

**FIRST AMENDED BYLAWS
OF
ORCHARD VALLEY HOMEOWNERS ASSOCIATION, INC.**

ARTICLE I
GENERAL

1. Definitions. The definitions set forth in the Declaration of Covenants, Conditions and Restrictions for Orchard Valley Subdivision, as amended, recorded in the records of the Mesa County, Colorado Clerk and Recorder's office, shall apply to the same words whenever used in these Bylaws.

2. Offices. The principal office of the Association shall be P.O. Box 355, Fruita, Colorado 81521. The Board of Directors in its discretion may change such address and keep and maintain other offices within or without the State of Colorado whenever the business of the Association may require.

ARTICLE II
MEMBERSHIP

1. Memberships; Voting. Members of the Association shall be all of the Owners of all of the Lots within the Subdivision. There shall be one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

2. Transfer of Memberships. A membership in the Association shall not be transferred, pledged or alienated in any way except upon transfer of title to the Owner's Lot, and then only to the transferee with title to such Lot. The Association shall be entitled to treat the person or persons in whose name or names the membership is recorded on the books and records of the Association as a member until such time as evidence of transfer of title, satisfactory to the Association, has been submitted to the secretary. The right to vote may not be severed or separated from the lot ownership to which it is appurtenant, and any sale, transfer or conveyance of such lot to a new owner or owners shall operate to transfer the appurtenant vote without the requirement of any express reference thereto in the instrument of conveyance.

3. Voting Rights. Where the vote of the members is required or permitted by the Declaration, the statutes of the State of Colorado, the Articles of Incorporation, these Bylaws or Policies of the Association, a vote by any one of the co-owners present or represented by proxy for the purpose shall be permitted. Proxies must be executed in writing by the owner or co-owner or his duly authorized attorney in fact and must be filed with the secretary before the appointed time of each meeting. No proxy shall be valid after eleven months from the date of its execution unless otherwise provided in the proxy. The Association may suspend the voting rights of a

member for failure to comply with rules or regulations of the Association or for failure comply with any other obligations of the owners under the Declaration. For purposes of voting, any voting rights that are suspended shall not count towards a quorum or other voting requirement of the members.

4. Annual Meeting. An annual meeting of the members for the purpose of voting on such matters as properly may come before the members shall be held each year at a time and convenient location in Mesa County, Colorado, to be selected by the Board of Directors. Directors shall be elected at each such annual meeting.

5. Special Meetings. Special meetings of the members may be called at any time by the President or by a majority of the Board of Directors or by a vote of the Owners of twenty percent (20%) of the Lots, and shall be held at a convenient location in Mesa County, Colorado, to be selected by the persons calling the meeting.

6. Notices; Waiver. Notices of annual and special meetings of the members must be given in writing and must state the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called. Such notices shall be delivered not less than 10 nor more than 50 days before the date of the meeting, by or at the direction of the president, or the secretary, or the persons calling the meeting, and shall be given to each owner entitled to vote at such meeting. Other requirements regarding notice shall be as required in the Declaration, Association Policies and under Colorado law.

Any notice given pursuant to this Article II shall be deemed to be delivered when deposited in the United States mail addressed to such owner or co-owner at his address as it appears on the records of the Association, with postage thereon prepaid.

Written waiver of notice signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

7. Quorum; Vote Required; Adjournment. Twenty percent (20%) of the votes entitled to vote (Owners of 25 Lots if all are eligible to vote) represented in person or by proxy, shall constitute a quorum at any meeting of members. If a quorum exists, the action of a majority of the votes present or represented by proxy shall be the act of the members. If a quorum does not exist, a majority of the votes present in person or by proxy may adjourn the meeting from time to time without further notice other than announcement at the meeting.

