

**BYLAWS
OF
WALNUT ESTATES HOMEOWNERS ASSOCIATION
Effective 10-19-2018
Amended 3-1-2020 and 2-7-2026**

**Article I
Definitions**

- (A) "Articles of Incorporation" shall refer to the article of Incorporation of the Walnut Estates Homeowners Association filed in the records of the Colorado Secretary of State on October 9, 2007.
- (B) "Covenants" shall refer to the certain document entitled "Declaration of Covenants, Conditions and Restrictions", recorded in the real property records of Mesa County, Colorado and affecting the property of the Subdivision, as amended.
- (C) "Directors" shall mean the Board of Directors of the Walnut Estates Homeowners Association.
- (D) "Owner" shall mean any individual, corporation, partnership, limited liability company, association, trust or other legal entity or combination of legal entities that is the record owner of a fee simple interest in one or more lots. If any title to any lot is held in co-ownership by two or more persons or entities, then all such co-owner shall collectively be deemed on "Owner" for purpose of these bylaws.
- (E) "Lot" shall refer to the lots shown on the recorded plat of the subdivision.
- (F) "Roads" shall refer to the roads within the subdivision as shown on the plat.
- (G) "Subdivision" refers to the lots in the Walnut Estates. Filing No. 1, Mesa County, Colorado, according to the plat thereof (The "Plat"), and including all amendments and re-plats thereof.
- (H) "Association" shall refer to the Walnut Estates Homeowners Association.

Article II
MEMBERSHIP

Section 1. Qualifications:

Each owner, by accepting a deed for any lot in the subdivision, is and shall be a member of the association.

Section 2. Members

A member shall have no vested right, interest, or privilege of, in or to the assets, functions, affairs, or franchises of the association.

Article III
MEETINGS OF MEMBERS

Section 1. Annual Meetings

The regular annual meeting of the membership of the association shall be held between January 15 and February 28 of each year on the date and time specified and at the time and place designated by the board of directors.

Section 2. Special Meetings:

Special meetings of the membership of the association may be called at any time by the President or the majority of the board of directors.

Section 3. Quorum:

At any meeting of the members a quorum shall consist of members owning 30% of the lots in the subdivision, presents either in person or proxy, and a majority of such quorum shall decide any question that may come before the meeting. In the absence of a quorum a majority of the members present may adjourn the meeting.

Section 4. Notice of Meetings:

Notice of the annual and each special meeting stating the date, time and place of the meeting and the items on the agenda, shall be sent by United States mail or hand delivered to the last known address of all members not less than ten (10) days nor more than fifty (50) days in the advance of the meeting. Notice shall also be conspicuously posted in the subdivision.

Section 5. Participation by Electronic Means:

Any owner may participate in the annual or any special meeting by telephone conference or similar communication equipment by which all persons participating in the meeting can hear each other at the same time. Such participation shall constitute attendance in person at the meeting.

Section 6. Proxy:

Votes may be cast in person or by proxy. Every proxy must be executed in writing by the member or such member's duly authorized attorney-in-fact. No proxy shall be valid after the expiration of eleven (11) months of the date of its execution unless otherwise provided in the proxy.

**ARTICLE IV
DIRECTORS**

Section 1. Term of Office:

The business and affairs of the association shall be managed by a board of directors, which shall consist of at least three (3) and no more than five (5) directors elected by the members. All of the board shall be members of the association. The election of the directors shall occur every year with the election of at least one new director annually. Directors shall serve a one (1) year term and are eligible for reelection every year.

Section 2. Meetings:

- A. There shall be a meeting of the board of directors held as soon as possible after the annual meeting of the membership of the association.

- B. Special meetings of the board may be called at any time by the president or in his/her absence or disability, by the vice-president. Notice of time and place of holding meetings of the board shall be given by the secretary in writing to each director, so as to allow him/her reasonable time to be present at the meeting, but if all of the directors shall sign a written waiver of notice or consent to the holding of a meeting before, at or after the time of such meeting, the action taken at such meeting shall be as valid as if such meeting had been regularly called. Signing and approval of any minutes or resolutions of the board shall be deemed a waiver of notice thereof.

- C. Meetings of the board of directors shall be held in Mesa County, Colorado.

