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BYLAWS
OF
THE PENINSULA AT HORSESHOE LAKE MASTER ASSOCIATION, INC.

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BYLAWS
OF
THE PENINSULA AT HORSESHOE LAKE MASTER ASSOCIATION, INC.

ARTICLE I

GENERAL

1.1 Purpose of Bylaws. These Bylaws are adopted for the regulation and management of the affairs of The Peninsula at Horseshoe Lake Master Association, Inc. (the "Association"). The Association has been organized as a Colorado corporation under the Colorado Revised Nonprofit Corporation Act in conformance with the Colorado Common Interest Ownership Act and constitutes the Association under The Master Declaration of Covenants, Conditions and Restrictions for The Peninsula at Horseshoe Lake (the "Declaration"). The Declaration was or will be recorded in the real property records of Larimer County, Colorado. The Declaration relates to the real property in the Larimer County, Colorado, which is or may become subject to the Declaration (the "Property").

1.2 Terms Defined in the Declaration. Initially capitalized terms used in these Bylaws that are defined in the Declaration and not otherwise defined in these Bylaws, shall have the same meaning and definition as given for them in the Declaration.

1.3 Controlling Laws and Instruments. These Bylaws are controlled by and shall always be consistent with the provisions of the Colorado Revised Nonprofit Corporation Act, the Colorado Common Interest Ownership Act, the Declaration and the Articles of Incorporation of the Association filed with the Secretary of State of Colorado, as any of the foregoing may be amended from time to time. In case of conflict between these Bylaws and the Declaration, the Declaration shall control.

ARTICLE II

OFFICES

2.1 Principal Office. The board of directors of the Association (the "Board"), in its discretion, may fix and change the location of the principal office of the Association from time to time.

2.2 Registered Office and Agent. The registered office need not be the same as the principal office of the Association. The initial registered office and the initial registered agent are specified in the Articles of Incorporation of the Association but may be changed by the Board at any time, without amendment to the Articles of Incorporation, by filing a statement as specified by law in the Office of the Secretary of State of Colorado.

ARTICLE III

MEMBERS AND VOTING RIGHTS

3.1 General. The membership and voting rights provisions contained in the Declaration are hereby incorporated into these Bylaws by this reference. Every Owner (including Declarant) shall be a member of the Association ("Member") and shall remain a Member for so long as that Person continues to be an Owner. The Association shall have only one class of Members. Each Owner's membership in the Association ("Membership") shall be appurtenant to such Owner's Lot and may not be separated from ownership of the Lot to which the Membership is appurtenant. When an Owner consists of more than one Person, while each such Person shall be a Member of the Association, only one of such co-Owners shall be entitled to exercise the votes allocated to the Lot. Fractional votes shall not be allowed. If only one of the co-Owners of a Lot is present at a meeting of the Association, that co-Owner shall be entitled to cast the votes allocated to that Lot. If more than one of the co-Owners of a Lot are present, the single vote allocated to that Lot may be cast only in accordance with the agreement of a majority of the co-Owners of such Lot. If any one of the co-Owners of a Lot casts votes allocated to such Lot without any protest being made promptly by any of the co-Owners of the Lot to the person presiding over such meeting or election, then it shall be conclusively presumed that the votes were cast in accordance with the agreement of a majority of the co-Owners of such Lot. No change in the Membership of a Member shall be effective for voting purposes until the Board receives written notice of the change together with satisfactory evidence of the change.

3.2 Votes. In all matters coming before the Association for which a vote of the Members is required, each Lot is allocated one vote.

3.3 Designated Representative. In all cases in which a Member is other than a natural person, such Member shall designate in a written instrument one natural person as the voting representative of such Member. Such Member shall furnish a copy of such instrument to the Association, and such instrument shall remain in full force and effect until revoked by written instrument filed with the Association or replaced by a subsequent instrument filed with the Association designating a substitute voting representative. Only the voting representative so designated may cast a vote or issue a proxy on behalf of such Member. If such Member fails to designate a voting representative in a written instrument filed with the Association, then such Member shall be treated as having abstained from any vote made by the Members at any meeting held at any time prior to the Association's receipt of such designation.

3.4 Resolution of Voting Disputes. In the event of any dispute as to the entitlement of any Member to vote or as to the results of any vote of the Members, the Board shall act as arbitrators and the decision of a disinterested majority of the Board shall, when rendered in writing, be final and binding as an arbitration award and may be acted upon in accordance with the Colorado Uniform Arbitration Act of 1975, as the same may be amended. No dispute as to the entitlement of any Member to vote shall postpone or delay any vote for which a meeting of the Members has been duly called pursuant to the provisions of these Bylaws if a quorum is present at such meeting.