8. Action of Members Without a Meeting. Any action required to be taken, or any action which may be taken, at a meeting of the members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by the Owners of a majority of the Lots entitled to vote with respect to the subject matter thereof. Actions taken under this

section shall be effective if sufficient signatures are received by the Association within 60 days after the date the earliest dated writing describing and consenting to such action is received by the Association

ARTICLE III BOARD OF DIRECTORS

1. Number. The Board of Directors shall consist of not less than three nor more than seven members. The number of directors may be increased or decreased by the board of directors; provided, however, that the number of directors shall not be reduced to fewer than three, nor increased to more than seven; and, provided further, that no decrease in the number of directors shall have the effect of shortening the term of any incumbent director. Notwithstanding the foregoing, if there are less than three persons willing to serve as Directors, the number of Directors shall be the number of persons willing to serve.

2. Qualification; Election; Term. Directors need not be members of the Association, need not be residents of the State of Colorado, and shall be elected by the members of the Association at their annual meeting as provided above. Directors named in the Articles of Incorporation shall serve until the annual meeting and until their successors are duly elected and qualified. Directors shall be elected for staggered terms of three years each as is more specifically set forth in the Articles of Incorporation.

3. Removal; Resignation. At any meeting of members, the notice of which indicates such purpose, directors may be removed by the members in the manner provided by the statutes of Colorado. Any director may resign by submitting a written notice to the Board stating the effective date of his resignation, and acceptance of the resignation shall not be necessary to make the resignation effective.

4. Vacancies. Any vacancy in the Board of Directors or any directorship to be filled by reason of an increase in the number of directors may be filled by an affirmative vote by a majority of the remaining directors, though less than a quorum, of the Board. A director selected to fill a vacancy on the Board shall hold office for the unexpired term of his predecessor in office. Any directorship to be filled by reason of an increase in the number of directors may be filled by the Board of Directors for a term of office continuing only until the next election of directors.

5. Meetings. There shall be a regular annual meeting of the Board immediately following the annual meeting of the members of the Association, and the Board may establish regular meetings to be held at such other places and at such other times as it may determine from time to time. After the establishment of the time and place for such regular meetings, no further notice thereof need be given. Special meetings of the Board may be called by the president, or upon written request delivered to the secretary of the Association, by any two directors, or in accordance with Colorado law.

6. Notices; Waivers. Three days' notice of special meetings shall be given to each director by the secretary, unless waived. Such notice may be given in person, orally, or in writing to each director. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need to be specified in the notice or waiver of notice of such meeting. Notwithstanding the foregoing, all regular and special meetings of the Board shall be open to the members. An agenda of any board meeting shall be made available for examination to any member, or his or her representative, upon request in accordance with Colorado law.

Written waiver of notice signed by a director, whether before or after the time stated therein, shall be equivalent to the giving of such notice. 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.

7. Quorum; Vote Required; Adjournment. Any meeting of the Board, a majority of the number of directors acting and qualified, shall constitute a quorum for the transaction of business. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, except as otherwise specifically required by law, the Articles of Incorporation or these Bylaws. If a quorum does not exist, a majority of the directors present may adjourn the meeting from time to time without further notice other than announcement at the meeting.

8. Action of Directors Without a Meeting. Any action required to be taken, or any action which may be taken, at a meeting of the directors, may be taken without a meeting, in compliance with the provisions of the Colorado Nonprofit Corporation Act, C.R.S. § 7-128-202, as amended.

9. Compensation. Directors shall not be paid but shall volunteer their service as Directors.

ARTICLE IV OFFICERS

1. General. The officers of the Association shall consist of a president, one or more vice presidents, and a secretary/treasurer, each of whom shall be appointed by the Board of Directors to serve for terms not exceeding one year as prescribed by the Board. The Board of Directors may appoint such other officers, agents, factors and employees as it may deem necessary or desirable. Officers must be directors or members in the Association. Any person may hold two or more offices simultaneously, except that the president shall not hold another office, unless there is an insufficient number of officers.

2. President. The president shall be the principal executive officer of the Association and, subject to the control of the Board of Directors, shall direct, supervise, coordinate and have

general control over the affairs of the Association, and shall have the powers generally attributable to the chief executive officer of a corporation. The president shall preside at all meetings of the members of the Association.

3. Vice Presidents. Vice presidents may act in place of the president in case of his death, absence, inability or failure to act, and shall perform such other duties and have such authority as is from time to time delegated by the Board of Directors or by the president. The board shall designate the order in which such vice presidents succeed the president.

