to pay for any expenditure or outlay required pursuant to the authority granted by the provisions of the Declaration and these Bylaws and to authorize the appropriate officers to execute all such instruments evidencing such indebtedness shall be the several obligations of all the Owners in the same proportions as they share the Common Expense; provided, however, that the Board shall not borrow more than $1000 or cause the Association to be indebted for more than $1000 at any one time without the prior approval of a majority vote.

i) To enter into contracts within the scope of their duties and powers.

j) To establish a bank account for the treasury and for all separate funds which are required or may be deemed advisable by the Board of Directors.

k) To keep and maintain full and accurate books and records showing all of the receipts, expenses or disbursements and to permit examination thereof by Unit Owners or their mortgagees at convenient weekday business hours.

l) To prepare and deliver annually to each member a statement showing all receipts, expenses or disbursements since the last such statement including depreciation and other tax information.

m) To designate and remove the personnel necessary for the operation, maintenance, repair and replacement of the Common Elements.

n) On 10 days notice and receipt of $25 from any Owner or Mortgagee to furnish a certificate of the Owner’s account setting forth the amount of any unpaid assessments or other charges due and owing from such Owner.

o) To cause any and all access roads and driveways to the Condominium Project to be maintained.

p) To cause the maintenance of the lawn, trees, shrubs and other vegetation located on the Property for the benefit of Owners of Condominium Units within the Condominium Project.

q) To maintain a reserve fund for replacement and major repairs.

r) In general to carry on the administration of the Association and do all those things necessary and responsible in order to carry out the communal aspect of Condominium Ownership.

Section 4.08 Manager. The Board of Directors may employ for the Association a Manager or managing agent at a compensation established by the Board to perform such duties and services specified in Section 4.07 as the Board shall authorize; provided however, that the Board in delegating such duties shall not be relieved of its responsibility under the Declaration; and provided further that the terms of such employment shall conform to Section 7.3 of the Declaration. Said manager shall not be a member of the Board of Directors.

Section 4.09 Directors’ Fees. Each member of the Board of Directors shall receive reasonable transportation, meals and lodging expenses for attendance at any regular or special meeting of the Board of Directors.

ARTICLE V

OFFICERS AND THEIR DUTIES

Section 5.01 Enumeration of Officers. The officers of this Association shall be a President, Vice President, Secretary and Treasurer and such other officers as the Board may from time to time, by resolution, create. The President must be a member of the Board of Directors.

Section 5.02 Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 5.03 Terms. The Board shall elect the officers of this Association annually and each shall hold office for one year unless he shall sooner resign or shall be removed or otherwise disqualified to serve.

Section 5.04 Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board may from time to time, determine.

Section 5.05 Resignation and Removal. The Board may remove any officer from office with or without cause. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5.06 Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 5.07 Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 5.04 of this Article.

Section 5.08 Duties. The duties of the officers are as follow:

a) President: The President shall preside at all meetings of the Association members and the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages and other written instruments; and shall cosign all checks and promissory notes.

b) Vice President: The Vice President shall act in the stead of the President in the event of his absence, inability or refusal to act and shall exercise and discharge such other duties as may be required of him by the Board.

c) Secretary: The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate stamp of the Association and place it on all papers requiring said stamp; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with address; and shall perform such other duties as required by the Board.

d) Treasurer: The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting and deliver a copy of each to the members.

ARTICLE VI

INDEMNIFICATION OF MANAGERS AND OFFICERS

Section 6.01 Indemnification. These Bylaws may be amended by the Board of Directors at a duly constituted meeting for such purpose or at a meeting of Owners called for such purpose and approved by the Owners representing an aggregate interest of at least two thirds (2/3) of the General common Elements. The notice of such meeting shall contain a summary of the proposed changes or a copy of such proposed changes. No amendment shall serve to shorten the term of any Director or conflict with the Colorado Condominium Ownership Act.