3.5 Suspension of Voting Rights. The Board may suspend, after notice and hearing in accordance with the provisions of Article IX, the voting rights of any Member during and following any breach by such Member of any provision of the Declaration or any Rules adopted by the Board.

3.6 Transfer of Memberships on Association Books. Transfers of Memberships shall be made on the books of the Association only upon presentation of evidence, satisfactory to the Association, of the transfer of ownership of the Lot to which the Membership is appurtenant. Prior to presentation of such evidence, the Association may treat the previous owner of the Membership as the owner of the Membership entitled to all rights in connection therewith.

ARTICLE IV

MEETINGS OF MEMBERS

4.1 Place of Members' Meetings. Meetings of the Members shall be held at the principal office of the Association or at such other place, within or convenient to the Property, as may be fixed by the Board and specified in the notice of the meeting.

4.2 Annual Meetings of Members. Annual meetings of the Members shall be held in a month of each year as fixed in accordance with a resolution of the Board on such day and at such time of day as is fixed by the Board and specified in the notice of meeting. The annual meetings shall be held to transact such business as may properly come before the meeting.

4.3 Regular Meetings. The Association may hold regular meetings of the Members at a time and date fixed in accordance with a resolution of the Board.

4.4 Special Meetings of Members. Special meetings of the Members may be called by the Board or by the Members holding not less than 20% of the total votes of all Members. No business shall be transacted at a special meeting of the Members except as indicated in the notice thereof.

4.5 Record Date. For the purpose of determining the Members entitled to notice of, or to vote at, any meeting of the Members or in order to make a determination of such Members for any other proper purpose, the Board may fix, in advance, a date as the record date for any such determination of the Members. The record date shall be not more than 50 days prior to the meeting of the Members or the event requiring a determination of the Members.

4.6 Notice of Members' Meetings. Written notice stating the place, day and hour of any meeting shall be delivered not less than 10 nor more than 50 days before the date of the meeting, either personally or by prepaid United States mail, by or at the direction of the President or the Secretary of the Association or the officers or persons calling the meeting, to each Member entitled to vote at such meeting. The notice of any meeting shall state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or these Bylaws, any budget changes and any proposal to remove an officer or director. If mailed, such notice shall be deemed to be delivered three days after

being deposited in the United States mail, postage prepaid, addressed to the Member at the address for such Member appearing in the records of the Association, or if the Member has not furnished a mailing address to the Association, then to the mailing address of such Member's Lot.

4.7 Proxies. A Member (or, as applicable, a Member's designated voting representative) that is entitled to vote may vote in person or by proxy, provided the proxy is executed in writing by the Member or such Member's duly authorized attorney-in-fact and filed with the chairman of the meeting prior to the time the proxy is exercised. A Member's proxy may be revocable by revocation in writing filed with the chairman of the meeting prior to the time the proxy is exercised. A proxy shall automatically cease upon a change in the Membership of a Member on the books of the Association. No proxy shall be valid after 11 months from the date of its execution unless otherwise provided in the proxy, and no proxy shall be valid in any event for more than three years after its date of execution. A proxy is void if it is not dated or purports to be revocable without notice. Any form of proxy furnished or solicited by the Association shall afford an opportunity thereon for the Members to specify a choice between approval and disapproval of each matter or group of related matters which is known, at the time the form of proxy or written ballot is prepared, may come before the meeting and shall provide, subject to reasonably specified conditions, that if a Member specifies a choice with respect to any such matter, the vote shall be cast in accordance therewith.

4.8 Quorum at Members' Meeting. Except as may be otherwise provided in the Declaration, the Articles of Incorporation or these Bylaws, and except as hereinafter provided with respect to the calling of another meeting, the presence, in person or by proxy, of the Members entitled to cast at least 20% of the votes of all Members shall constitute a quorum at any meeting of such Members. Members present in person or by proxy at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of Members so as to leave less than a quorum. If the required quorum is not present in person or by proxy at any such meeting of the Members, another meeting may be called, subject to the notice requirements hereinabove specified, and the presence, in person or by proxy, of Members entitled to cast at least 5% of the votes of all Members, shall, except as may be otherwise provided in the Declaration, the Articles of Incorporation or these Bylaws, constitute a quorum at such meeting.

