

BYLAWS
OF
THE NEWPORT PLACE CONDOMINIUMS ASSOCIATION, INC.

ARTICLE I

Object

1.01. Association. THE NEWPORT PLACE CONDOMINIUMS ASSOCIATION, INC. (the "Association") is a nonprofit corporation organized under the Colorado Nonprofit Corporation Act.

1.02. Purpose. The purpose for which the Association is formed is to govern the condominium property situate in the City and County of Denver, State of Colorado, which is known as The Newport Place Condominiums, hereinafter referred to as the "Condominium Project", and which property is subject to the provisions of the Condominium Ownership Act of the State of Colorado and to a recorded Condominium Map and Declaration of Covenants, Conditions and Restrictions of The Newport Place Condominiums, hereinafter referred to as the "Project Declaration" or the "Declaration". Terms which are defined in the Declaration shall have the same meanings herein, unless otherwise defined herein. The word "member" or "members" as used in these Bylaws means and shall refer to Owner or Owners in the Condominium Project.

1.03. Owners Subject to Bylaws. All present or future Owners, tenants, future tenants, or any other person that might use in any manner the facilities of the Condominium Project are subject to the terms and provisions set forth in these Bylaws. The mere acquisition or rental of any of the Condominium Units, or the mere act of occupancy of any of said Condominium Units will signify that these Bylaws are accepted, ratified and will be complied with.

ARTICLE II

Membership, Voting, Majority of
Owners, Quorum, Proxies

2.01. Membership. Ownership of a Condominium Unit is required in order to qualify for membership in this Association. Any Person on becoming an Owner of a Condominium Unit shall automatically become a member of this Association and be subject to these Bylaws. Such membership shall terminate without any formal Association action whenever such Person ceases to own a Condominium Unit, but such termination shall not relieve or release any such former Owner from any liability or obligation to the Association or impair any rights or remedies which the Association may have against such former Owner arising out of or in any way connected with ownership of a Condominium Unit and membership in the Association. No certificates of stock shall be issued by the Association, but the Board of Directors may, if it so elects, issue membership cards to the Owners. Such membership card shall be surrendered to the Secretary whenever ownership of the Condominium Unit designated thereon shall terminate.

2.02. Voting. All members shall be entitled to vote on all matters, with one vote per Condominium Unit. If title to any Condominium Unit shall be held by two or more Persons, then each such Person shall be a member of this Association, provided however, that the voting rights of such Owners shall not

be divided but shall be exercised as if the Owner consisted of only one person in accordance with the proxy or other designation made by the Persons constituting such Owner. The Declarant may exercise the voting rights with respect to Condominium Units owned by it. In no instance shall any Condominium Unit have more than one vote on any question or issue. Cumulative voting in the election of the Board of Directors shall not be permitted.

2.03. Quorum. Except as otherwise provided in these Bylaws or in the Declaration, the presence in person or by proxy of thirty percent of the votes entitled to be cast at such meeting shall constitute a quorum and an affirmative vote of a majority of those present at a meeting at which a quorum is in attendance shall be necessary to transact business and to adopt decisions binding on all Owners.

2.04. Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting. All proxies must be in writing and may be either general or for a particular meeting. A Proxy need not be an Owner.

ARTICLE III

Meetings

3.01. Place of Meeting. Meetings of the Association shall be held at such place within the State of Colorado as the Board of Directors may determine.

3.02. Annual Meetings. The annual meetings of the Association shall be held each year on such date as shall be selected by the Board of Directors, provided that such meeting shall occur in each year no later than six months after the end of the Association's fiscal year. The first annual meeting shall be called by the initial Board of Directors of the Association and shall be held within one year of the initial conveyance of a Condominium Unit by Declarant. At such meetings, the Owners may transact such business of the Association as may properly come before the meeting. At each annual meeting, members of the Board of Directors shall be elected from among the Owners. The Association shall adopt a procedure whereby all terms of such Board members do not expire at the same time. At least one-third of such terms will expire annually. Notwithstanding anything to the contrary provided for herein, however, until Declarant has conveyed 100% of the Condominium Units or December 31, 1981, whichever first occurs, the members of the Board of Directors of the Association shall be appointed by Declarant, its successors or assigns, unless such right is relinquished earlier.

3.03. Special Meetings. It shall be the duty of the President to call a special meeting of the Association as required by the President, a resolution of the Board of Directors or by petition of Owners representing an aggregate ownership interest of at least twenty-five percent (25%) of the General Common Elements. The notice of any such special meeting shall state the time and place of such meeting and the specific purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless upon the consent of Owners representing an aggregate ownership interest of at least fifty percent (50%) of the General Common Elements. Any such meeting shall be held within thirty (30) days after receipt by the President of such resolution or petition.

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3.04. Notice of Meetings. It shall be the duty of the Secretary to hand-deliver or to mail, by regular United States 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. A waiver of notice, signed by all Owners before, at or after any meeting shall be a valid substitute for notice. The certificate of the Secretary that notice was properly given as provided in these Bylaws shall be prima facie evidence thereof.

3.05. Adjourned Meetings. If any meeting of Owners cannot be convened because a quorum has not attended or if the business of the meeting cannot be concluded, the Owners who are present, either in person or by proxy, may adjourn the meeting from time to time for periods of no longer than one week until a quorum is obtained or until a conclusion can be reached. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

3.06. Order of Business. The order of business at all meetings of the Owners shall be as follows:

- (a) Roll call;
- (b) Proof of notice of meeting or waiver of notice;
- (c) Reading of minutes;
- (d) Reports of officers;
- (e) Reports of committees;
- (f) Election of Directors (annual meetings only);
- (g) Unfinished business;
- (h) New business;
- (i) Adjournment.

