

BY-LAWS
OF
TANNHAUSER MANAGEMENT ASSOCIATION

The name of the organization shall be Tannhauser Management Association.

ARTICLE I

PURPOSE

(Plan of Apartment Ownership)

1. The purpose for which this non-profit Association is formed is to govern the condominium property situate in the Town of Breckenridge, County of Summit, State of Colorado, which property is described on the attached Exhibit A, which by this reference is made a part hereof and which property has been submitted to the provisions of the Condominium Ownership Act of the State of Colorado.

2. The provisions of these By-Laws are applicable to the project. (The term "project" as used herein shall include the land.)

3. All present and future owners, tenants, future tenants or their employees, or any other person that might use the facilities of the project in any manner, are subject to the regulations set forth in these By-Laws and to any regulatory agreement that may later be drawn and approved by the management.

The mere acquisition or rental of any of the family units of the project or the mere act of occupancy of any of said units will signify that these By-Laws and the provisions of any regulatory agreement are accepted, ratified and will be complied with.

ARTICLE II

Voting, Majority of Owners, Quorum, Proxies

1. Voting: Voting shall be on a percentage basis and the percentages of the vote to which the owner is entitled is the percentage assigned to the unit or units in the Condominium Declaration. In case a unit or units is owned by a corporation or other entity, each unit shall be entitled to a vote determined as above by an officer or designated agent of said corporation or entity.

2. Majority of Owners: As used in these By-Laws, the term "majority of owners" shall mean those owners holding 51% of the votes in accordance with the percentages assigned in the Condominium Declaration.

3. Quorum: Except as otherwise provided in these By-Laws, the presence in person or by proxy of a "majority of owners" as defined in Number 2 of this Article shall constitute a quorum.

4. Proxies: Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting.

ARTICLE III

Administration

1. Association Responsibilities: The owners of the units will constitute the Association of Owners (hereinafter referred to as "Association"), who will have the responsibility of administering the project, approving the annual budget, establishing and collecting monthly assessments and arranging for the management of the project pursuant to an agreement, containing provisions relating to the duties, obligations, removal and compensation of the management agent. Except as otherwise provided, decisions and resolutions of the Association shall require approval by a majority of owners.

2. Place of Meetings: Meetings of the Association shall be held at the principal office of the project or such other suitable place convenient to the owners as may be designated by the Board of Management.

3. Annual Meetings: The first annual meeting of the Association shall be held on June 15, 1972.

Hereafter, the annual meeting of the Association shall be held on the second Saturday of June each succeeding year. At such meetings there shall be elected by ballot of the owners, a Board of Managers in accordance with requirements of Section 5 of Article IV of these By-Laws. The owners may also transact such other business of the association as may properly come before them.

4. Special Meetings: It shall be the duty of the President to call a special meeting of the owners as directed by resolution of the Board of Managers or upon a petition signed by a majority of the owners and having been presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice, unless by consent of four-fifths (4/5) of the owners present, either in person or by proxy.

5. Notice of Meetings: It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose thereof, as well as, the time and place where it is to be held, to each owner of record, at least five (5) days but not more than ten (10) days prior to such meeting. The mailing of a notice in the manner provided in this paragraph shall be considered notice served.

6. Adjourned Meetings: If any meeting of owners cannot be organized because a quorum has not attended, the owners who are present, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

7. Order of Business: The order of business of all meetings of the owners of units shall be as follows:

- (1) Roll Call.
- (2) Proof of notice of meeting or waiver of notice.
- (3) Reading of minutes of preceding meeting.
- (4) Reports of officers.
- (5) Reports of committees.
- (6) Election of inspectors of election.
- (7) Election of Managers.

- (8) Unfinished business.
- (9) New business.

ARTICLE IV

Board of Managers

1. Number and Qualifications: The affairs of the Association shall be governed by Jerry O. White, Dorothy M. White, Melva Jeanne Leger and Alfred S. Leger until _____, 1972, or until their successors are elected.

The new Board of Managers shall be composed of five (5) persons, all of whom must be owners of units in the project.

2. Powers and Duties: The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Association and may do all acts and things as are not by law or by these By-Laws directed to be exercised and some by the owners.

3. Other Duties: In addition to duties imposed by these By-Laws or by resolutions of the Association, the Board of Managers shall be responsible for the following:

A. Care, upkeep and surveillance of the project and the common areas and facilities and the restricted common areas and facilities.

B. Collection of monthly assessments from the owners.

C. Designation and dismissal of the personnel necessary for the maintenance and operation of the project, the common areas and facilities and the restricted common areas and facilities.

D. To insure and keep insured, all the insurable general common elements of the property in an amount equal to their maximum replacement value. Further, to obtain and maintain comprehensive liability insurance covering the entire premises in amounts not less than \$100,000.00 per person and \$300,000.00 per accident, and \$50,000.00 property damage. To insure and keep insured, all the fixtures, equipment and personal property acquired by the Association for the benefit of the Association, and the owners of the condominium units and their personal mortgages.