4.9 Adjournments of Members' Meetings. Members present in person or by proxy at any meeting may adjourn the meeting from time to time, whether or not a quorum is present in person or by proxy, without notice other than announcement at the meeting, for a total period or periods not to exceed 30 days after the date set for the original meeting. At any adjourned meeting which is held without notice other than announcement at the meeting, the quorum requirement shall not be reduced or changed, but if the originally required quorum is present in person or by proxy, any business may be transacted which might have been transacted at the meeting as originally called.

4.10 Vote Required at Members' Meeting. At any properly convened meeting of the Members, if a quorum is present, the affirmative vote of those Members holding more than 50% of the votes in the Association represented in person or by proxy at the meeting shall be necessary for the adoption of the matter, unless a different percentage is required by law, the

Declaration, the Articles of Incorporation, or these Bylaws, in which case such different requirement shall control.

4.11 Order of Business. The order of business at any meeting of the Members shall be as follows: (a) roll call to determine the votes in the Association represented at the meeting; (b) proof of notice of meeting or waiver of notice; (c) reading of minutes of preceding meeting; and (d) the conducting of the business for which the meeting was called.

4.12 Officers of Meetings. At any meeting of the Members, the President of the Association shall act as chairman and the Secretary of the Association shall act as secretary of the meeting unless the President designates another person to act as secretary of the meeting.

4.13 Expenses of Meetings. The Association shall bear the expenses of all meetings of the Members.

4.14 Waiver of Notice. A waiver of notice of any meeting of the Members, signed by a Member, whether before or after the meeting, shall be equivalent to the giving of notice of the meeting to such Member. Attendance of a Member at a meeting, either in person or by proxy, shall constitute waiver of notice of such meeting except when the Member attends for the express purpose of objecting to the transaction of business because the meeting is not lawfully called or convened.

4.15 Action of Members by Unanimous Consent. Any action required to be taken or 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, is signed by all of the Members entitled to vote with respect to the subject matter of such action.

4.16 Action by Written Ballot. Any action that may be taken at any annual, regular or special meeting of the Members may be taken by written ballot, without a meeting, in accordance with the Colorado Revised Nonprofit Corporation Act.

ARTICLE V

BOARD OF DIRECTORS

5.1 General Powers and Duties of Board. The Board shall have the duty to manage and supervise the affairs of the Association and shall have all powers necessary or desirable to permit it to do so. Without limiting the generality of the foregoing, the Board shall have the power to exercise or cause to be exercised for the Association, all of the powers, rights and authority of the Association not reserved to the Members in the Declaration, the Articles of Incorporation, these Bylaws, the Colorado Revised Nonprofit Corporation Act, or the Colorado Common Interest Ownership Act. Further, the Board shall have the power to delegate its powers according to law.

5.2 Special Powers and Duties of Board. Without limiting the general powers and duties set forth in Section 5.1, the Board has all the powers and duties set forth for it in the Declaration, including, without limitation, the specific powers and duties set forth in the Declaration.

5.3 Qualifications of Directors. Each director shall be a natural person who is at least 18 years of age. A director may be reelected, and there shall be no limit on the number of terms a director may serve on the Board. Except as required by the Colorado Common Interest Ownership Act, no director shall be required to be an Owner or the designated representative of an Owner.

5.4 Number and Term of Directors. The Board shall be composed of three directors. Except as otherwise provided in these Bylaws, the term of each director will be one year. Each director shall serve until his successor is elected and qualified, or until his earlier death, resignation or removal.

5.5 Appointment and Election of Directors. Subject to the limitations set forth in this Section 5.5, from the formation of the Association until the end of the Declarant Control Period, Declarant shall have the right to appoint all directors. From the formation of the Association until the date that is 60 days after the date on which 25% of all the Lots that may be created have been conveyed to Owners other than Declarant, the Board shall consist of three members, all of whom will be appointed by the Declarant. From the date that is 60 days after the date on which 25% of all the Lots that may be created have been so conveyed until the date that is 60 days after the date on which 50% of all the Lots that may be created have been conveyed to Owners other than Declarant, the Board shall consist of four members, three of whom shall be appointed by the Declarant and one of whom shall be elected by the Members. From the date that is 60 days after the date on which 50% of all the Lots that may be created have been so conveyed until the end of the Declarant Control Period, the Board will consist of five members, three of whom shall be appointed by the Declarant and two of whom shall be elected by the Members. From and after the end of the Declarant Control Period, the Board will consist of five members, all of whom shall be elected by the Members, and at least a majority of whom must be Members other than Declarant or designated representatives of Members other than Declarant. During the Declarant Control Period, all directors appointed by the Declarant may be removed from office by Declarant with or without cause at any time and from time to time and all vacancies of any director appointed by the Declarant may be filled by appointment by the Declarant.