ARTICLE VII

COMPLIANCE WITH COLORADO LAW

Section 7.01 Compliance with Condominium Ownership Act. These Bylaws are intended to comply with the requirements of the Colorado Condominium Ownership Act. If any of these Bylaws conflict with the provisions of said statute the provisions of the statute will apply.

Section 7.02 Conflict between Documents. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE VIII

NONPROFIT CORPORATION

Section 9.01 Nonprofit Corporation. This Association is not organized for profit. No member, (member of the Board of Directors) or person from whom the Association may receive property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operation of this corporation, and in no event shall any part of the funds or assets of the Association be paid as a dividend or be distributed to, or inure to the benefit of, any member of the Board of Directors. The foregoing, however, shall neither prevent nor restrict the following: 1) reasonable compensation may be paid to any member or Manager 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) 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 IX

OBLIGATIONS OF THE OWNERS

Section 9.01 Assessments. Except as otherwise provided in the Declarations, all Owners shall be obligated to pay the annual assessments imposed by the Association, the annual assessments and any special assessments which are to be paid in monthly installments, shall be paid monthly in advance and shall be due and payable to the Association at its principal office, or as the Association may otherwise direct in any Management Agreement, without notices (except for the notices required by Section 8.6 and 8.7 of the Declaration), on the first day of each month. A member shall be deemed to be in good standing and entitled to vote at any annual or at a special meeting of members, within the meaning of these Bylaws, if, and only if, he shall have fully paid all assessments made or levied against him and the Unit owned by him.

Section 9.02 Registration of Mailing Address. All Owners of each Unit shall have one and the same registered mailing address to be used by the Association for mailing of notices, demands and all other communications; and such registered address shall be the only mailing address of a person or persons, firm, corporation, partnership, association, or other legal entity or such combination thereof to be used by the Association. Such registered address of a Unit Owner or Owners shall be furnished by such Owners to the Secretary within five days after transfer of title, such registration shall be in written form and signed by all of the Owners of the Unit or by such persons as are authorized by law to represent the interest of all Owners thereof. If no such address is registered or if all of the Owners cannot agree, then the address of the Unit shall be their registered address until another registered address is furnished as permitted under this Section. If the Unit is the registered address of the Owners, than any notice shall have been deemed to be duly given if it is delivered to any person occupying that Unit or, if such Unit is unoccupied, by holding such notice available for the Owners at the principal office of the Association. The registered address may be changed from time to time by similar designation.

Section 9.03 Use of General Common Elements and Limited Common Elements. Each Owner shall use the General Common Elements and the Limited Common Elements in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights of the other Owners.

Section 9.04 Assessments, Debts and Other Obligations by Unit Owner. The assessments, debts and other obligations assumed by the Owner are:

a) The duties and obligations with respect to the maintenance of Unit interiors, Limited Common Elements and certain portions of the Common Elements servicing a particular Unit as set forth more fully in Section 9.1 of the Declaration.

b) The duty of Owners as set forth in Section 7.2 of the Declarations to reimburse the Association for repair or replacement of Common Elements, when such repair or replacement is occasioned by the negligent or willful act or omission of said Owner, his family members, employees, guest or invitees.

c) The duty to pay all annual, special, default assessments provided for and governed by Article VIII of the Declaration and levied for any purpose authorized the Declaration.

d) The responsibility of each Owner to obtain the insurance related to his Unit provided for in Section 10.11 of the Declarations.

e) The duty to pay any separately metered or assessed utility costs and ad valorem taxes and special assessments levied by the State of Colorado or any political subdivision thereof on an Owner’s Unit.

f) The duty to indemnify and hold harmless each of the other Owners and the Association, pursuant to Section 12.1 of the Declaration from any liability arising from the claim of any mechanics lien against an Owner’s Unit or against the Common Elements.

g) The duty to adhere to and comply with all use restrictions of Article XIII of the Declarations.

h) The burdens imposed by the easements set forth in Article XIV of the Declarations.

i) The obligation to submit to the appointment of the Association as attorney in fact for purposes of dealing with the Condominium Project upon its damage, destruction or obsolescence as provided in Articles XV, XVI and XVII of the Declarations.

j) The restrictions, limitations and prohibitions relative to partitioning, severing ownership interests in the Common Elements and leasing Units as set forth in Sections 3.2, and 3.3 of the Declarations.

