

BY-LAWS

THE WOODS AT BUCK MOUNTAIN FILING NO. 2

PROPERTY OWNERS ASSOCIATION, INC.

Article I. OFFICES

The principal office of the corporation in the State of Colorado shall be at 2 Bassick Place, Westcliffe, County of Custer. The corporation may have such other offices, either within or without the State of Colorado, as the Board of Directors may designate or as the business of the corporation may require from time to time.

Article II. MEMBERS

SECTION 1. Annual Meeting. The annual meeting of the members shall be determined by the Board of Directors, for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of Colorado, such meeting shall be held on the next succeeding business day. If the election of Directors shall not be held on the day designated herein for any annual meeting of the members, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the members as soon thereafter as conveniently may be.

SECTION 2. Special Meetings. Special meetings of the members, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President or by the Board of Directors, and shall be called by the President at the request of not less than ten percent of all the members of the association.

SECTION 3. Place of Meetings. The Board of Directors may designate any place, either within or without the State of Colorado unless otherwise prescribed by statute, as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. A waiver of notice signed by all shareholders entitled to vote at a meeting may designate any place, either within or without the State of Colorado, unless otherwise prescribed by statute, as the place for the holding of such meeting. If no designation is made, or if a special meeting be otherwise called, the place of meeting shall be the registered office of the association in the State of Colorado.

SECTION 4. Notice of Meeting. Written notice stating the place, day and hour of the meeting and, in case of special meetings, the purpose or purposes for which the meeting is called, shall unless otherwise prescribed by statute, be delivered not less than ten nor more than fifty days before the date of the meeting, either personally or by mail, by or at the direction of the President, or the Secretary or the persons calling the meeting, to each member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as is appears on the books of the association, with postage thereon prepaid, but if three successive letters mailed to the last known address of any member of record are returned as undeliverable, no further notices

to such member shall be necessary until another address for such member is made known to the association.

SECTION 5. Quorum. A majority of the members of the association entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of members. If less than a majority of the members are represented at a meeting, a majority of the members so represented may adjourn the meeting from time to time without further notice. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed. The members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

SECTION 6. Proxies. At all meeting of members, a member may vote in person or by proxy executed in writing by 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.

Shares held by a personal representative, guardian or conservator may be voted by him, either in person or by proxy, without a transfer of such membership into his name. Membership standing in the name of a trustee may be voted by him, either in person or by proxy, but no trustee shall be entitled to vote a membership held by him without a transfer of such membership into his name.

SECTION 7. Informal Action by Members. Unless otherwise provided by law, any action required to be taken at a meeting of the members, or any other action which may be taken at a meeting of the membership, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof.

Article III. BOARD OF DIRECTORS

SECTION 1. General Powers. The business and affairs of the corporation shall be managed by its Board of Directors.

SECTION 2. Number, Tenure and Qualifications. The number of directors of the corporation shall be no less than three or more than ten. The number of directors shall be set at any special or annual meeting of directors, but the members shall be three until changed at a subsequent meeting of directors. Each director shall hold office until the next annual meeting of members and until his successor shall have been elected and qualified.

SECTION 3. Regular Meetings. A regular meeting of the Board of Directors shall be held without other notice than this by-law immediately after, and at the same place as, the annual meeting of members. The Board of Directors may provide, by resolution, fix the time and place for the holding of additional regular meetings without other notice than such resolution.

SECTION 4. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two directors. The person or persons authorized to call special meetings of the Board of Directors may fix the time and place for holding any special meeting of the Board of Directors called by them.

SECTION 5. Telephone Meetings. Members of the Board of Directors or any committee designated by the Board may participate in any meeting of the Board or Committee by means of conference telephone or similar communications equipment by which all persons participating in the meeting can hear each other at the same time. Such participation shall constitute presence in person at the meeting.

SECTION 6. Notice. Notice of any special meeting shall be given at least three days previously thereto by written notice delivered personally or mailed to each director at his business address, or by telegram. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any director may waive notice of any meeting. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where 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.

SECTION 7. Quorum. A majority of the number of Directors fixed by Section 2 of the Article HI shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than such majority is present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

SECTION 8. Manner of Acting. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

SECTION 9. Action Without a Meeting. Any action that may be taken by the Board of Directors at a meeting may be taken without a meeting if consent in writing, setting forth the action so to be taken, shall be signed by all of the Directors.