5.6 Removal of Directors. Notwithstanding any provision of the Declaration or Bylaws to the contrary, the Members, by a vote of those Members holding two-thirds or more of the votes in the Association represented in person or by proxy at any meeting of the Members at which a quorum is present, may remove any director with or without cause, other than a director appointed by Declarant. A successor may be then and there elected to fill the vacancy for the unexpired term of his or her predecessor in office.

5.7 Resignation of Directors. Any director may resign at any time by giving written notice to the President, to the Secretary or to the Board stating the effective date of such resignation. Acceptance of such resignation shall not be necessary to make the resignation effective.

5.8 Vacancies in Directors. Any vacancy occurring in the Board, unless filled in accordance with Sections 5.5 and 5.6 or by election at a special meeting of the Members, shall be filled by the affirmative vote of a majority of the remaining directors, though less than a

quorum of the Board. A director elected or appointed to fill a vacancy shall be elected or appointed for the unexpired term of his or her predecessor in office. A vacancy in the position of a director to be filled by reason of an increase in the number of directors shall be filled only by vote of the Members.

5.9 Manager or Managing Agent. The Board, by resolution approved by a majority of the directors in office, may designate and appoint a manager or a managing agent, or both, which manager or managing agent shall have and exercise those powers and shall fulfill those duties of the Board as shall be specified in any such resolution. Such manager or managing agent may be an affiliate of Declarant. Any resolution appointing a manager or managing agent may delegate all or substantially all of the powers and duties of the Board to any such manager or managing agent, but the Board, in delegating powers and duties to any such manager or managing agent, shall not be relieved of its responsibilities under the Declaration. Any delegation of the Board's authority to a manager or managing agent shall comply with Section 38-33.3-306(3)(a) of the Colorado Common Interest Ownership Act, to the extent applicable.

ARTICLE VI

MEETINGS OF DIRECTORS

6.1 Place of Directors' Meetings. Meetings of the Board shall be held at the principal office of the Association or at such other place, within or convenient to the Property, as may be fixed by the Board and specified in the notice of the meeting.

6.2 Annual Meeting of Directors. Annual meetings of the Board shall be held on the same date as, or within 10 days following, the annual meeting of the Members. The business to be conducted at the annual meeting of the Board shall consist of the appointment of officers of the Association and the transaction of such other business as may properly come before the meeting. No prior notice of the annual meeting of the Board shall be necessary if the meeting is held on the same day and at the same place as the annual meeting of the Members at which the Board is elected or if the time and place of the annual meeting of the Board is announced at such annual meeting of the Members.

6.3 Special Meetings of Directors. Special meetings of the Board may be called by the President or a majority of the directors.

6.4 Notice of Directors' Meetings. In the case of all meetings of Directors for which notice is required, notice stating the place, day and hour of the meeting shall be delivered not less than two days before the date of the meeting, by mail, telephone or personally, by or at the direction of the persons calling the meeting, to each member of the Board. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of such meeting.

6.5 Proxies. A director shall not be entitled to vote by proxy at any meeting of the Board.

6.6 Quorum of Directors. A majority of the number of directors fixed in these Bylaws shall constitute a quorum for the transaction of business by the Board.

6.7 Adjournment of Director's Meetings. The directors present at any meeting of the Board may adjourn the meeting from time to time, whether or not a quorum shall be present, without notice other than an announcement at the meeting, for a total period or periods not to exceed 30 days after the date set for the original meeting. At any adjourned meeting which is held without notice other than announcement at the meeting, the quorum requirement shall not be reduced or changed, but if the originally required quorum is present, any business may be transacted which may have been transacted at the meeting as originally called.

6.8 Vote Required at Directors' Meeting. At any meeting of the Board, if a quorum is present, the affirmative vote of a majority of the directors present shall be necessary for the adoption of the matter, unless a greater proportion is required by law, the Declaration, the Articles of Incorporation or these Bylaws.

6.9 Order of Business. The order of business at all meetings of the Board shall be as follows: (a) roll call; (b) proof of notice of meeting or waiver of notice; (c) reading of minutes of preceding meeting; (d) reports of officers; (e) reports of committees; (f) unfinished business; and (g) new business.

6.10 Officers at Meetings. The President shall act as chairman and the Board shall designate a director to act as secretary at all meetings of Directors.

6.11 Waiver of Notice. A waiver of notice of any meeting of the Board, signed by a director, whether before or after the meeting, shall be equivalent to the giving of notice of the meeting to such director. Attendance of a director at a meeting in person shall constitute waiver of notice of such meeting, except when the director attends for the express purpose of objecting to the transaction of business because the meeting is not lawfully called or conveyed.