Section 3. Powers and Duties:

The board of directors shall have and exercise all such powers that are commonly exercised by the board of directors for non-profit corporations in the state of Colorado and shall have the power to do all lawful acts to enforce the Articles of Incorporation or these bylaws. The board shall carry out all lawful actions directed or required to be done by the membership to enforce the covenants. The board shall issue a scope of work to three (3) different subcontractors for competitive pricing. The board shall hire the most competitive subcontractor. The board shall determine which three (3) board members would be authorized to sign notes, checks, drafts, contracts, deeds, reports and other documents. All notes, checks, drafts, contracts, deeds, reports and other documents require one (1) signature after board approval. The board shall receive and pass upon reports of officers and subcontractors, and delegate responsibilities of the board from time to time to executive committees or to standing or special committees.

Section 4. Vacancies:

When any vacancy in the board shall occur by reason of death, resignation, or otherwise, the remaining members of the board shall have the power to fill such vacancy. Any director chosen to fill a vacancy, shall serve until the next election of directors occurs.

Section 5. Annual Report:

The board of directors, after the close of the fiscal year, shall produce a report as to the condition of the association, which shall include an account of the financial transactions of the past year. This report shall be made available to the membership of the association at the annual meeting.

Section 6. Quorum and Voting Proxies

A quorum of the board is deemed present throughout any meeting if fifty (50%) percent or more of the number of directors in office are present at the beginning of the meeting. If a quorum is present at the beginning of the meeting, the affirmative vote of a majority of the directors present when the vote is taken is the act of the board unless the vote of the greater number of directors is required by applicable law. Each director shall be entitled to cast one (1) vote on matters before the board. For purposes of determining a quorum with respect to a particular proposal, and for purposes of casting a vote for or against a proposal, a director shall be deemed to be present at a meeting and to vote if the director has granted a signed written proxy to another director who is present at the meeting authorizing the other director to cast the vote that is directed to be cast by the written proxy with respect to the particular proposal that is described with reasonable specificity in the proxy.

ARTICLE V OFFICERS

Section 1.

The officers of the board of directors of the association shall be President, Vice-President/Secretary, and a Treasurer if there are only three (3) members. The officers would be President, Vice-President, Secretary and Treasurer if there are four (4) members. If a fifth board member is elected, he/she would be a member-at-large. The officers of the association shall be elected at the annual meeting and shall serve for a term of one (1) year. Officers may be reelected for multiple one (1) year terms. The new officers shall take office immediately after election.

Section 2. President:

Subject to the direction of the board of directors, the president shall be the chief executive officer of the association and shall perform such other duties as from time to time may be assigned to him/her by the board of directors. The president shall, ex officio, be a member of all committees. The president shall act as the primary contact with the associations' bookkeeper/accountant.

Section 3. Vice-President:

The vice-president shall have such power to perform such duties as may be assigned to him/her by the board of directors or the president. In case of the absence or disability of the president, the duties of that office (President) shall be performed by the vice-president.

Section 4. Treasurer:

The treasurer, He/she, with the President and vice-president, shall be signatory on the association bank accounts and shall perform such acts or duties as the board may designate. The associations treasure shall be responsible for the oversight of corporate funds. The treasurer shall keep a full and accurate account of all receipts and disbursements of the financial and business transactions of the association and the books belonging to the association and shall report regularly to the board. The treasurer shall deposit all monies and other valuable effects of the association in such banks or depositories as the board may direct. The treasurer shall, from time to time, make written reports to the president and the board of directors showing the financial condition of the association and shall perform such duties as the board may designate. In the absence of the treasurer or his/her inability to perform his/her duties, such duties may be performed by an assistant treasurer pro-tempore appointed at any meeting by the president.

Section 5. Secretary:

The secretary-treasurer may issue notice of all meetings of the membership and board of directors. When instructed to do so, he/she may attend such meetings and keep full and true copies of the minutes of such meetings in a minute book of the association. In the absence of the secretary or his/her inability to perform his/her duties, such duties may be performed by an assistant secretary pro-tempore appointed at any meeting by the president.

Section 6. Salaries:

No officer or director shall receive any salary or compensation for his/her service unless the same shall have been authorized by the board of directors.

Section 7. Bookkeeper-Accountant:

This current position will be full filled by the appointed treasurer. If the position of bookkeeper accountant is later deemed necessary, due to the duties appointed to the treasurer have surpassed the stated duties described in Article V, section 4, the board representing the association, will elect to request the aid of a certified accountant as per Article IV, section 3, subcontractors. The position of bookkeeper-accountant has not been recognized by the board of directors representing the association, as an elected position.

**ARTICLE VI
OBLIGATIONS OF THE MEMBERS**

Each owner shall promptly pay all dues approved by the membership of the association.

The amount of the annual dues shall be established by the affirmative vote of at least fifty-one (51%) percent of a quorum of the membership of the association present or represented by proxy at the annual meeting of the ensuing year. The amount of dues may be amended by the affirmative vote of fifty-one (51%) percent of a quorum of the membership of the association present or by proxy at a special meeting.