ARTICLE X

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times during reasonable business hours, be subject to inspection by any member. The Declarations, the Articles of Incorporation and the Bylaws of the Association as well as the Management Agreements shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI

COMMITTEES

The Board of Directors of the Association may appoint such committees as deemed appropriate in carrying out its purpose.

ARTICLE XII

FHLMC REQUIREMENTS

Section 12.01. The Association will give any First Mortgagee (which for this purpose includes the beneficiary of any first deed of trust) written notification of any default in the performance by any borrower of any obligation under the Declarations, the Articles of Incorporation or these Bylaws, which default is not cured within 60 days after the same shall occur. Such written notification shall be sent to such address as the mortgagee may determine.

Section 12.02. Any First Mortgagee who obtains title to a Condominium Unit pursuant to the remedies provided in the deed of trust or mortgage or foreclosure of the deed of trust or mortgage or by deed in lieu of foreclosure will be exempt form any “right of first refusal” contained in any amendment to the Declarations, Articles of Incorporation, or these Bylaws.

Section 12.03. Any First Mortgagee who obtains title to a Condominium Unit pursuant to the remedies provided in the deed of trust or mortgage or foreclosure of the deed of trust or mortgage or by deed in lieu of foreclosure will not be liable for such Condominium Unit’s unpaid dues or charges which accrue prior to the acquisition of title to such Condominium Unit by the mortgagee.

Section 12.04. Unless at least two thirds (2/3) of the First Mortgagees (based upon one vote for each first mortgage owned) and Owners (other than the Declarant) of the individual Condominium Units shall have given their prior written approval, the Association shall not be entitled to:

a) By act or omission seek to abandon or terminate the Condominium Project

b) Partition or subdivide any Condominium Unit

c) Except as provided in Section 16.5 of the Declarations in case of substantial loss to the Condominium Units and/or to the Common Elements of the Condominium Project, to use hazard insurance proceeds for losses to any condominium property (whether to Units or to Common Elements) for other than the repair, replacement or reconstruction of such condominium property.

Section 12.05. As provided in Section 4.08 (K) and Article XI hereof, first mortgagees shall have the right to examine the books and records of the Association or the Condominium Project.

Section 12.06. At each annual meeting, the Board of Directors shall estimate the amount necessary to provide an adequate reserve fund for maintenance, repair or replacement of those Common Elements that must be replaced on a periodic basis and shall provide that such amounts shall be payable as a part of the regular annual assessments. The annual assessments provided the Declarations shall be payable on a monthly basis.

Section 12.07. In the event of any damage or destruction to the Common Element or if all or any part thereof shall be taken by exercise of eminent domain, such funds received shall be applied to the repair or replacement of the damaged, destroyed or condemned Common Elements or distributed for the payment of general (ad valorem) property taxies, if any, as the Board of Directors may determine except as provided in Articles XVI and XVIII of the Declarations.

Section 12.08. All taxes, assessments and charges, which may become liens prior to the first mortgage under Colorado law shall relate only to the individual Condominium Units and not to the Condominium Project as a whole.

Section 12.09. In addition to the requirements of Section 7.3 of the Declarations, any agreement for professional management of the Condominium Project or any other contract providing for services by Declarant must provide for termination by either party without cause or payment of a termination fee on 90 days or less written notice and any such contract shall have a maximum term of three years.

ARTICLE XIII

CORPORATE STAMP

The Association shall have a stamp in circular form having within its form the words: “Hatcher Village Association, Inc.”

ARTICLE XIV

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of July and end on the last day of June of every year, except that the first fiscal year shall begin on the date of incorporation.