6.12 Action of Directors Without a Meeting. Any action required to be taken or which may be taken at a meeting of the Board may be taken without a meeting to the extent permitted by the Colorado Revised Nonprofit Corporation Act.

6.13 Members' Attendance. All regular and special meetings of the Board or any committee thereof, shall be open to attendance by all Members or their representatives. Agendas for meetings of the Board shall be made reasonably available for examination by all Members or their representatives.

ARTICLE VII

OFFICERS

7.1 Officers, Employees and Agents. The officers of the Association shall consist of a President, a Vice-President, a Secretary, a Treasurer and such other officers, assistant officers, employees and agents as may be deemed necessary by the Board. Any two or more offices may be held by the same person.

7.2 Appointment and Term of Office of Officers. Except as otherwise provided in this Section 7.2, the officers of the Association shall be appointed by the Board at the annual meeting of the Board and shall hold office, subject to the pleasure of the Board until the next annual meeting of the Board or until their successors are appointed, whichever is later, unless the officer resigns, or is earlier removed. During the Declarant Control Period, Declarant may appoint the officers of the Association.

7.3 Removal of Officers. Except as otherwise provided in this Section 7.3, any officer, employee or agent may be removed by the Board, with or without cause, whenever in the Board's judgment the best interests of the Association will be served thereby. The removal of an officer, employee or agent shall be without prejudice to the contract rights, if any, of the officer, employee or agent so removed. Election or appointment of an officer, employee or agent shall not of itself create contract rights. During the Declarant Control Period, Declarant may remove the officers of the Association with or without cause.

7.4 Resignation of Officers. Any officer may resign at any time by giving written notice to the President, to the Secretary or to the Board of the Association stating the effective date of such resignation. Acceptance of such resignation shall not be necessary to make the resignation effective.

7.5 Vacancies in Officers. Except as otherwise provided in this Section 7.5, any vacancy occurring in any position as an officer may be filled by the Board. During the Declarant Control Period, any vacancy occurring in any officer position may be filled by Declarant. An officer appointed to fill a vacancy shall be appointed for the unexpired term of his or her predecessor in office.

7.6 President. The President shall be the principal executive officer of the Association and, subject to the control of the Board, shall direct, supervise, coordinate and have general powers generally attributable to the chief executive officer of a corporation. The President shall be a director and shall preside at all meetings of the Board and of the Members.

7.7 Vice-President. The Vice-President may act in place of the President in case of his death, absence or inability to act, and shall perform such other duties and have such authority as is from time to time delegated by the Board or by the President.

7.8 Secretary. The Secretary shall be the custodian of the records and the seal (if any) of the Association and shall affix the seal (if any) to all documents requiring the same; shall prepare, execute, certify, and record amendments to the Declaration on behalf of the Association; shall see that all notices are duly given in accordance with the 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 take or cause to be taken and shall keep minutes of the meetings of the Members, of the Board and of committees of the Board; shall keep at the principal office of the Association a record of the names and addresses of the Members and the voting representative, if any, of each Member; 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 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 or her death, absence or inability to act.

7.9 Treasurer. The Treasurer shall have charge and custody of, and be responsible for, all funds and securities of the Association in such depositories as shall be designated by the Board; shall keep correct and complete financial records and books of account and records of financial transactions and condition of the Association and shall submit such reports thereof as the Board may, from time to time, require; shall arrange for the annual report required under Section 8.4 of these Bylaws; and, in general, shall perform all the duties incident to the office of Treasurer and such other duties as may from time to time be assigned to him by the Board 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 or her death, absence or inability to act.

ARTICLE VIII

MISCELLANEOUS

8.1 Amendment of Bylaws. The Board shall have the exclusive power and authority to alter, amend or repeal these Bylaws or to adopt new Bylaws. The Bylaws may contain any provision for the regulation or management of the affairs of the Association not inconsistent with law, the Declaration or the Articles of Incorporation.

8.2 Compensation of Officers, Directors and Members. No director or officer shall have the right to receive any compensation from the Association for serving as a director or officer except for reimbursement of expenses as may be approved by resolution of the disinterested directors. Agents and employees shall receive such reasonable compensation as may be approved by the Board. Appointment of a person as an agent or employee of the Association shall not, of itself, create any right to compensation.