Section 1. General Provisions:

As more fully provided in the declaration, each member is obligated to pay the association annual and special assessments which are secure by a continuing lien upon the property against which the assessment is made. No owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the common areas or abandonment of his/her lot.

Section 2. Payment of:

Payments of assessments, made out to the Walnut Estates, shall be made on or before April 1 of every calendar year.

Section 3. Delinquent Payment of Assessments:

Payments of the assessments shall be considered delinquent if not paid in full within thirty (30) days after the due date listed in section 2 of this article.

Section 4. Penalty for Late Payment of Assessments:

Following the thirty (30) day grace period for payment of the assessments listed in section 3 of this article, the assessment shall bear interest at the rate of eight (8%) percent per annum. The association reserves the right to initiate a legal proceeding in either a court of law or a court of equity against the owner obligated to pay the assessment.

Section 5. Returned Check Fee:

In the event that a check for the payment of assessments is returned due to insufficient funds, a fee of twenty-five (\$25.00) dollars shall be assessed against the owner. The owner shall be provided notice, either by mail or hand delivered to the last known address of the owner, of the returned check and the fee associated with that returned check. The owner shall have thirty (30) days to provide good and sufficient funds to cover the assessment and the returned check fee. If the owner does not provide payment within the thirty (30) days of the notice, the payment will be considered late and the provisions of section 4 of this article shall apply.

Section 6. Collections of Legal Action to Collect Past Due Assessments:

Prior to engaging any collection agency or pursuing any legal action based on past due assessments, the association shall provide the owner with notice of the delinquency specifying the following:

1. The total amount due, with an accounting of how the total was determined;
2. The opportunity to enter into a payment plan of six (6) months length, and the entity to contact to begin such payment plan;
3. The name and contact information of the individual to contact in order to request and accounting in order to verify the amount owned;
4. That action on the part of the owner is required to cure the delinquency and that failure to cure the delinquency may result in the account being turned over for collection or a lawsuit filed against the owner, the filing of a lien against the property, or any and all other remedies in the law and equity.

ARTICLE VII PENALTIES

Section 1. Purpose:

In order to maintain the essence of the Walnut Estates Homeowners Association, Inc. and protect the appearance and value associated with residing in such community, a method of enforcing the Declarations of Covenants, conditions, and restrictions as well as the Bylaws is necessary.

Section 2. Scope:

This article shall encompass penalties for all violations of the Declaration of Covenants, conditions, and restrictions as well as the bylaws for the association and shall serve a written policy governing the imposition of fines for violators.

Section 3. Notice and Time to Cure Violation:

1. For any violation (s), the owner shall be provided with notice of such violation (s). The notice shall be mailed or hand delivered to the owner of record at the last known address of said owner. Such notice shall include a period of time for the owner to cure the violation (s), that period to cure shall not exceed ten (10) days.
2. At the end of the time to cure the violation (s), the members of the impartial Fact-Finding board shall be tasked with determining if the violation (s) has been cured.
3. The impartial Fact-Finding board shall provide a follow-up notice related to their findings and advise the owner if the violation (s) has been cured at the expiration of the time to cure.

Section 4. Notice of Impartial Fact-Finding Process:

1. In the event that the owner fails to cure a violation, or seeks to contest that such violation (s) occurred, the owner shall be given notice, either mailed or hand delivered to the last known address of the owner, of the date of a meeting of an impartial fact-finding committee. The meeting of the committee shall be held within thirty (30) days of the expiration date of the owners' time to cure the violation (s).
2. The notice shall include:
 - A. The location of the meeting
 - B. The time of the meeting
 - C. The specific violation (s) to be addressed at the meeting
 - D. The potential fines associated with the violation (s)
 - E. The names of the board members hearing the violation (s)

- F. Indication of the potential costs associated with the violation (s), including but not limited to, the cost of any legal action to enforce compliance, costs to the HOA to remedy the violation (s).

Section 5. Impartial Fact-Finding Board

1. The impartial Fact-Finding board shall consist of two (2) volunteer members of the association. No member of the board shall be compensated for work associated with membership on the board.
2. At no time shall the individual who indicated a complaint to the board sit on the board in determining whether that complaint will be substantiated.
3. No member of the board shall hear any violation (s) if they have a conflict of interest related to the matter before them. A conflict of interest is defined as having a direct personal or financial interest in the outcome. It is not a conflict of interest if the decision maker will not, as a result of the outcome, receive any greater benefit or detriment than will the general membership of the association.
4. Each member shall have an affirmative duty to report any such conflict to the board of directors for the association at least five (5) days prior to the scheduled meeting to address the violation (s) for which the conflict exists. Once such a conflict is disclosed, the board shall determine if an actual conflict exists. If an actual conflict exists, as defined in this section, that board member shall recuse him/herself from participation in the Fact-Finding process to the violation (s) for which the conflict exists.
5. The board of directors shall periodically, but not less than three (3) years, review the associations' conflict of interest policies, procedures, and rule and regulations.

