

BYLAWS
OF
TRAIL CREEK HOLLOW TOWNHOMES ASSOCIATION

ARTICLE I

GENERAL PROVISIONS

Section 1. Name. The name of the association is the Trail Creek Hollow Townhomes Association (the "Association").

Section 2. Definitions. Unless expressly indicated to the contrary, the terms used herein shall have the following meanings:

 a. Declaration. "Declaration" means that certain document entitled "Townhouse Declaration of Covenants, Conditions, and Restrictions for the Townhomes at Trail Creek Hollow Townhouses," which document was recorded with the Blaine County Recorder on _____, 1995, as Instrument No. _____.

 b. Additional Terms. The balance of the terms defined in the Declaration shall have the same meaning when used in these Bylaws as when used in the Declaration.

Section 3. Purpose. The Association has been formed for the purpose of exercising the powers and performing the duties of the Association set forth in these Bylaws and the Declaration.

Section 4. Conflicts. In case any of these Bylaws conflict with the provisions of the Declaration, the provisions of the Declaration shall control.

Section 5. Application. All present and future Owners, mortgagees, tenants and occupants of Sub-Lots and their employees, and any other persons who may use the Sub-Lots or any other portion of the Townhomes at Trail Creek Hollow Development in any manner are subject to these Bylaws and the Declaration. The acceptance of a conveyance or the act of occupancy of a Sub-Lot shall constitute an agreement that these Bylaws and the provisions of the Declaration, as they may be amended from time to time, are accepted, ratified and will be complied with.

ARTICLE II

MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership.

a. Membership of Association. The membership of the Association shall be composed of the Owner of each of the Sub-Lots in the Development.

b. Members' Rights and Duties. Each member shall have the rights, duties and obligations set forth in the Declaration, Bylaws and the Association's rules, as the same may be adopted and from time to time managed.

c. Transfer of Membership. The Association membership of each person or entity who owns, or owns an interest in, one or more Townhouse Sub-Lot shall be appurtenant to each such Sub-Lot and shall not be assigned, transferred, pledged, hypothecated, conveyed or alienated in any way except on a transfer of title to each such Sub-Lot or interest in it and then only to the transferee. Any attempt to make a prohibited transfer shall be void. Any transfer of title to a Sub-Lot or interest in it shall operate automatically to transfer the appurtenant membership rights in the Association to the new Owner.

Section 2. Voting.

a. Number of Votes. As set forth in the Declaration, there is one membership in the Association for each Sub-Lot, and each Sub-Lot shall have one vote in the Association. When more than one person owns interest in a Sub-Lot, the vote for such Sub-Lot shall be exercised as the Owners of that Sub-Lot may determine, but in no case shall more than one vote be cast with respect to any one Sub-Lot.

b. Joint Owner Votes. The voting rights for each Sub-Lot may not be cast on a fractional basis. If any Owner exercise the voting right of a particular Sub-Lot, it will be conclusively presumed for all purposes that he was acting with the authority and consent of all other Owners of the same Sub-Lot. If more than one (1) person or entity exercises the voting rights for a particular Sub-Lot, their votes shall not be counted and shall be deemed void.

ARTICLE III

MEETINGS OF MEMBERS

Section I. Annual Meeting. There shall be an annual meeting of the Association each calendar year at such reasonable place and time as may be designated by notice given to the members in writing not less than seven (7) nor more than sixty (60) days prior to the date fixed for said meeting.

Section 2. Special Meetings. A special meeting may be called at any reasonable time and place by any member by

notice delivered to all other members not less than fifteen (15) days prior to the date fixed for said meeting. The presence at any meeting, in person or by poroxy, of the members entitled to vote at least in majority of the total votes shall constitute a quorum.

Section 3. Informal Action by Members. Any action required by law to be taken at a meeting of members may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be assigned by all of the members entitled to vote with respect to the subject matter thereof.

Section 4. Quorum. A majority of the membership in the Association shall constitute a quorum for a meeting of the members. If a quorum is not present at any meeting of members, a majority of the members present may adjourn the meeting to a time not less than five (5) days nor more than thirty (30) days from the date the original meeting was called.

Section 5. Proxies. At any meeting of members, a member entitled to vote may vote by proxy executed in writing by the member or by his duly authorized attorney-in-fact. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

ARTICLE IV

MANAGEMENT

The day-to-day affairs of the Association shall be managed by a Board of Directors consisting of three (3) members of the association elected at the annual meeting of the membership.

ARTICLE V

OFFICERS

The Board of Directors may designate such appropriate officers of the Association as may be deemed appropriate or useful for the effective management of the Association and performance of the duties of the Association enumerated in the Declaration.

ARTICLE VI

BOOKS AND RECORDS

The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of the membership. All books and records of the Association may be inspected by any member, or his agent or

attorney, for any proper purpose at any reasonable time.

ARTICLE VII

FISCAL YEAR

The fiscal year of the Association shall begin on the first day of January, and end on the last day of December, in each calendar year.

ARTICLE VIII

ASSESSMENTS

The Association shall determine from time to time the amount of assessments to be levied in accordance with the applicable provisions of the Declaration.

ARTICLE IX

WAIVER OF NOTICE

Whenever any notice is required to be given under applicable provisions of the Declaration or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

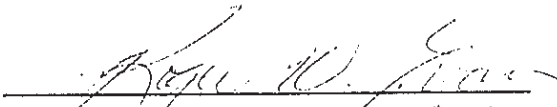
ARTICLE X

AMENDMENT TO BYLAWS

These Bylaws may be altered, amended, or repealed and new Bylaws may be adopted by the vote of a majority of the members of the Association at any regular meeting or special meeting called for that particular purpose.

I HEREBY CERTIFY that these Bylaws of Trail Creek Hollow Townhomes Association were adopted at the organizational meeting of the members of the Association.

DATED this 19th day of December, 1995.


RAYMOND W. JONES
MANAGING GENERAL PARTNER