

**BYLAWS
OF
FOREST MEADOWS RESIDENTIAL COMMUNITY ASSOCIATION, INC.**
A Colorado non-profit corporation

The following Bylaws correctly set forth the provisions of the Bylaws of FOREST MEADOWS RESIDENTIAL COMMUNITY ASSOCIATION, INC., and were duly adopted pursuant to the Colorado Non-Profit Corporation Act:

ARTICLE I

NAME AND LOCATION

The name of the corporation is FOREST MEADOWS RESIDENTIAL COMMUNITY ASSOCIATION, INC., hereinafter referred to as the "Association." The initial principal office of the corporation shall be located at 20 Boulder Crescent, 2nd Floor, Colorado Springs, CO 80903, but meetings of the members and Directors may be held at such places within the County of El Paso as may be designated by the Board of Directors, which shall be known and referred to sometimes herein known as the "Board."

ARTICLE II

DEFINITIONS

All capitalized terms used herein which are defined in the Declaration Conditions, Covenants and Restrictions for Forest Meadows Residential Community, recorded in the real property records of El Paso County, Colorado, on April 19, 2007, at reception number 207052635 (as the same may be hereafter amended and/or restated the "Declaration") shall have the same meaning herein.

ARTICLE III

MEETING OF THE MEMBERS

Section 1. Membership and Voting Rights. The requirements and conditions of membership and of voting rights shall be as provided in the Declaration and the Articles of Incorporation.

Section 2. Annual Meetings. The first annual meeting of the Members shall be held within one year of the date of incorporation, and each subsequent annual meeting of the Members shall be held during the same month each year thereafter at a place, date and time, within the State of Colorado, as the Board of Directors may determine.

Section 3. Special Meetings. Special meetings of the Members may be called at any

time by the President or by the Board of Directors, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all of the votes in the Association.

Section 4. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least thirty (30) but not more than sixty (60) days prior to such meeting, to each Member entitled to vote at such meeting addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and in the case of a special meeting, the purpose of the meeting.

Section 5. Action Taken Without Meeting. Notwithstanding any provision to the contrary, any action required or permitted to be taken at any meeting of Members may be taken without a meeting, prior notice or vote, if a consent in writing setting forth the action so taken is signed by all Members of the Association.

Section 6. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, one-third (1/3) of the votes of the Association shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote at such meeting shall have power to adjourn the meeting, from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 7. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary prior to the meeting. Every proxy shall be revocable upon written notice to the Secretary and shall automatically cease upon conveyance by the Member of his, her, or its Lot.

Section 8. Majority of Members. As used in these Bylaws, the term "majority of Members" shall mean fifty-one percent (51%) if the combined votes cast by all Members present at a meeting containing a quorum. An affirmative vote of a majority of the Members present, in person or by proxy, shall be required to transact the business of the meeting and shall be valid and binding upon all Owners.

Section 9. Order of Business. The order of business at all meetings of the Members shall be as described and decided by the Board in accordance with the customary parliamentary procedure.

ARTICLE IV

BOARD OF DIRECTORS: SELECTION, TERM OF OFFICE

Section 1. Number. The property, business and affairs of the Association shall be managed by a Board of Directors. The initial Board of Directors shall be composed of three (3) directors, who shall be appointed by the Declarant.

(a) Notwithstanding anything herein to the contrary the Declarant shall have the right to appoint the Board of Directors and to control the Association as follows: During the Period of Declarant Control, the Declarant, or persons designed by him or her, subject to certain limitations, may appoint and remove the officers and members of the Board. The period of Declarant Control shall terminate no later than the earlier of: (i) Sixty (60) days after conveyance of ninety percent (90%) of the Lots that May Be Included to Owners other than a Declarant or a Builder; (ii) Two (2) years after the last conveyance of a Lot by Declarant or any Builder in the ordinary course of Business; or (iii) April 19, 2017. A Declarant may voluntarily surrender the right to appoint and remove officers and members of the Board before termination of the Period of the Declarant Control, but in that event, the Declarant may require, for the duration of the Period of Declarant Control, that specified actions of the Association or Board, as described in a recorded instrument executed by the Declarant before the become effective.