8.3 Books and Records. The Association shall keep correct and complete books and records of account and shall keep, at its principal office, a record of the names and addresses of its Members (including Declarant) and copies of the Declaration, the Articles of Incorporation, these Bylaws and any Rules which may be purchased by any Member at reasonable cost. All books and records of the Association, including the Articles of Incorporation and these Bylaws, as amended, and minutes of meetings of the Members and the Board, may be inspected by any Member, or such Member's agent or attorney, for any proper purpose. The right of inspection shall be subject to any reasonable rules adopted by the Board requiring advance notice of inspection, specifying hours and days of the week during which inspection will be permitted and establishing reasonable fees for any copies to be made or furnished.

8.4 Annual Report. The Board shall cause to be prepared and distributed to each Member, not later than 90 days after the close of each fiscal year of the Association, an annual report of the Association containing (a) an income statement reflecting income and expenditures of the Association for such fiscal year; (b) a balance sheet as of the end of such fiscal year; (c) a statement of changes in financial position for such fiscal year; and (d) a statement of the place of the principal office of the Association where the books and records of the Association, including a list of names and addresses of current Members, may be found. At the discretion of the Board, the financial statements of the Association may be reviewed by an

independent public accountant and, if applicable, a report based upon such review shall be included in the annual report.

8.5 Statement of Account. Upon payment of a reasonable fee to be determined by the Association and upon written request of an Owner or any person with any right, title or interest in a Lot or intending to acquire any right, title or interest in a Lot, the Association shall furnish a written statement of account setting forth the amount of any unpaid Assessments, or other amounts, if any, due or accrued and then unpaid with respect to the Lot or the Owner of the Lot and the amount of the Assessments for the current fiscal period of the Association payable with respect to the Lot. Such statement shall, with respect to the party to whom it is issued, be conclusive against the Association and all parties, for all purposes, that no greater or other amounts were then due or accrued and unpaid and that no other Assessments have then been levied.

8.6 Biennial Corporate Reports. The Association shall file with the Secretary of State of Colorado, within the time prescribed by law, biennial corporate reports on the forms prescribed and furnished by the Secretary of State and containing the information required by law and shall pay the fee for such filing as prescribed by law.

8.7 Fiscal Year. The fiscal year of the Association shall begin on January 1 and end the succeeding December 31 except that the first fiscal year shall begin on the date of incorporation. The fiscal year may be changed by the Board without amending these Bylaws.

8.8 Seal. The Board may, but is not required to, adopt a seal which shall have inscribed thereon the name of the Association and the words "SEAL" and "COLORADO."

8.9 Shares of Stock and Dividends Prohibited. The Association shall not have or issue shares of stock and no dividend shall be paid and no part of the income or profit of the Association shall be distributed to its Members, directors or officers.

Notwithstanding the foregoing paragraph, the Association may issue certificates evidencing Membership therein, may confer benefits upon its Members in conformity with its purposes and, upon dissolution or final liquidation, may make distributions as permitted by law, and no such payment, benefit or distribution shall be deemed to be a dividend or distribution of income or profit.

8.10 Loans to Directors and Officers Prohibited. No loan shall be made by the Association to any director or officer, and any director or officer who assents to or participates in the making of any such loan shall be liable to the Association for the amount of such loan until the repayment thereof.

8.11 Minutes and Presumptions Thereunder. Minutes or any similar records or the meetings of the Members, or of the Board, when signed by the Secretary or acting secretary of the meeting, shall be presumed to truthfully evidence the matters set forth therein. A recitation in any such minutes that notice of the meeting was properly given shall be prima facie evidence that the notice was given.

8.12 Checks, Drafts and Documents. All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the Association, shall be signed or endorsed by such person or persons, and in such manner as, from time to time, shall be determined by resolution of the Board.

8.13 Budget. The Board will cause a proposed budget for the Association to be prepared and adopted annually, not less than 30 days prior to the beginning of each fiscal year of the Association (except that, for the first fiscal year of the Association, the Board may adopt the estimated budget prepared by Declarant). Such budget shall be prepared in accordance with Section 7.8(c) of the Declaration. Within 30 days after the Board adopts any proposed budget for the Association, the Board will mail, by ordinary first-class mail, or otherwise deliver a summary of the proposed budget to all Members and will set a date for a meeting of the Members to consider ratification of the proposed budget not less than 30 nor more than 60 days after mailing or other delivery of the summary. Unless at that meeting Members representing more than 50% of all the Lots vote to reject the proposed budget, the proposed budget will be ratified, whether or not a quorum is present. In the event that the proposed budget is rejected, the periodic budget last ratified by the Members will continue in effect until such time as the Members ratify a subsequent budget proposed by the Board. For the first Fiscal Year of the Association, the Board may adopt Declarant's estimated budget for the Association if the Board submits such budget to the Members for ratification in accordance with this Section 8.13 within 60 days after adopting it.

