

LOOKOUT MOUNTAIN PARADISE HILLS  
HOMEOWNERS' ASSOCIATION

BY-LAWS

ARTICLE 1

NAME AND OBJECT OF CORPORATION

- 1.1 Name: This corporation shall be known as Lookout Mountain Paradise Hills Homeowners' Association, herein referred to as the "Association".
- 1.2 Objects: The objects of the Association shall be as set forth in the Articles of Incorporation as amended, which have been filed and approved by the Colorado Secretary of State.

ARTICLE 2

MEMBERSHIP

- 2.1 Members: The membership of this Association shall consist of the record title holders of all the platted lots in Paradise Hills Subdivision in Jefferson County, Colorado.
- 2.2 Paradise Hills Subdivision: For the purpose of these By-Laws, Paradise Hills Subdivision shall consist of all the platted lots in Paradise Hills Subdivision, including Units 1, 2, 3 and 4 and all other platted lots as set forth on the master plat of Paradise Hills Subdivision.
- 2.3 Proof of Ownership: The Board of Directors of this Association may require reasonable proof of ownership by owners of the platted lots in Paradise Hills Subdivision before allowing the said owners to assume membership in the Association. Ownership shall consist of the fee simple title to the lot or a leasehold estate of 40 years or more. In the event of such a leasehold estate, (40 years or more), the tenant shall be the qualified member of this Association, rather than the fee simple owner. The fee simple owner shall be the member in the case of all other leasehold estates.
- 2.4 Classes of Membership:
  - 2.4.1 This association shall be a membership association and each member of the Association shall be a record title holder, or the tenant of a leasehold of forty years or more of a platted lot (other than a platted outlot) in Paradise Hills Subdivision and there shall be three Classes of Membership as follows:
  - 2.4.2 A Class I Member shall be a member upon whose lot a residence has been constructed.
  - 2.4.3 A Class II Member shall be a member to whose lot without a residence access is available from an existing dedicated road.
  - 2.4.4 A Class III Member shall be a member to whose lot without a residence no access is available from an existing dedicated road.

2.5 Voting:

- 2.5.1 Each Class I Member shall have one vote on all matters properly before the members of this Association. If there is more than one (1) owner of a lot with residence, there shall be only one vote between them. Fractional voting shall be permitted.
- 2.5.2 Class II and Class III Members shall vote only with respect to a proposed increase in annual dues to be imposed on lots without a residence or Amendments to the Articles of Incorporation.

ARTICLE 3

GOVERNMENT

- 3.1 Board of Directors: The general management of the affairs of the Association shall be vested in the Board of Directors, who shall be elected as provided in Section 6.1 of these By-Laws. The number of Directors shall be seven (7).
- 3.2 Officers: The Officers of the Association shall consist of a President, a Vice-President, a Secretary, a Treasurer and such additional Vice-Presidents, Assistant-Secretaries and Assistant-Treasurers as the Board shall designate, selected by a vote of the Board of Directors. One person may hold more than one office except that the President and Secretary shall be separate persons.

ARTICLE 4

MEETINGS - MEMBERS

- 4.1 Annual Meeting of Members: The annual meeting of members of this Association shall be held on a week day in January at a time and place designated by the Board of Directors. Notice of the time and place of the Annual Meeting shall be mailed not less than ten (10), nor more than fifty (50) days prior to the date of the meeting to the address of the member as reflected on the records of the Association. A fixed Agenda shall be included in the Notice of the Annual Meeting.
- 4.2 Special Meetings of Members: Special meetings of members may be called by the President at any time on his own initiative and shall be called by the President or Secretary upon request of not less than ten (10) Class I Members to such officer made in writing and indicating the purpose of the meeting. Notice of the meeting shall be mailed to each member at least ten (10) days previous to the meeting, and at such special meeting there shall only be considered such business as is specified in the Notice of Meeting.
- 4.3 Quorum for Members' Meetings: At all meetings of the Association, either regular or special, not less than 13% of Class I Members shall constitute a quorum.
- 4.4 Lack of Quorum: If a quorum is not present, the presiding officer shall adjourn the meeting to a day and hour fixed by him. Upon request the presiding officer must ascertain the presence of a quorum, and if such quorum is not present, adjourn the meeting until a quorum is present.