(b) Not later than sixty (60) days after conveyance of twenty-five percent (25%) of the Lots that May Be Included to Owners, other than a Declarant or a Builder, at least one Member and not less than twenty-five percent (25%) of the Members of the Board shall be elected by owners other than a Declarant, provided that the Declarant reserves the right to appoint the majority of the Board. Not later than sixty (60) days after conveyance of fifty percent (50%) of the Lots that May Be Included to Owners other than a Declarant or a Builder, but not less than one-third (1/3) of the Members of the Board must be elected by Owners other than a Declarant, provided that the Declarant reserves the right to appoint the majority of the Board.

(c) Except as otherwise provided above, not later than the termination of any Period of Declarant Control, the Owners shall elect a Board of at least three (3) and no more than five (5) Members, at least a majority of whom must be Owners other than the Declarant of designated representatives of Owners other than the Declarant. The Board shall elect the officers. These Board members and officers shall take office upon termination of the Period of Declarant Control.

(d) Notwithstanding any provision of the Declaration or these Bylaws to the contrary, the Owners, by a sixty-seven percent (67%) vote of all persons present and entitled to vote at any meeting of the Owners at which quorum, is present, may remove any member of the Board without cause, other than a member appointed by the Declarant.

Section 2. Resignation. Any Director may resign at any time by giving written notice if such resignation to the President or the Secretary. Unless otherwise specified in such written notice, such resignation shall take effect upon receipt thereof by such officer.

Section 3. Removal. Any director appointed by the Declarant may be removed, with or without cause, by the Declarant in its sole discretion, Any other director may be removed from the Board, with or without cause, by at least a sixty-seven percent (67%) vote of the Members. In the event of death, resignation or removal of a director, his or her successor shall be selected by the Declarant, if applicable, or otherwise by a majority of the remaining directors of the Board shall serve for the unexpired term of his of her predecessor.

Section 4. Compensation. No director shall receive compensation for any service he or she may render to the Association. However, any director may be reimbursed for his or her actual expenses incurred in the performance of his or her duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the Board.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. After the termination of the Declarant's Control, nomination for election to the Board of Directors shall be made by a nominating Committee. Nomination may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall, in its discretion, determine but not less than the number of vacancies that are to be filled.

Section 2. Election. After the termination of Declarant's Control, election to the Board of Directors shall be made secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number if votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held with such frequency and at such times and places as shall be determined by a majority of the directors. Notice of regular meetings of the Board of Directors shall be given to each director personally or by mail, telephone or telegraph, at least seven (7) days prior to the day named for such meeting.

Section 2. Organizational Meeting. The first meeting of a newly elected Board of Directors following the annual meeting of the Members shall be held within ten (10) days thereafter at such directors were elected and no notice shall be necessary to the newly elected directors in order legally to constitute such meeting, provided a majority of the whole Board shall be present.

Section 3. Special Meetings. Special meetings of the Board of Directors may be called by the President of the Association, or by any two (2) or more directors, upon three (3) days notice to each director, given personally or by mail, telephone or telegraph, which notice shall state the time, the place and the purpose of the meeting.

Section 4. Waiver of Notice. Before or at any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall be a waiver of notice by him or her of the time and place thereof. If all of the directors are present at any meeting of the Board, no such notice shall be required and any business may be transacted at such meeting.

Section 5. Quorum. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board, there be less than a quorum present, those present may adjourn the meeting from time to time. Business at any such adjourned meetings as originally called may be transacted without further notice.

ARTICLE VIII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. In addition to any powers enumerated in the Declaration of the Articles of Incorporation, the Board of Directors shall have the power to:

- (a) adopt and publish rules and regulations governing the use of the Association services

and facilities, and all matters related to the Declaration, and to establish penalties for the infraction thereof. A rule or regulation shall not be in conflict with the Declaration of these Bylaws. A copy of such rules and regulations shall be delivered by hand to each Lot or mailed to each member upon the adoption thereof;

(b) suspend any Member's right to vote and to use any Association service or facilities during any period in which such member shall be in default under the Declaration including, without limitation, the non-payment of any Assessments levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for each infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration, as may be necessary for the administration of the affairs of the Association and for the operation and maintenance of the Community pursuant to the Declaration;

(d) incur such costs and expenses as may be necessary to perform Association duties;

(e) declare the office of a director of the Board of Directors to be vacant in the event such director shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(f) employ a property manager, an independent contractor or such other employees as the deem necessary, and to prescribe their duties; provided however, the Board when so delegating shall not be relieved of its responsibilities under the Declaration.