4. Secretary. The secretary shall be the custodian of the records and of the seal of the Association and shall affix the seal to all documents requiring the same; shall see that all notices are duly given in accordance with provisions of these Bylaws and as required by law, and that the books, reports, and other documents and records of the Association are properly kept and filed; shall keep minutes of the proceedings of the members, Board of Directors and Executive Committee; shall keep at the registered office of the Association a record of the names and addresses of the owners and co-owners entitled to vote; and in general, shall perform all duties incident to the office of secretary and such other duties as may, from time to time, be assigned to him by the Board of Directors or by the president. The Board may appoint one or more assistant secretaries who may act in place of the secretary in case of his death, absence, inability or failure to act.

5. Treasurer. The treasurer shall have charge and custody of and be responsible for, all funds and securities of the Association, shall deposit all such funds in the name of the Association in such depositories as shall be designated by the Board of Directors, shall keep correct and complete records of account and records of financial transactions and condition of the Association and shall submit such reports thereof as the Board of Directors may, from time to time, require; and, in general, shall perform all the duties incident to the office of treasurer, amid such other duties as may, from time to time, be assigned to him by the Board of Directors or by the president. The Board may appoint one or more assistant treasurers who may act in place of the treasurer in case of his death, absence, inability or failure to act.

6. Reassignment of Duties. The Board may alter, reassign, add or remove duties from any officer in the Board's sole discretion.

7. Removal of Officers. Any officer may be removed by the Board of Directors whenever, in their best judgment, the best interests of the Association will be served thereby.

8. Compensation. Officers shall not receive compensation for acting as officers of the Association.

ARTICLE V RIGHTS. POWERS AND DUTIES OF THE ASSOCIATION

The Association shall have the following powers and duties:

1. Irrigation Water. To own, operate and maintain the water rights and irrigation facilities providing water to Lots as is more specifically described in the Declaration. However, the Association may not lease water beyond one (1) year increments or encumber, sell, transfer, convey or give away the Association water rights without a vote of the owners of two-thirds of the Lots, agreeing in writing to the change.
2. Payment of Taxes. To pay all real and personal property taxes and assessments levied upon any property of the Association. Such taxes and assessments may be contested or compromised by the Association; provided, however, that they are paid or a bond insuring the payment is posted prior to the sale or other disposition of any property to satisfy the payment of such taxes.
3. Insurance. To purchase and maintain such insurance as is required by the Declaration. In addition, the Association may purchase such additional insurance and bonds as are deemed advisable by the Board of Directors, including without limitation by enumeration, fire and extended coverage insurance, bodily injury and property liability insurance and performance and fidelity bonds.
4. Architectural Control Committee. To appoint and remove members of the Architectural Control Committee subject to the limitations of Article VI hereof, and to provide that at all reasonable times there is available a duly constituted and appointed Architectural Control Committee.
5. Property Ownership. To own the Irrigation Facilities, including any improvements thereof and personal property.
6. Employment of Agents. To employ the services of such agents or employees to manage and carry out the affairs of the Association and, to the extent not inconsistent with the laws of the State of Colorado and upon such conditions as are otherwise deemed advisable by the Association, to delegate to such agent and/or employees any of the Association's powers.
7. Employment of Others Relating to Collection, Deposit , Transfer or Disbursement of Association Funds. If the Association has more than 30 Lots, and the Board delegates powers of the Board or officers relating to collection, deposit, transfer or disbursement of association funds to other persons or a managing agent, the following requirements shall apply:
 - (a) the other person or managing agent must maintain fidelity insurance coverage or a bond in the amount of not less than fifty thousand dollars (\$50,000) or such higher amount as the board may require
 - (b) the other persons or managing agent shall maintain all funds and accounts of the association separate from the funds and accounts of other associations managed by the other persons or managing agent and maintain all reserve accounts of each association so managed

separate from operational accounts of the association.

(c) that an annual accounting for association funds and a financial statement be prepared and presented to the association by the managing agent, a public accountant or certified public accountant.