ARTICLE IX

NOTICE AND HEARING PROCEDURE

9.1 Notice and Hearing. For the purposes of this Section 9.1, the term "Enforcement Action" shall refer to any action or demand taken or made by the Association against any Owner or Permittee that, pursuant to the Declaration, the Rules of these Bylaws, may not be taken or made until such Owner or Permittee has been given notice and an opportunity to be heard as provided in these Bylaws. Before taking any Enforcement Action, the Association shall determine that such Enforcement Action is permitted by and warranted pursuant to the following procedures:

(a) Notice. If the Association determines that an Enforcement Action may be warranted against an Owner or Permittee, it shall prepare a written notice (an "Enforcement Notice") setting forth in ordinary and concise language: (i) the Enforcement Action the Association believes is warranted; (ii) the alleged act or omission by the Owner or the Permittee giving rise to the proposed Enforcement Action; (iii) the specific provisions of the Declaration, these Bylaws and/or the Rules under which such Enforcement Action allegedly is warranted; and (iv) a statement notifying the recipient of the Enforcement Notice (the "Respondent") that he, she or it shall be entitled to a hearing before the Board on the merits of the matter addressed in the Enforcement Notice only if a written request for such a hearing is received by the Association within 10 days after receipt of the Enforcement Notice. An Enforcement Notice may be prepared and delivered by any Director, officer or managing agent of the Association, and action by the Board shall not be necessary to authorize the preparation or delivery of an Enforcement

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Notice. If the Association seeks to take any Enforcement Action against a Permittee, then an Enforcement Notice shall be delivered to such Permittee's Owner, and such Owner shall be considered a Respondent with respect to such Enforcement Notice.

(b) Hearing Request. Any Respondent who desires a hearing before the Board on the merits of the matter addressed in an Enforcement Notice shall so notify the Association by written request received by the Association within 10 days after the Respondent received the Enforcement Notice. If a Respondent timely requests a hearing pursuant to this Section 9.1(b), the Association shall set a date and time for the hearing and deliver notice of the hearing to the Respondent at least 10 days prior to the date of the hearing; provided that the hearing shall be held no sooner than 14 days after the Association receives the Respondent's timely request for a hearing. Upon a showing of good cause, the Board may reschedule the date or time of a scheduled hearing at the request of a Respondent.

(c) The Hearing. The President of the Association shall preside at the hearing and shall ensure that the hearing is conducted in an orderly and civil manner. After calling the hearing to order, the President shall designate another director or officer or the manager or managing agent of the Association to describe the Enforcement Action the Association believes is warranted and to present the reasons and evidence on which such belief is based. Once the reasons and evidence supporting the Enforcement Action have been presented, the Respondent or Respondents shall have an opportunity to present to the Board any reasons and evidence indicating why the Board should not take the proposed Enforcement Action. Any presentation to the Board under this Section 9.1(c) may be supported by documentary or testimonial evidence; provided, however, that formal rules of evidence shall not apply to the presentation of such evidence to the Board. The Board may adopt rules governing hearings conducted under this Section 9.1(c) that are not inconsistent with this Section 9.1(c). A Respondent may be represented at a hearing by legal counsel.

(d) Decision. The Board shall decide whether an Enforcement Action is permitted and warranted based on the evidence and information made available to it and the applicable provisions of the Declaration, these Bylaws and/or the Rules. If a Respondent fails to request a hearing in response to an Enforcement Notice pursuant to Section 9.1(b) or fails to appear at the hearing held pursuant to Section 9.1(c), the Board may reach its decision based on the evidence and information available to it without further notice to the Respondent. The Board shall render its decision in writing and shall explain its reasons for the decision it reaches. The Board's written decision shall be delivered to the Respondent and shall become effective and final upon the Respondent's receipt of it.

