

**FIRST AMENDMENT TO THE BYLAWS OF
CANYON VIEW HOMEOWNERS ASSOCIATION, INC.**

This FIRST AMENDMENT TO BYLAWS OF CANYON VIEW HOMEOWNERS ASSOCIATION, INC. (this "First Amendment") is made effective as of August 16, 2000.

RECITALS:

1. Pursuant to Article VI of the Articles of Incorporation of the Association Declarant has elected to voluntarily surrender part of Declarant's right to appoint and remove officers and directors of the Executive Board before termination of the Period of Declarant Control.
2. The Declarant and the Members desire to amend these Bylaws in accordance with Article XIII of these Bylaws, to provide for an Executive Board consisting of five (5) directors before the termination of the Period of Declarant Control, one (1) of whom shall be appointed by Declarant and four (4) who shall be elected by the Members.
3. Pursuant to Article III, Section 2 of these Bylaws, a Special Meeting of the Members was called for the purpose of amending these Bylaws, and proper notice of such Special Meeting, describing the proposed amendment to these Bylaws set forth herein, was given to the Unit Owners pursuant to the requirements for such notice set forth in Article III, Section 3 of these Bylaws.
4. Such Special Meeting of the Members was held on August 16, 2000. A quorum was present. By a vote of a majority of the votes of a quorum of Members present in person or by proxy, the Members approved this First Amendment.
5. The requirements of Article XIII of these Bylaws concerning HUD and/or VA have been met.

NOW THEREFORE, this First Amendment having been duly approved in the manner set forth in these Bylaws, these Bylaws are hereby amended as follows:

- A. Article IV, Sections 1 and 2 of the Bylaws are hereby deleted in their entirety and the following inserted therefor:
 1. **Number.** The affairs of this Association shall be managed by an Executive Board of five (5) directors. Directors shall be Members which, in the case of Declarant, may include any partner of Declarant and any principal, officer, director, employee or authorized agent of Declarant and, in the case of corporate Members, may include the officers and directors of each such corporate Member.
 2. **Term of Office.**
 - (a) Except as otherwise provided in these Bylaws, during the Period of Declarant Control, the Declarant may appoint one (1) officer and director of the Executive Board and shall have the right to remove any such officer and director

of the Executive Board appointed by it. During the period of Declarant Control, the Unit Owners shall elect the other four (4) directors of the Executive Board. Not later than the termination of the Period of Declarant Control, the Unit Owners shall elect all five (5) officers and directors of the Executive Board, at least a majority of whom must be Unit Owners other than the Declarant. On the same date that this First Amendment to the Bylaws is adopted, the Association shall (1) hold an election to fill the Board positions created hereby, and (2) adopt a method for staggering elections, whereby in the future, two Board Members shall be elected each year for two years, and one person shall be elected in the third year. Executive Board members elected pursuant to this subsection shall take office upon election.

(b) Any director of the Executive Board who is elected by the Members prior to termination of the Period of Declarant Control shall serve for a term which complies with the opening that exists in the Association's method of staggering elections until such director's duly-elected successor takes office on the Executive Board. At the first meeting of the Association held subsequent to the termination of the Period of Declarant Control, the Members shall elect one (1) director to replace the director previously appointed by Declarant, for a term which will expire on a staggered basis in coordination with the Association's method of staggering elections. Thereafter, one or two directors shall be elected at each annual meeting of the Members for a three-year term.

B. All terms and conditions of these Bylaws shall remain in full force and effect, unmodified except as expressly modified and amended as set forth herein.

CERTIFICATION

I, the undersigned, do hereby certify:

1. I am the duly elected and acting Secretary of CANYON VIEW HOMEOWNERS ASSOCIATION, INC., a Colorado nonprofit corporation.
2. The foregoing First Amendment to the Bylaws of Canyon View Homeowners Association, Inc., were duly adopted at a meeting of the Members thereof, held August 16, 2000, at which a quorum was held and a majority of the votes were cast in favor thereof.

In witness whereof, I have hereunto subscribed my name and affixed the seal of said Association this August 16, 2000.



Secretary