- 4.5 Proxy: At all meetings of the members, a member may vote by proxy executed in writing by the member or by his duly authorized attorney in fact. Such proxy shall be filed with the Secretary of the Association before or at the time of the meeting. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.
- 4.6 Waiver: Pursuant to the Colorado Nonprofit Corporation Act, when any notice is required to be given to any member, a waiver in writing signed by the person entitled to that notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.
- 4.7 Action at a Meeting: At all meetings of the Association, regular or special, a quorum, as defined in Section 4.3, shall be present and action at a meeting shall be taken by a majority vote of voting members present.
- 4.8 Informal Action by Members: Pursuant to the Colorado Nonprofit Corporation Act, any action that can be taken at a meeting of the members of this Association may be taken without a meeting if a consent in writing, setting forth the actions so taken, is signed by all the members entitled to vote with respect to the subject matter. This consent shall have the same force and effect as a unanimous vote.

## ARTICLE 5

### MEETINGS - BOARD

- 5.1 Meetings of the Board: Meetings of the Board of Directors shall be called by the President on his own initiative whenever in his judgment it may be deemed necessary, or by the Secretary upon request of any two (2) members of the Board of Directors. Five (5) days' notice of meetings of the Board shall be sent by mail to all Directors at the address reflected on the books of the Association.
- 5.2 Quorum for Board Meeting: A majority of the Board of Directors shall constitute a quorum.
- 5.3 Waiver: Pursuant to the Colorado Nonprofit Corporation Act, when any notice is required to be given to any Director, a waiver in writing signed by the person entitled to that notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.
- 5.4 Informal Action by Directors: Pursuant to the Colorado Nonprofit Corporation Act, any action that can be taken at a meeting of the Directors of this Association may be taken without a meeting if a consent in writing, setting forth the actions so taken, is signed by all the Directors entitled to vote with respect to the subject matter. This consent shall have the same force and effect as a unanimous vote.

## ARTICLE 6

### ELECTION OF DIRECTORS

- 6.1 Election of Directors: The Directors of the Association shall be elected at the annual meeting. Each voting member shall be entitled to one vote for each Director to be elected and the candidate receiving a majority of the votes cast shall be declared elected. Cumulative voting shall not be allowed.

- 6.2 Director's Term: Directors elected in 1982 shall hold office for a period of one (1) year, two (2) years or three (3) years, and until their successors are elected and qualified, except in the event of their earlier death, resignation, or removal. There shall be two (2) one-year terms, three (3) two-year terms and two (2) three-year terms. When the terms of the Directors elected in 1982 expire, their successor Directors shall be elected for three-year terms.
- 6.3 Removal of Directors: A Director may be removed by a vote of a majority of the members at a regular or special meeting of the members; provided that proper notice is given if the removal occurs in a special meeting of the members pursuant to Section 4.2 above.
- 6.4 Resignation of Directors: A Director may resign by giving written notice to the Secretary of the Association. Such resignation shall be effective upon receipt by the Secretary.
- 6.5 Vacancies: If a vacancy occurs among the Board of Directors, the vacancy shall be filled for the unexpired term by the Board of Directors.

Adopted at 1/24/19 Annual Meeting:

6.6 Eligibility: Only class 1 members of the association shall be eligible to serve on the Board of Directors. Board members must also remain in good standing with all dues, fees, fines, and assessments paid in full.

## ARTICLE 7

### ELECTION OF OFFICERS

- 7.1 Election of Officers: The Board of Directors shall elect, a President, a Vice-President, a Secretary, a Treasurer and such additional Vice-Presidents, Assistant-Secretaries and Assistant-Treasurers as the Board may designate. One person may hold more than one office except that the President and Secretary shall be separate persons. An organizational meeting for the purpose of electing officers and organizing the Board shall be held within a reasonable time following the Annual Meeting of the Members. Officers shall hold office for a one year period and until their successors are elected and qualified, except in the event of their prior death, resignation or removal. Officers may be re-elected to successive terms.
- 7.2 Removal of Officers: An Officer may be removed by a majority vote of the Board of Directors at a regular or special meeting of the Board.
- 7.3 Resignation of Officers: An Officer may resign by giving written notice to the President or Secretary of the Association. Such resignation shall be effective upon receipt by the President or Secretary.
- 7.4 Vacancies: If a vacancy occurs among the Officers, the vacancy shall be filled for the unexpired term by the Board of Directors.

## ARTICLE 8

### DUTIES AND POWERS OF BOARD OF DIRECTORS

- 8.1 Management of Association: The business and affairs of the Association shall be managed by its Board of Directors. The Board shall have full power, and it shall be the Board's duty to carry out the purposes of the Association according to its Articles of Incorporation and these By-Laws.
- 8.2 No Authority to Impose Liability on Members: The Board of Directors shall have no authority to impose any liability upon a member, or to authorize annual dues or special charges payable by Members of the Association without a vote of the Membership.