SECTION 10. Vacancies. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining Directors through less than a quorum of the Board of Directors. A Director elected to fill a vacancy shall be elected 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 election by the Board of Directors for a term of office continuing only until the next election of Directors by the Shareholders.

SECTION 11. Compensation. By resolution of the Board of Directors, each Director may be paid his expenses, if any, of attendance at each meeting of the Board of Directors, and may be paid a stated salary as Director or a fixed sum payment shall preclude any Director from serving the corporation in any other capacity and receiving compensation therefore.

SECTION 12. Presumption of Assent. A Director of the association who is present at a meeting of the Board of Directors at which action or any association matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent of such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

Article IV. OFFICERS

SECTION 1. Number. The officers of the association shall be a President, a Vice-President, if elected by the Board of Directors, a Secretary and a Treasurer, each of whom shall be elected by the Board of Directors.

Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary. The officers of the association shall be natural persons of the age of eighteen years or older.

SECTION 2. Election and Term of Office. The officers of the association to be elected by the Board of Directors shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of the members. If the election of officers shall not be held at such meeting, such election shall hold office until his successor shall have been duly elected and shall have qualified or until his death or until he shall resign or shall have been removed in the manner hereinafter provided.

SECTION 3. Removal. Any officer or agent may be removed by the Board of Directors whenever in its judgment, the best interests of the association will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not of itself create contract rights.

SECTION 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

SECTION 5. President. The President shall be the principal executive officer of the association and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the association. He shall, when present, preside at all meetings of the members and of the Board of Directors, unless a different Chairman has been otherwise designated or elected. He may sign, with the Secretary or any other proper officer of the corporation thereunto authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-laws to some other officer or agent of the corporation, or shall be required by law to be otherwise signed or executed; and in general, shall perform all

duties incident to the office of the President and such other duties as may be prescribed by the Board of Directors from time to time.

SECTION 6. Vice-President. In the absence of the President or in the event of death, inability or refusal to act, the Vice-President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice-President shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

SECTION 7. Secretary. The Secretary shall: (a) keep the minutes of the proceedings of the members and of the Board of Directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law; (c) be custodian of the corporate records and of the seal of the association and see that the seal of the association is affixed to all documents the execution of which on behalf of the association under its seal is duly authorized; (d) keep a register of the post office address of each member which shall be furnished to the Secretary by such member; and (e) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

SECTION 8. Treasurer. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the association; (b) receive and give receipts for monies due and payable to the association from any source whatsoever, and deposit all such monies in the name of the association in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article V of these By-Laws; and (c) in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of these duties in such sum and with such surety or sureties, as the Board of Directors shall determine.

SECTION 9: Salaries. The salaries of the officers shall be fixed from time to time by the Board of Directors and no officer shall be prevented from receiving such salary by reason of the fact that he is also a director of the association.

Article V. CONTRACTS, LOANS, CHECKS AND DEPOSITS

SECTION 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the association, and such authority may be general or confined to specific instances.

SECTION 2. Loans. No loans shall be contracted on behalf of the corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

SECTION 3. Checks, drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the association, shall be signed by such officer or officers, agent or agents of the association and in such manner as shall from time to time be determined by resolution of the Board of Directors.

SECTION 4. Deposits. All funds of the association not otherwise employed shall be deposited from time to time to the credit of the association in such banks, savings institutions, trust companies or other depositories as the Board of Directors may select.

Article VI. FISCAL YEAR

The fiscal year of the corporation shall begin on January 1 and end on December 31 in each year.

Article VII. CORPORATE SEAL

The Board of Directors shall provide an association seal which shall be either circular in form and shall have inscribed thereon the name of the association and the state of incorporation and the word "Seal", or shall be a rubber seal in substantially the same form as provided above.

Article VIII. WAIVER OF NOTICE

Unless otherwise provided by law, whenever any notice is required to be given to any member or director of the corporation under the provisions of these By-Laws or under the provisions of the Colorado Corporation Code, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Article IX. AMENDMENTS

These By-Laws may be altered, amended or repealed and new By-Laws may be adopted by the Board of Directors at any regular or special meeting of the Board of Directors, subject to the rights of members or repeal or amend By-Laws as provided by law.