4. Management Agent: The Board of Managers may employ for the Association, a management agent at a compensation established by the Board, to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Paragraph 3 of this Article.

5. Election and Term of Office: At the first annual meeting of the Association, the term of office of two Managers shall be fixed for three (3) years. The term of office of two Managers shall be fixed at two (2) years, and the term of office of one Manager shall be fixed at one (1) year. At the expiration of the initial term of office of each respective Manager, his successor, shall be elected to serve a term of three (3) years. The Managers shall hold office until their successors have been elected and hold their first meeting.

6. Vacancies: Vacancies in the Board of Managers caused by a reason other than the removal of a Manager by a vote of the Association, shall be filled by vote of the majority of the remaining Managers, even though they may constitute less than a quorum, and each person so elected shall be a Manager until a successor is elected at the next annual meeting of the Association.

7. Removal of Managers: At any regular or special meeting duly called, any one or more of the Managers may be removed with or without cause by a majority of the owners and a successor may then and there be elected to fill the vacancy thus created. Any Manager whose removal has been proposed by the owners shall be given an opportunity to be heard at the meeting.

8. Organization Meeting: The first meeting of a newly elected Board of Managers shall be held within ten (10) days of election at such place as shall be fixed by the Managers at the meeting at which such Managers were elected, and no notice shall be necessary to the newly elected Managers in order legally to constitute such meeting, providing a majority of the whole Board shall be present.

9. Regular Meetings: Regular meetings of the Board of Managers may be called and held at such time and place as shall be determined, from time to time, by a majority of the Managers, but at least ~~four~~ such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Managers shall be given to each Manager, personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting.

10. Special Meetings: Special meetings of the Board of Managers may be called by the President on three (3) days notice to each Manager, given personally or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting. Special meetings of the Board of Managers shall be called by the President or Secretary in like manner and on like notice on the written request of at least three Managers.

11. Waiver of Notice: Before or at any meeting of the Board of Managers, any Manager may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Manager at a meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Managers are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

12. Board of Managers' Quorum: At all meetings of the Board of Managers, a majority of the Managers shall constitute a quorum for the transaction of business, and the acts of the majority of the Managers present at a meeting at which a quorum is present shall be the acts of the Board of Managers. If at any meeting of the Board of Managers, there be less than a quorum present, the majority of those present may adjourn the meeting. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called, may be transacted without further notice.

ARTICLE V

Officers

1. Designation: The principal officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected by and from the Board of Managers. The Managers may appoint an assistant treasurer, and an assistant secretary, and such other officers as in their judgment may be necessary.

2. Election of Officers: The officers of the Association shall be elected annually by the Board of Managers at the organization meeting of each Board and shall hold office at the pleasure of the Board.

3. Removal of Officers: Upon an affirmative vote of a majority of the members of the Board of Managers, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Managers, or at any special meeting of the Board called for such purpose.

4. President: The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Managers. He shall have all of the general powers and duties which are usually vested in the office of president of an Association, including but not limited to the power to appoint committees from among the owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

5. Vice President: The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Managers shall appoint some other member of the Board to so do on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Managers.

6. Secretary: The Secretary shall keep the minutes of all meetings of the Board of Managers and the minutes of all meetings of the Association; he shall have charge of such books and papers as the Board of Managers may direct and he shall, in general, perform all the duties incident to the office of the Secretary.

7. Treasurer: The Treasurer shall have responsibility of the Association's funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all moneys and all other valuable effects in the name and to the credit of the Association in such depositories as may from time to time be designated by the Board of Managers.

ARTICLE VI

Obligations of the Owners

1. Assessments: All owners are obligated to pay monthly assessments imposed by the Association to meet all project communal expenses, which may include liability insurance premium and insurance premiums for the policy to cover repair and reconstruction work in case of hurricane, fire, earthquake or other hazard. The assessment shall be made pro-rata according to the value of the unit owned as stipulated in the Condominium Declaration.

2. Maintenance and Repair:

X A. Every owner must perform promptly all maintenance and repair work within his own unit, which if omitted would affect the project in its entirety or in a part belonging to other owners, being expressly responsible for the damages and liability that his failure to do so may engender.

X B. All the repairs of internal installations of the unit such as water, light, gas, power, sewage, telephones, air conditioners, sanitary installations, doors, windows, lamps and all other accessories belonging to the unit area shall be at the owner's expense.

X C. An owner shall reimburse the Association for any expenditures incurred in repairing or replacing any common area and facility damaged through his fault.