3.07. Rules of Meetings. The Board may prescribe reasonable rules for the conduct of all meetings of the Board and Owners and in the absence of such rules, Robert's Rules of Order shall be used.

ARTICLE IV

Board of Directors

4.01. Association Responsibilities. The Owners will constitute the Association, who will have the responsibility of administering the Condominium Project through a Board of Directors. In the event of any dispute or disagreement between any Owners relating to the Condominium Project, or any questions of interpretation or application of the provisions of the Declaration or Bylaws, such dispute or disagreement shall be submitted to the Board. The determination of such dispute or disagreement by the Board shall be binding on each and all such Owners, subject to the right of Owners to seek other remedies provided by law after such determination by the Board.

4.02. Number and Qualification. The affairs of the Association shall be governed by a Board of Directors composed of three persons from among the Owners. In the case of Declarant or other corporate or partnership Owners, the officers, directors, employees, partners or agents of such entities may be members of the Board. The number of directors may be increased or decreased by amendment of these Bylaws; provided however, that the number of directors shall not be reduced to less than three nor increased to more than ten. Until the first meeting of the Association, the Board of Directors shall consist of those individuals named as such in the Articles of Incorporation of the Association.

4.03. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of a first class residential condominium project. The Board of Directors may do all such acts and things as are not by law, the Articles, these Bylaws or the Project Declaration either prohibited or directed to be exercised and done by the Owners.

4.04. Other Powers and Duties. The Board of Directors shall be empowered and shall have the duties as follows:

(a) to administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations and all other provisions set forth in the Project Declaration and in the Articles and these Bylaws;

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

(c) to keep in good order, condition and repair all of the General Common Elements and all items of personal property, if any, used in the enjoyment of the entire Condominium Project;

(d) to obtain and maintain to the extent obtainable all policies of insurance required by the Project Declaration;

(e) to periodically fix, determine, levy and collect the prorated assessments to be paid by each of the Owners towards the Common Expenses of the Association and to adjust, decrease or increase the amount of the assessments, refund any excess assessments to the Owners or to credit any excess of assessments over expenses and cash reserves to the Owners against the next succeeding assessment period. To levy and collect special assessments in accordance with the provisions of the Declaration, whenever in the opinion of the Board it is necessary to do so in order to meet increased operating or maintenance expenses or costs, or additional capital expenses, or because of emergencies. All special assessments shall be in statement form and shall set forth in detail the various expenses for which the assessments are being made;

(f) to impose penalties and collect delinquent assessments by suit or otherwise and to enjoin or seek damages from an Owner as is provided in the Project Declaration and these Bylaws;

(g) to protect and defend the Condominium Project from loss and damage by suit or otherwise;

(h) to borrow funds and to give security therefor in order to pay for any expenditure or outlay required pursuant to the authority granted by the provisions of the Project Declaration or these Bylaws and to execute all such instruments evidencing such indebtedness as the Board of Directors may deem necessary or desirable;

(i) to enter into contracts within the scope of their duties and powers, provided however, that any agreement for professional management of the Project, or any other contract providing for services of the Declarant may not exceed three (3) years, and any such agreement must provide for termination by either party without cause and without payment of a termination fee on no more than thirty (30) days' written notice;

(j) to establish bank accounts which are interest bearing or non-interest bearing, as may be deemed advisable by the Board of Directors;

(k) to keep and maintain detailed, full and accurate books and records showing in chronological order all of the receipts, expenses or disbursements pursuant to appropriate specificity and itemization and to permit inspection thereof as is provided in the Project Declaration, and, upon the vote of Owners representing an aggregate ownership interest of at least 51% of the General Common Elements, to cause a complete audit to be made of the books and records by a competent certified public accountant;

(l) to prepare and deliver annually to each Owner a statement showing all receipts, expenses or disbursements since the last such statement;

(m) to designate and remove the personnel necessary for the operation, maintenance, repair and replacement of the General Common Elements;

(n) to suspend the voting rights of an Owner for failure to comply with these Bylaws or the rules and regulations of the Association or with any other obligations of the Owners pursuant to the Project Declaration; and

(o) in general, to carry on the administration of the Association and to do all of those things necessary and/or desirable in order to carry out the governing and operating of the Condominium Project.

4.05. Managing Agent. The Board of Directors may employ for the Association a Managing Agent (at a compensation established by the Board of Directors), to perform such duties and services as it shall authorize. The Board of Directors may delegate any of the powers and duties granted to it but, notwithstanding such delegation, shall not be relieved of its responsibility under the Project Declaration, the Articles or these Bylaws.

4.06. Election and Term of Office. Members of the Board of Directors shall be elected by a majority or plurality, as appropriate, of the Owners voting at the annual meeting of the members of the Association; the term of one director of the Board shall be for one year, the term of one director of the Board shall be for two years and the term of one director of the Board shall be for three years and thereafter until such director's successor is duly elected and qualified, unless such director is removed in the manner hereinafter provided. At each annual meeting the members shall elect the same number of directors whose terms are expiring at the time of each election for the like term of that of the director whose term has expired.