AMENDED BY-LAWS OF
THE PENINSULA AT HORSESHOE LAKE MASTER ASSOCIATION

WHEREAS ARTICLE VIII, paragraph 8.1 provides that the Board shall have the exclusive power and authority to amend the Bylaws,

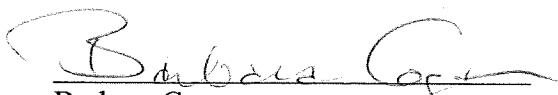
AND, WHEREAS the Board at it's meeting on Jan. 28, 2008 agreed to amend ARTICLE V, paragraph 5.4 to conform to it's agreed upon historical practice as described herein,


AMENDMENT ONE: ARTICLE V, is hereby amended by deleting Paragraph 5.4 therein and inserting in lieu thereof the following new Paragraph 5.4:

5.4 Number and Term of Directors. The Board shall be composed of five directors. Except as otherwise provided in these Bylaws, the term of each director shall be two years. For those even numbered calendar years, one Director shall be elected upon the vote of all Owners; one shall be elected upon the vote of Class A, Class B, and Class C owners, and one shall be elected upon the vote of Class D owners. For those odd numbered calendar years, one Director shall be elected upon the vote of Class A, Class B, and Class C owners, and one shall be elected upon the vote of Class D owners. Each director shall serve until his successor is elected and qualified, or until his earlier death, resignation or removal.


AMENDMENT TWO: ARTICLE V, is hereby amended by deleting Paragraph 5.5 as no longer relevant, the Declarant Control Period having ended.


IN WITNESS WHEREOF, the undersigned Directors having executed this Amendment this 28th day of April, 2008.


Barbara Cogan


Stan Black


Rick Flood


Chuck Carlson


A. J. Macdonald

AMENDED BY-LAWS OF
THE PENINSULA AT HORSESHOE LAKE MASTER ASSOCIATION

WHEREAS ARTICLE VIII, paragraph 8.1 provides that the Board shall have the exclusive power and authority to amend Bylaws,

AND, WHEREAS the Board at it's meeting on April 27, 2009 agreed to amend Article VIII, paragraph 8.13 to conform to the requirements set forth in ARTICLE X, paragraphs 10.1 (c) and (d) of the MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE PENINSULA AT HORSESHOE LAKE recorded 12/27/1999 as Reception # 0099107033 of the Larimer County, Colorado records,

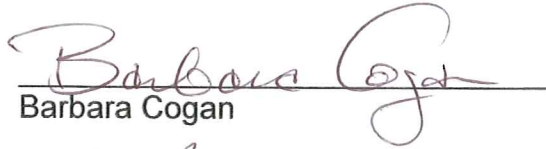
NOW, THEREFORE, the By-laws of the Peninsula at Horseshoe Lake Master Association are hereby amended as follows:

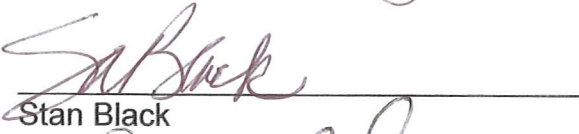
AMENDMENT ONE: ARTICLE VIII paragraph 8.13, is hereby amended by deleting Paragraph 8.13 therein and inserting in lieu thereof the following new Paragraph 8.13:

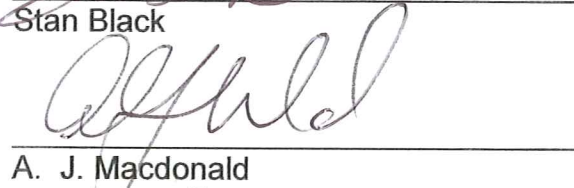
8.13 Preparation and Ratification of Budget. The Board may, and if levying Assessments shall, cause to be prepared and adopt annually, not less than 45 days prior to the beginning of each fiscal year of the Association, a proposed budget for the Association. The proposed budget will include the estimated revenue and expenses of the Association for such fiscal year, in reasonable detail as to the various categories of revenue and expense, and shall be prepared in accordance with Article X of the Declaration.

Within 30 days after adoption by the Board of any proposed budget for the Association, the Board will send by ordinary first-class mail or otherwise deliver to all Owners a summary of the proposed budget and will set a date for a meeting of the Owners to consider ratification of the proposed budget not less than 14 nor more than 60 days after mailing or other delivery of the summary. Unless at that meeting Owners to whom are allocated a majority of the votes in the Association vote to reject the proposed budget, the proposed budget will be ratified, whether or not a Quorum is present. In the event that the proposed budget is rejected, the periodic budget last ratified by the Members will continue in effect until such time as the Members ratify a subsequent budget proposed by the Board.

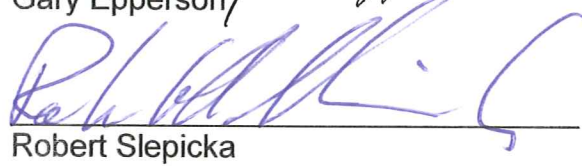
IN WITNESS WHEREOF, the undersigned Directors have executed this Amendment this 27th day of April, 2009.


Barbara Cogan


Stan Black


A. J. Macdonald


Gary Epperson


Robert Slepicka