3. Use of Fam Units - Internal Changes;

A. All units shall be utilized for residential purposes only.

B. An owner shall not make structural modifications or alterations in his unit or installations located therein without previously notifying the Association in writing, through the Management Agent, if any, or through the President of the Board of Managers, if no management agent is employed. The Association shall have the obligation to answer within 15 days and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification or alteration.

4. Use of Common Areas and Facilities and Restricted Common Areas and Facilities: An owner shall not place or cause to be placed in the lobbies, vestibules, stairways and other project areas and facilities of a similar nature, both common and restricted, any furniture, packages or objects of any kind. Such areas shall be used for no other purpose than for normal transit through them.

5. Right of Entry:

A. An owner shall grant the right of entry to the Management Agent or to any other person authorized by the Board of Managers or the Association in case of any emergency originating in or threatening his unit, whether the owner is present at the time or not.

B. An owner shall permit other owners, or their representatives, when so required, to enter his unit for the purpose of performing installation alterations or repairs to the mechanical or electrical services, provided that requests for entry are made in advance and that such entry is at a time convenient to the owner. In case of emergency, such right of entry shall be immediate.

6. Rules of Conduct:

A. No resident of the project shall post any advertisements, or posters of any kind in or on the project, except as authorized by the Association.

B. Residents shall exercise extreme care about making noises or the use of musical instruments, radios, television and amplifiers that may disturb other residents. Those keeping domestic animals will abide by the Municipal Sanitary Regulations.

C. It is prohibited to hang garments, rugs, etc., from the windows or from any of the facades of the project.

D. It is prohibited to dust rugs, etc., from the windows, or to clean rugs, etc., by beating on the exterior part of the project.

E. It is prohibited to throw garbage or trash outside the disposal installations provided for such purposes in the service areas.

F. No owner, resident or lessee shall install wiring for electrical or telephone installations, television antennae, machines or air conditioning units, etc., on the exterior of the project or that protrude through the walls or the roof of the project except as authorized by the Association.

ARTICLE VII

Amendments to Plan of Apartment Ownership

These By-Laws may be amended by the Association in a duly constituted meeting for such purpose, and no amendment shall take effect unless approved by owners representing at least 75% of the total value of all units in the project as shown in the Condominium Declaration.

ARTICLE VIII

Mortgagees

1. Notice to Association: An owner who mortgages his unit shall notify the Association through the Management Agent, if any, or the President of the Board of Managers in the event there is no management agent, the name and address of his mortgagee, and the Association shall maintain such information in a book entitled "Mortgagees of Units".

2. Notice of Unpaid Assessments: The Association shall at the request of a mortgagee of a unit report any unpaid assessments due from the owner of such unit.

ARTICLE IX

Indemnification of Officers and Managers

The Association shall indemnify every Manager or officer, his heirs, executors and administrators, against all loss, costs and expense, including counsel fees, reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a Manager or officer of the Association, except as to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his duty as such Manager or officer in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such Manager or officer may be entitled. All liability, loss, damage, costs and expenses incurred or suffered by the Association by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as Common Expenses; provided, however, that nothing in this Article IX contained shall be deemed to obligate the Association to indemnify any member or owner of a condominium unit who is or has been a Manager or officer of the Association with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of the Condominium Declaration for Tannhauser Condominium Apartments as a member or owner of a condominium unit covered thereby.

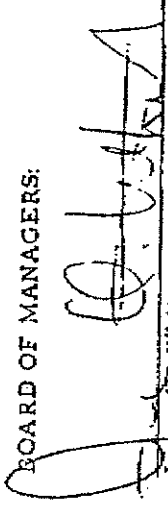

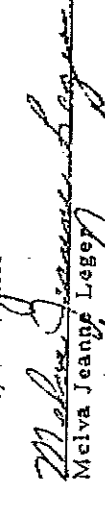

ARTICLE X

Compliance

These By-Laws are set forth to comply with the Condominium Ownership Act of the State of Colorado. In case any of these By-Laws conflict with the provisions of said statute, it is hereby agreed and accepted that the provisions of the statute shall apply.

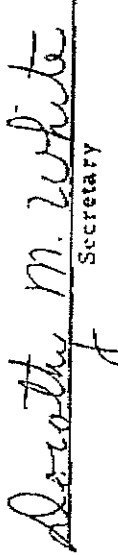
IN WITNESS WHEREOF, the undersigned have hereunto set
th hands and seals at Aurora, Colorado, this 27th day of October
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BOARD OF MANAGERS:


Jeffrey O. White

Dorothy M. White

Melva Jeanne Leger

Alfred S. Leggett

KNOW ALL MEN BY THESE PRESENTS: That the undersigned Secretary of the corporation known as Tannhauser Management Association does hereby certify that the above and foregoing By-Laws were duly adopted by the Managers of said corporation as the By-Laws of said corporation on the 27th day of October, 1971, and that they do now constitute the By-Laws of said corporation.

ATTEST:


Dorothy M. White
Secretary