(d) if required by Colorado law, any such agreement must be in writing and must provide for termination by either party for cause upon not more than thirty(30) days written notice and without cause upon not more than ninety (90) days written notice, without a payment of a termination fee.

(e) If the association hires a person who is subject to licensure as a community association manager as defined under Colorado law, such person shall comply will all laws and statutes applicable to community association managers including but not limited to the provisions of C.R.S. §§12-61-1001 *et seq.*, and 38-33.3-402, as amended.

8. Public Service. To contract for or provide (to the extent adequate services are not provided by the public authority) such services, facilities and maintenance of a public or quasi-public nature as may be deemed necessary or desirable for the effectuation of the purposes of the Association. In connection with the provisions of such facilities and services, the Association may contract with or assign its duties to any public authority, governmental body or special district.

9. Adoption of Rules. The Association may from time to time adopt, amend and repeal rules, policies and regulations for the efficient administration of the Association.

10. Annual Assessments. To fix, levy and collect assessments against the members of the Association for the purpose of raising funds or defraying costs to effectuate the purposes of the Association pursuant to the Declaration, Articles of Incorporation, these Bylaws and the under Colorado law.

11. Other. To carry out the duties of the Association as may be set forth in other sections of these Bylaws, the Articles of Incorporation or the Declaration as the same may be supplemented, modified or amended from time to time or allowed or required under Colorado law.

ARTICLE VI ARCHITECTURAL CONTROL COMMITTEE

1. Organization; Power of Appointment and Removal of Members. There shall be an Architectural Control Committee for the Association.

A. Committee Composition. The Architectural Control Committee shall consist of all Board members. Notwithstanding the foregoing, the Board may appoint other persons to serve on the Architectural Control Committee in lieu of the Board.

B. Members Designated. Any two or more members of the Architectural Control Committee can approve routine projects. Invasive requests must be reviewed and approved by a majority of the Architectural Control Committee.

C. Term of office. The members shall have a term of office of three years from their appointment by the Board of Directors. Any member appointed to replace a member who has resigned or been removed shall serve for such member's un-expired term.

D. Appointment and Removal. The power to appoint and remove members of the Committee shall be vested solely in the Board of Directors. No member, once appointed, may be removed except by a majority vote of the Board of Directors.

E. Resignations. Any member or alternate member of the Architectural Control Committee may at any time resign from the committee, upon written notice delivered to the Board of Directors.

F. Vacancies. Vacancies on the Architectural Control Committee, however caused, shall be filled by the Board of Directors.

2. Duties. Subject to the Association policy on enforcement of covenants, it shall be the duty of the Architectural Control Committee to administer and enforce the Declaration as to architectural, design and related matters. Further, the Architectural Control Committee may adopt reasonable rules in the performance of its duties.

3. Architectural Advisor. The Architectural Control Committee may designate an architect practicing in Mesa County, Colorado, to be employed by the Board of Directors as a consultant to the Architectural Control Committee. Such architect shall give his advice on such matters as requested by the Architectural Control Committee, but shall not be a voting member of the Architectural Control Committee.

4. Meetings and Records; Compensation. The Architectural Control Committee shall meet from time to time as necessary to properly perform its duties hereunder. The vote or written consent of any two members shall constitute an act by the committee unless a decision by a majority of the quorum of its members is otherwise required by these Bylaws. The committee shall keep and maintain a record of all actions taken by it at such meeting in accordance with Colorado law. Members of the Architectural Control Committee shall not receive compensation for their services.

5. Architectural Control Committee Rules. The Board of Directors shall approve any rules adopted by the Architectural Control Committee, including any amendments to such

rules. Such rules shall interpret and implement the provision of the Declaration, Articles, these Bylaws and Colorado law and may set forth specific standards and procedures for review of any Architectural design, placement of buildings, landscaping, exterior finishes and materials and other features for use in Orchard Valley Subdivision.