Section 6. Duties and Authority of the Board:

1. The board shall have the authority to make decisions regarding the enforcement of the associations' covenants, conditions, and restrictions, including its architectural requirements, bylaws, and other rules and regulations of the association.
2. The board shall impartially determine if a violation of the associations' covenants, conditions, and restrictions, including its architectural requirements, bylaws, and other rules and regulations of the association actually occurred.
3. The board shall also have the authority to imposed fines and costs against the owner if a violation is found to have actually occurred. Fines shall be imposed based on the schedule of fines in this article. Costs shall be the actual costs expended by the association in curing the actual violation (s) including but not limited to attorney's fees of up to \$5,000 or 50% of the amount owed, whichever is less, plus, litigation costs, mailing costs, and other costs incurred on behalf of the association to cure violation (s).
4. At no time shall fines or costs be attributed to an owner if the violation (s) is found to have not actually occurred, or that the owner is found to have not been responsible for the violation (s).

Section 7. Fines:

1. Fines shall be assessed based on the below schedule:
 - a. Architectural restriction violations: One Hundred (\$100.00) dollars per month until the violation is cured.
 - b. Violations of rules and regulations related to the use of common spaces: Fifty (\$50.00) dollars per occurrence.
 - c. Violations of rules and regulations of the HOA: Fifty (\$50.00) dollars per occurrence.
2. Fines shall be assessed from the date of the expiration of the notice of the violation (s) and the time to cure as indicated in section 3 of this article.
3. Fines shall be assessed against the owner until the violation (s) are cured, to a maximum of five hundred dollars (\$500.00).

Section 8. Failure to Cure Violation (s)

1. In the event the board finds that a violation (s) of the association's covenants, conditions, and restrictions (including the architectural requirements, bylaws, and other rules and regulations of the association) actually occurred. The owner shall have ten(10) days to cure the violation.
2. After ten (10) days from the finding that a violation (s) actually occurred, the HOA may, on its own accord cure the violation (s).
3. The owner shall be responsible for all costs occurred by the HOA for the Owners failure to cure the violation (s), including but not limited to the actual costs in curing the violation and the legal costs incurred due to the owner failure to cure the violation (s).

**ARTICLE VIII
INDEMNIFICATION OF DIRECTORS**

Section 1. Indemnity:

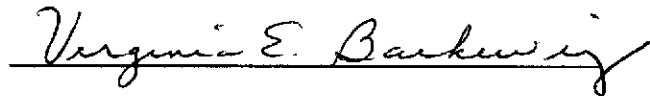
Each director, whether or not then in office, shall be indemnified by the association against all costs and expenses reasonably incurred by or imposed upon him/her in connection with or rising out of action, suit or proceeding in which he/she may be involved or to which he/she may be made a party by reason of his/her being or having been such director (such expenses include the cost of reasonable settlement made with a view toward curtailment of the cost of litigation), provided, he/she shall adjusted to have acted in good faith and in a manner he/she reasonably believed was in the best interest of the association; provided, however, no indemnification shall be made with respect to any claim, issue, suit, action, misconduct, including, but not involving, fraud, malfeasances, misrepresentation, conflict of interest, or any similar act.

ARTICLE IX
EFFECTIVE DATE

These bylaws of the Walnut Estates Homeowners Association shall be effective on the date of the adoption listed below.

CERTIFICATE OF SECRETARY

I, Ginny Baikewicz, Secretary of the Walnut Estates Homeowners Association, hereby certify that by action of verbal ballot completed on **October 17, 2018**, and certified by Karey Medina, the foregoing Bylaws were adopted by the affirmative vote of not less than fifty-one percent (51%) of the votes allocated to the members of the association. I further hereby certify that by action of ballot vote completed on **March 1, 2020**, and certified by Sherry Bahlman, the foregoing Bylaws were amended by an affirmative vote of not less than fifty-one percent (51%) of the votes allocated to the members of the association. I further hereby certify that by action of ballot vote completed on **February 7, 2026** the foregoing Bylaws were amended by an affirmative vote of not less than fifty-one percent (51%) of the votes allocated to the members of the association.


Virginia E. Baikewicz