- 8.2.1 Annual Dues of Class I Members (Lots with Residences): The power of the Board of Directors to authorize annual dues payable by the members shall be limited to One Hundred Fifty (\$150.00) Dollars per annum per lot on which a residence has been constructed. Any additional amount must be approved by a majority of voting members attending the Annual Meeting of the Association.
- 8.2.2 Annual Dues of Class II and Class III Members (Lots without Residences): Annual dues of Class II and Class III members shall not exceed Ten (\$10.00) Dollars per annum per lot and may be increased only with the consent of seventy-five (75%) per cent of the Class II and Class III members.
- 8.2.3 Special Charges for Emergency Repairs of the Water System: In the event an emergency repair to the water system is necessary to maintain adequate service, the Board of Directors is authorized to act in said emergency and to repair said water system, and, if the cost of said repair is more and beyond the authorized annual budget for water system repairs, a special charge may be imposed by the Board of Directors without the vote of membership on Class I and Class II members, provided that the lots owned by Class II members have an approved water tap and front on an available water main.
- 8.3 Annual Dues and Special Charges - When Due: Annual dues are due in the first quarter of the calendar year in which they are authorized. Special charges are due within thirty (30) days after notice of same is mailed. All delinquent payments shall bear interest at a rate of fifteen (15%) per cent per annum. Interest on delinquent payments of special charges shall be at the same rate and shall begin thirty (30) days after mailing notice of same. Delinquent payments of annual dues and special charges shall also include the costs of collection, including reasonable attorney's fees.
- 8.4 No Prohibition on Collection of Annual Dues and Special Charges: Nothing in this Section shall prohibit the Association or its Board of Directors from taking the necessary steps to enforce the collection of annual dues and/or special charges by such methods as the Board of Directors deem appropriate.
- 8.5 Enforcement of Collection of Dues and/or Special Charges: Methods of collection of annual dues and/or special charges may include, but shall not be limited to, the following procedures:
- 8.5.1 Annual Dues and Special Charges: Each member shall pay (i) annual dues and (ii) special charges, determined by the Association. All of the dues and charges, together with interest thereon and cost of collection thereof, including reasonable attorney's fees, shall be a charge on each building site and shall be a continuing lien upon the building site owned by the member who owes such dues and charges, subject to foreclosure in accordance with applicable law, but any such lien shall be subordinate to any valid mortgages or deeds of trust affecting such building site. Such dues and charges together with the interest thereon and cost of collection, including reasonable attorney's fees, shall also be the personal obligation of the member at the time same are authorized. Further, after notice, the Association shall have the right to terminate water service to any building site over thirty (30) days delinquent in payment of said dues and charges.

- 8.5.2 Lien for Annual Dues and Special Charges: If any member shall fail or refuse to make any required payment of dues or charges when due, the amount thereof shall constitute a lien on the building site, and upon the recording of the notice thereof by the Association in the Office of the Recorder of Deeds of Jefferson County, Colorado, it shall be a lien upon such member's interest prior to all other liens and encumbrances, recorded or unrecorded, except (1) taxes, special assessments and special taxes theretofore or thereafter levied by any political subdivision or municipal corporation of this state and other state or federal taxes which by law are a lien on the interest of such member prior to pre-existing recorded encumbrances thereon, and (2) all sums unpaid on a first mortgage or first deed of trust on record, including all unpaid obligatory sums as may be provided by such encumbrances.
- 8.5.3 Notice: The Association shall send a notice, postage prepaid, certified mail, return receipt requested, to any such encumbrancer whose encumbrance was recorded prior to the time of recording the Notice of Lien provided for in Section 8.5.2, at the address shown in the recorded encumbrance; provided that if such encumbrancer has furnished the Association with another address, then such other address shall be used; and, said Association shall not foreclose its lien until at least thirty (30) days after the date of depositing such notice in the United States Mails, postage prepaid, to the address of such encumbrancer.
- 8.5.4 Encumbrancer's Lien: Any encumbrancer holding a lien on a building site may pay any liens for common expenses payable with respect to such building site, and, if so provided in an encumbrance, may add the amount of such payment to the unpaid balance secured by his lien, and such added amount shall have the same priority and lien rights as the unpaid balance to which it is added.
- 8.5.5 Lien for Non-Payment of Annual Dues and/or Special Charges: The lien in favor of the Association shall be for the benefit of all other building site owners, and may be foreclosed by an action brought in the name of the Association in a like manner as a mortgage of real property. In any such foreclosure, the owner shall be required to pay the costs and expenses of such proceedings, the costs and expenses for filing the notice or claim of lien, and all reasonable attorney's fees. The owner shall also be required to pay the Association all dues and/or special charges for the building site during the period of foreclosure, and the Association shall be entitled to a receiver to collect the same. The Association, acting on behalf of the building site owners, shall have the power to bid in the interest so foreclosed at foreclosure sale and to acquire and hold, lease, mortgage and convey the same; and to subrogate so much of its rights to such lien as may be necessary or expedient to an insurance company which will continue to give total coverage in spite of nonpayment of such defaulting owner's portion of the premium.
- 8.6 Compensation of Directors and Officers: No Director or Officer shall receive any salary or compensation for service as such Director and Officer except in the following instances:
- 8.6.1 Upon approval of the Board of Directors, the Treasurer may receive reasonable compensation for services performed.

