

Section 2. Election. Election to the Board of Directors shall be by 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 and Articles of Incorporation. The persons receiving the largest numbers of 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 monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three (3) days notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors all have power to:

(a) adopt and publish rules and regulations governing the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such right may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for 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 By-Laws, the Articles of Incorporation, or the Declaration;

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

(e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of 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 Class A members who are entitled to vote;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

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

(1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(3) foreclose the lien against any property for which assessments are not paid within ninety (90) days after due date or to bring an action at law against the owner personally obligated to pay the same.

(d) Issue, or to cause an appropriate officer to 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 certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) cause the Common Area to be maintained.

ARTICLE VIII
OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

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

Section 4. Special Appointment. The Board may elect such other officers as the affairs of the Association may require, each of whom shall 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 giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of 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 by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Officers. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

(a) President. 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 co-sign all checks and promissory notes of the Association. The President shall prepare and submit to the Members at each annual meeting an annual report of the affairs of the Association.

(b) Vice-President. The vice-president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

(c) Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

(d) Treasurer. The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE IX COMMITTEES

The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE X BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member, prospective purchaser, First Mortgagee, insurer or guarantor of a First Mortgage on a Lot, at the principal office of the Association, where copies may be purchased at reasonable cost.

The books and records of the Association will be maintained in accordance with generally accepted accounting principles. All reserve funds shall be segregated in separate reserve accounts and shall not be used for operating purposes.

ARTICLE XI INDEMNIFICATION OF DIRECTORS AND OFFICERS

The Association shall indemnify every director, officer, agent or employee, and any former director, officer, agent, or employee against loss, costs, and expense, including counsel fees reasonably incurred in connection with any action, suit, or proceeding to which such person may be made a party by reason of being, or having been such director, officer, agent or employee of the Association, except as to matters as to which such person shall be finally adjudged to be liable for gross negligence or fraud. Any such indemnification shall be limited to and may only be paid out of the insurance proceeds provided by an insurer furnishing Officers and Directors Errors and Omissions insurance coverage and any other insurance protecting the Association from liability because of the negligent acts of its servants, including insurance covering motor vehicles for public liability, property damage, medical and other similar coverage, it being the intent and purpose of this provision to limit all payments or settlements in indemnification to the actual proceeds of insurance policies.

No indemnification shall be provided for acts constituting gross negligence, nor for fraud, nor for more reprehensible conduct.

No officer, director, agent or employee of the Declarant, its successors or assigns, nor of any managing agent who is an independent contractor, nor of any other independent contractor, shall be protected by these indemnification provisions nor by any insurance policies obtained by the Association in relation thereto, but any such protection is the sole and separate responsibility of the Declarant, its successors and assigns, any managing agent who is an independent contractor, or any other independent contractor as one of their expenses of doing business.

In the event of a settlement, the settlement shall be approved by the insurance carrier, and paid for by the insurance carrier out of the insurance proceeds.

ARTICLE XII ASSESSMENTS

As more fully provided in the Declarations, each member is obligated to pay to the association annual and special

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 shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall be subject to a monthly late charge and shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, late charges, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Lot.

ARTICLE XIII CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: "VICTORIA VILLAGE HOMEOWNERS' ASSOCIATION, INC. - COLORADO - NONPROFIT".

ARTICLE XIV AMENDMENTS

Section 1. By-Laws. Subject to the terms and conditions of Article X(b) of the Articles of Incorporation of the Association, these By-Laws may be amended by the members of the Association and no amendment shall be effective unless approved, at a duly authorized meeting called for such purpose, by at least sixty-seven percent (67%) of each class of members, and each notice of any meeting therefor shall specify the nature and text of any proposed amendment or amendments, except that the Federal Housing Administration or the Veterans Administration shall have the right to veto amendments while there is a Class B membership.

Section 2. Conflict Control. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XV MORTGAGES

Section 1. Notice of Association. Every Owner who mortgages, sells, transfers or leases his Lot shall notify the Association by giving the name and address of his First Mortgagee, purchaser, transferee or lessee to the President of the Association. The Association shall maintain such information in a book entitled "First Mortgages of Lots".

Section 2. Notice of Default. Upon written request of a First Mortgagee, insurer or guarantor of a First Mortgage on a Lot, the Association shall report any assessment which remains unpaid for over thirty (30) days or any other default of an Owner which remains uncured for over thirty (30) days.

Section 3. Inspection of Records by Mortgagee. Each Member and any First Mortgagee of a Lot shall have the right to inspect the books and records of the Association during reasonable business hours.

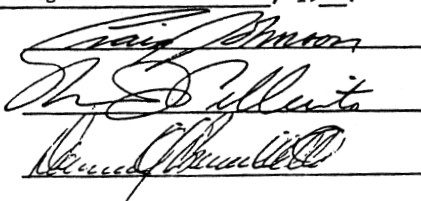
Section 4. Financial Reports. Any First Mortgagee, insurer or guarantor of a First Mortgage on a Lot, upon written request, shall be entitled to receive free of charge an annual audited financial statement of the Association within ninety (90) days from the end of the its fiscal year.

Section 5. Notice of Meetings. Any First Mortgagee of a Lot, upon written request, shall be entitled to written notice of all Association meetings and be permitted to send a representative to such meetings.

ARTICLE XVI
MISCELLANEOUS

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

IN WITNESS WHEREOF, we, being all of the directors of the VICTORIA VILLAGE HOMEOWNERS' ASSOCIATION, INC. have hereunto set our hands this 10th day of August, 1982.



STATE OF COLORADO

County of

)
) ss.
)


The foregoing was acknowledged before me this 10th day of August, 1982, by Craig Johnson, Thomas J. Pellerito and Daniel J. Brouillette.

Witness my hand and official seal.

My commission expires: December 10, 1985.

(S E A L)

My Commission Expires December 10, 1985
14901 East Hampden Avenue
Suite 300
Aurora, Colorado 80014


Notary Public
Address: 14901 East Hampden Avenue
Aurora, Colorado 80014

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of the Victoria Village Homeowners Association, Inc. Association, a Colorado corporation, and,

THAT the foregoing By-Laws constitute the original By-Laws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 10th day of August, 1982.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 11th day of August, 1982.


Secretary

DECLARATION

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DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
VICTORIA VILLAGE SUBDIVISION FILING NUMBER ONE

THIS DECLARATION, made on the date hereinafter set forth by PULTE HOME CORPORATION, A Delaware Corporation, hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in the City of Lakewood, County of Jefferson, State of Colorado, which is more particularly described as:

SEE "EXHIBIT A" - LEGAL DESCRIPTION, which is attached hereto and made a part hereof by this reference.

NOW THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I
DEFINITIONS

Section 1. "Association" shall mean and refer to VICTORIA VILLAGE HOMEOWNERS' ASSOCIATION, INC., its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property (including improvements thereto) owned by the Association and operated and maintained by the Association for the common use and enjoyment of the owners. The Common Area to be owned by the