Section 2. Duties. It shall be the duty if the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Members who are entitled to vote;

(b) provide such supervision of all officers, agents and employees of this Association as the Board deems reasonably necessary and appropriate;

(c) as more fully provided in the Declaration to:

(i) fix the amount of the Assessment and levy any other Assessments authorized under the Declaration;

(ii) send written notice of each Assessment to every Owner subject thereof;

(iii) file a lien against any property for which Assessments are not paid or bring an action at law against the owner personally obligated to pay the same or take such other action as it deems appropriate.

(d) issue, or to cause an appropriate officer issue, upon demand by any person, a certificate setting forth whether or not any Assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an Assessment has been paid, such certificate shall be conclusive evidence of payment;

(e) procure and maintain adequate liability insurance as required by the Declaration or Articles of Incorporation and any other insurance determined by the Board to be in the best interest of the Association;

(f) provide maintenance and make repairs, additions, alterations and improvements in the manner consistent with the Declaration;

(g) establish a bank account or accounts for the common treasury and for all separate funds which are required or may be deemed advisable and to keep and maintain full and accurate books and records showing all receipts, expenses or disbursements and to permit examination thereof by any Owner, and to cause a complete review of the books and accounts by an accountant, once each year;

(h) meet as often as the Board deems reasonable and appropriate; and

(i) prepare budgets for expenditure of Association funds.

Section 3. No Waiver of Rights. The omission or failure of the Association or any Member to enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations or other provisions of the Declaration, the Bylaws or rules and regulations adopted pursuant thereto, shall not constitute or be deemed a waiver, modification or release thereof, and the Board of Directors, the Association or any Member shall have the right to enforce the same thereafter.

ARTICLE VIII

OFFICER AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of the Association shall be a President and a Vice-President, both of whom shall at all times be Members of the Board of Directors, and a Secretary and a Treasurer, and such other officers as the Board of Directors shall from time to time elect. The office of Treasurer and Secretary may be held by the same person. The offices of Secretary and Treasurer need not be held by Members of the Board of Directors.

Section 2. Election of the Officers. The officers shall be elected by the Board of

Directors at the first meeting following each annual meeting of the Members.

Section 3. Term. Each officer of the Association shall be elected annually by the Board and shall hold office for one (1) year unless he or she shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom hold office for such period, have such authority and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time without giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment of the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the office he or she replaces.

Section 7. Duties. The duties of the officers are as follows:

(a) The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall, unless otherwise directed by the Board, co-sign all checks and promissory notes. Further, he or she shall have all of the general powers and duties which are usually vested in the office of president of an association, including, but not limited to the power to appoint committees from among the owners from time to time as he or she may, in his or her discretion, decide is appropriate to assist in the conduct of the affairs of the Association or as may be established by the Board of Directors or by the members of the Association at any regular or special meetings.

(b) In the absence of the President, or in the event of his or her death or inability or refusal to act, the Vice President shall perform all 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 or her by the President or by the Board of Directors.

(c) If required by the Board, the Treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Directors shall determine. He or she shall: (a) have charge and custody of and be responsible for all funds and securities of the Association; (b) receive and give receipts for moneys due and payable to the Association from any source whatsoever, and deposit all such moneys in the name of the Association

in such banks, trust companies or other depositories as shall be selected by the President; and (c) in general perform all 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.

(d) The Secretary shall: (a) keep the minutes of the proceedings of the Owners and of the Board 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, the Declaration 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 in accordance with the provisions of these By-Laws; (d) keep a register of the post office address of each Owner which shall be furnished to the Secretary by such Owner; (e) provide authentication of any corporate documents; and (f) 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 or her by the President or by the Board or Directors.

ARTICLE IX

OFFICERS AND DIRECTORS AS AGENTS OF ASSOCIATION

Contracts or other commitments made by the Board of Directors or officers shall be made as agent for the Association, and they shall make no personal responsibility on any such contract or commitment. The Board of Directors and the officers shall be indemnified against liability in accordance with C.R.S. § 7-129-102 and to the fullest extent as allowed by law.