- 8.6.2 The Board of Directors may authorize payment to any Officer or Director for services in a particular matter for the Association in which such Officer or Director performs duties or services beyond his normal duties as such Officer or Director under these By-Laws.
- 8.6.3 The Board may authorize payment of reasonable expenses incurred by any Board member or Officer in connection with duties performed for the Association.
- 8.7 Insurance: The Board of Directors shall carry Officers' and Directors' liability and such other insurance as it deems appropriate at the expense of the Association.

## ARTICLE 9

### DUTIES OF OFFICERS

- 9.1 President: The President shall preside at all meetings of the Association and of the Board of Directors and shall appoint such committees as he shall consider expedient or necessary.
- 9.2 Vice-President: In the absence of the President, the Vice-President shall perform his duties, and, in the absence of both the President and Vice-President, the Secretary shall preside and assume the duties of the President.
- 9.3 Secretary: The Secretary shall keep the Minutes of all meetings of the Association and of the Board of Directors; and shall mail out all notices for meetings of the Association, and notify the Directors of meetings of the Board.
- 9.4 Treasurer: The Treasurer shall have charge of all receipts and monies of the Association, depositing them in the name of the Association in a bank approved by the Board of Directors and disbursing funds as ordered or authorized by the Board of Directors. The Treasurer shall keep regular accounts of receipts and disbursements and submit his records when requested and give an annual financial statement to the members at the Annual Meeting of the Members of the Association. The Treasurer shall be authorized as a signator on the Association's bank accounts. Other Directors and Officers may be authorized to sign on the Association's bank accounts. The Treasurer shall give bond if required by the Board, but the expense shall be borne by the Association.

## ARTICLE 10

### PROCEDURES

- 10.1 Conduct of Meetings: Roberts Rules of Order as last revised shall govern the proceedings of all meetings of the Members or Board of Directors of this Corporation, except as otherwise provided in these By-Laws.

## ARTICLE 11

### AMENDMENTS

- 11.1 Amendments to the By-Laws: These By-Laws may be amended by a majority vote of the Class I members of the Association present, pursuant to Section 4.7, at a regular or special meeting of the members, provided notice of the proposed amendment has been stated in the call for the meeting.

ARTICLE 12

NON-LIABILITY OF OFFICERS AND DIRECTORS

- 12.1 Officers and Directors Not Liable Under By-Laws: The Association and its Officers and Directors shall not be liable or accountable in damages for any action taken pursuant to the Provisions of these By-Laws.

## ARTICLE 13

### ARCHITECTURAL REVIEW COMMITTEE

#### 13.1 Membership of the Architectural Review Committee.

The Architectural Review Committee shall be made up of volunteers of Class I members. Membership of the Architectural Review Committee is subject to the approval of the Board of Directors. The size of the Architectural Review Committee shall be determined by the Board of Directors.

#### 13.2 Officers of the Architectural Review Committee.

The Architectural Review Committee shall elect annually a president and a secretary. The president shall preside over the meetings of the Architectural Review Committee. The secretary shall keep minutes of the Architectural Review Committee's meetings.

#### 13.3 Meetings of the Architectural Review Committee.

The Architectural Review Committee shall determine the frequency and scheduling of its meetings subject to the approval of the Board of Directors.

#### 13.4 Duties of the Architectural Review Committee.

The Architectural Review Committee shall be responsible for the review and approval, or disapproval, of all property improvement plans for any property governed by the Paradise Hills Homeowners Association. In the event that a member has made improvements prior to obtaining approval by the Architectural Review Committee, the Architectural Review Committee shall have the authority to review improvements made to property governed by the Paradise Hills Homeowners' Association to determine whether these improvements comply with the covenants governing the subject property. The Architectural Review Committee shall submit determinations of compliance or non-compliance to the member owning the property in question and to the Board of Directors. The Architectural Review Committee shall request appropriate enforcement actions to be taken by the Board of Directors as needed to generally enforce covenants. The Architectural Review Committee shall report its activities to the Board of Directors as the Board of Directors shall determine.

#### 13.5 Members Responsibilities.

It is the responsibility of all property owners to be familiar with the covenants affecting their property and to submit property improvement plans to the Architectural Review Committee for appropriate approval before beginning construction of the improvement.