6. Waiver. The approval of the Architectural Control Committee of any plans, drawings or specifications for any work done or proposed, or for any other matter requiring the approval of the Architectural Control Committee under the Declaration shall not be deemed to constitute a waiver of any right to withhold approval of any similar plan, drawing, specification, or matter subsequently submitted for approval.

7. Liability. Neither the Architectural Control Committee nor any member thereof shall be liable to the Association or to any owner for any damage, loss or prejudice suffered or claimed on account of (a) the approval or disapproval of any plans, drawings and specifications, whether or not defective, (b) the construction or performance of any work, whether or not pursuant to approved plans, drawings and specifications, and (c) the development of any property within Orchard Valley Subdivision provided such member has acted in good faith on the basis of such information as he may possess. This section shall be subject to the provisions of the Declaration of Covenants, Conditions and Restrictions of Orchard Valley Subdivision.

ARTICLE VII OBLIGATIONS OF THE MEMBERS

By accepting title and ownership to a Lot within Orchard Valley Subdivision, such owner becomes a member in the Association and agrees to comply with and abide by the Association's Articles of Incorporation, the provisions of these Bylaws, the Declaration and such other rules and regulations of the Association as shall be promulgated from time to time.

ARTICLE VIII AMENDMENTS

1. Articles of Incorporation. Amendments may be made to the Articles of Incorporation in any manner provided by law or by a vote of the membership of the Association at any annual meeting or special meeting of the membership, provided that the notice of such meeting states that such amendment is to be considered. Such amendments may also be made pursuant to voting by mail as herein provided.

2. Bylaws. These Bylaws may at any time and from time to time be amended, altered or repealed by the Board of Directors, or by vote of the membership of the Association at any annual or special meeting, provided that the notice of such meeting specifically states that such amendment, alteration or repeal is to be considered.

3. Limitation on Amendments. No amendment of the Articles of Incorporation or

of these Bylaws shall be contrary to or inconsistent with any provision of the Declaration and Colorado law.

ARTICLE IX
NON-PROFIT CORPORATION

No dividends shall be declared or paid to any member of this corporation, nor shall any member, upon dissolution of the corporation, be entitled for any reason to receive a distributive or other share of assets then owned by the corporation, except as provided under Colorado law, being expressly understood that this corporation is not formed for profit and is a corporation which does not contemplate pecuniary gain, profit or dividends for the members thereof, it being further understood that said Association is organized and incorporated exclusively for the purposes and objects set forth herein and in the Articles of Incorporation. Upon the dissolution of this corporation, all of its business, property and assets shall go and be set over for the use, objects and purposes set forth herein and in the Articles of Incorporation and as provided under Colorado law.

ARTICLE X
CONTRACTS, CONVEYANCES, CHECKS AND MISCELLANEOUS

1. Contracts. The Board of Directors may authorize any officer or agent of the Association to enter into any contract or execute and deliver any instrument in the name of the Association, except as otherwise specifically required by the Articles of Incorporation or by these Bylaws.

2. Conveyances and Encumbrances. Except as to water rights, whose conveyance is controlled by Article V, paragraph 1 above, Association property may be conveyed or encumbered by authority of the Board of Directors or such other person or persons to whom such authority may be delegated by resolution of the Board of Directors as provided under Colorado law. Conveyances or encumbrances shall be by instrument executed by the president or vice president and by the secretary or an assistant secretary, or executed by such other person or persons to whom such authority may be delegated by the Board of Directors.

3. Checks. All checks, drafts, notes, and orders for the payment of money shall be signed by the President or a Vice-President or the Treasurer, or shall be signed by such other office of the Association as shall be duly authorized by resolution of the Board of Directors.

4. Fiscal Year. The fiscal year of the Association shall be the calendar year.

5. Seal. The Board of Directors may adopt a corporate seal of such design as it may deem appropriate.

6. Effect. These First Amended Bylaws of the Orchard Valley Homeowners Association, Inc., shall be effective when adopted by the Board of Directors. Such Amended

Bylaws shall replace and supersede all prior Bylaws of the Association.

Approved and adopted by the Board of Directors on July 22, 2015.

ORCHARD VALLEY HOMEOWNERS
ASSOCIATION, INC.