ARTICLE X

COMMITTEES

The Board of Directors shall appoint a Nominating Committee, as provided in these Bylaws, and may appoint other committees, including the Design Review Committee after termination of the Special Declarant Rights as described in the Declarations, as deemed appropriate in carrying out its purpose

ARTICLE XI

BOOKS AND RECORDS

The Association shall make available to Owners and holders of Security Interests current copies of the Declaration, Bylaws, other rules concerning the Community, and the books, records and financial statements of the Association. "Available" means available for inspection, upon request, during normal business hours or under other reasonable circumstances.

ARTICLE XII

ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association certain Assessments which are secured by a continuing lien upon the property against which the Assessment is made. Any Assessments which are not paid when due, the Association may impose an administrative fee/late charge as set forth in the Association's rules and regulation. If any Assessment is not paid within ten (10) days after the due date, the assessment shall bear interest from the date of the delinquency at a rate determined by the Board, not to exceed the lower of twenty-one percent (21%) per annum, or the maximum rate permitted by law, from the due date until paid. Additionally, the Association may bring an action at law against the Owner personally obligated to pay the same, and/or may foreclose the lien against the property as provided in the Declaration, and in the event a judgement is obtained, such judgement shall include interest on the Assessment as above provided, and a reasonable attorney's fee to be fixed by the court, together with the expenses and costs of this action. No Owner may waive or otherwise escape liability for the Assessments provided for herein by non-use of Association services or facilities or abandonment of his or her Lot.

ARTICLE XIII

CORPORATE SEAL

The Association may have a seal in circular form having within its circumference the words: FOREST MEADOWS RESIDENTIAL COMMUNITY ASSOCIATION, INC.

ARTICLE XIV

AMENDMENTS

Section 1. These Bylaws may be amended, at a regular or special Meeting of the Members, with a quorum present, by a vote of two-thirds (2/3) of the Members present in person or by proxy. The Declarant reserves the right, until the Declarant's Control is terminated, but without the vote of the Owners or Security Interest Holders, to make amendments to these Bylaws as may be approved in writing by Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Housing Administration or Veterans Administration so as to induce any of such organizations to make, purchase, sell, issue, or guarantee First Mortgages in the Project.

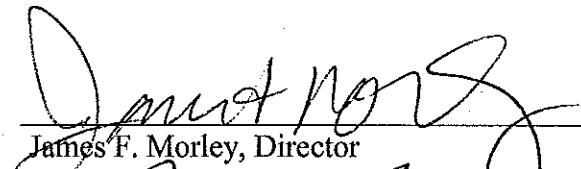
Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XV

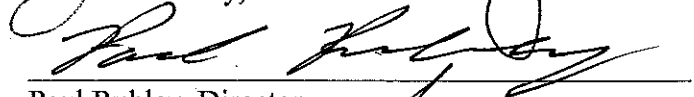
MISCELLANEOUS

Unless the Board otherwise determines, the fiscal year of the Association shall begin on the first day of January and end of the 31st day of December every year, except that the first fiscal year shall begin on the date of incorporation.

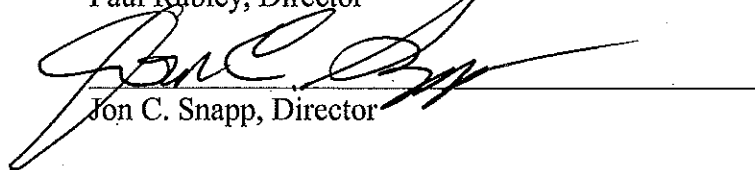
IN WITNESS WHEREOF, we, being the initial Directors of FOREST MEADOWS RESIDENTIAL COMMUNITY ASSOCIATION, INC., have hereunto set our hands this 25th day of October, 2007.



James F. Morley, Director



Paul Rubley, Director



Jon C. Snapp, Director

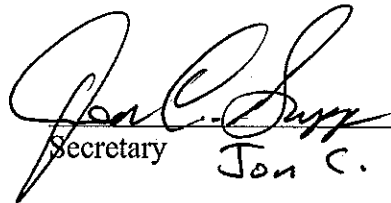
CERTIFICATION

I, undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of FOREST MEADOWS RESIDENTIAL COMMUNITY ASSOCIATION, INC., a Colorado Non-Profit Corporation, and

THAT the foregoing Bylaws constitute the original Bylaws of said Corporation, as duly adopted at a meeting of the Board of Directors thereof, held on the 24th day of October, 2007.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of the said Association this 25th day of October, 2007.


Secretary Jon C. Snapp