

2014-00957

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Requested By: High Lonesome Ranch Estates

Christine Rhodes - Recorder

Cochise County, AZ

01-17-2014 01:05 PM Recording Fee \$15.00

WHEN RECORDED MAIL TO:

High Lonesome Ranch Estates
Property ~~owner~~ Association
PO Box 215
Elfrida AZ 85610

THE ABOVE SPACE RESERVED FOR RECORDING INFORMATION

CAPTION HEADING

DO NOT REMOVE

THIS IS PART OF THE OFFICIAL DOCUMENT

REVISED BYLAWS OF HIGH LONESOME RANCH ESTATES PROPERTY OWNERS
ASSOCIATION

Pursuant to the provisions of Arizona Revised Statutes, A.R.S. §10-3101, et seq. and A.R.S. §33-1801, et seq., the above Arizona nonprofit corporation hereby adopts the following Bylaws to replace in their entirety the Bylaws dated December 5, 2005; these Bylaws are effective February 1, 2014.

The purpose of the property Owner's association is of fostering, nurturing, and promoting the welfare, social enjoyment, and other needs of the property Owners and residents of High Lonesome Ranch Estates Property Owner's Association, hereinafter referred to as the "Association." By way of illustration, and not by way of limitation, such general purposes shall include but not be limited to the following specific functions:

- To promote harmonious relations between the Association and other communities in the immediate area.
- To work with all levels of governing bodies and government agencies for the general welfare and progress of the Association.
- To keep the property Owners and residents of the Association informed of legal, environmental, and other developments which may affect the community.
- To promote harmonious relationships between Members and residents of the Association, including the promulgation of education concerning the property restrictions applicable to the Association and the enforcement of the said restrictions, as necessary, for the welfare of the community.

ARTICLE I
NAME AND LOCATION

The name of the corporation is High Lonesome Ranch Estates Property Owners Association, hereinafter referred to as the "Association". Meetings of Members and Directors may be held at such places within the State of Arizona, as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

Section 2.1 "Association" shall mean and refer to High Lonesome Ranch Estates Property Owners Association, an Arizona nonprofit corporation, its successors and assigns.

Section 2.2 "Properties" shall mean and refer to that certain real property described in the Declaration.

Section 2.3 "Common Area" shall mean all real property from time to time owned or controlled by the Association for the common use and enjoyment of the Owners, and all improvements thereto.

Section 2.4 "Lot" shall mean and refer to Lots shown upon the recorded Record of Survey of the Properties with the exception of any areas designated thereon as Common Area. "Lot" shall include lots later annexed in accordance with the Declaration.

Section 2.5 "Owner" shall mean and refer to the record Owner, whether one (1) or more persons or entities, of the 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 2.6 "Officer" shall mean and refer to a person elected or appointed to manage an organization's daily operations, such as a president, vice president, secretary, or treasurer. An officer shall, at all times, be a Member of the Board of Directors.

Section 2.7 "Declaration" shall mean and refer to the Declaration of Covenants, Conditions, Restrictions and Easements for High Lonesome Ranch Estates—Unit 1, Lots 7 Through 50, and High Lonesome

Ranch Estates Unit II, Lots 52 through 141, as recorded in fee # 001028197 and 010928105 in the Office of the Cochise County Recorder, State of Arizona, as it may be amended from time to time.

Section 2.8 "Member" shall mean and refer to those persons entitled to Membership in the Association as provided in the Declaration.

ARTICLE III MEETING OF MEMBERS

Section 3.1 Annual Meetings. The annual meeting of the Members shall be held during the first quarter of each calendar year at a time and date to be announced.

Section 3.2 Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors or upon written request of the Members who are entitled to vote one-tenth (1/10) of all of the votes entitled to be cast by the Membership.

Section 3.3 Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, either electronically, if and as permitted by state law, or postage prepaid, at least fifteen (15) days, and no more than fifty (50) days, before such meeting to each Member entitled to vote thereafter, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting.

Section 3.4 Quorum. The presence at the meeting of Members entitled to cast twenty-five percent (25%) of the votes of each class of Membership shall constitute a quorum for any action, except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. Pursuant to ARS 33-1812B, votes cast by absentee ballot or other form of delivery are valid for the purpose of establishing a quorum. If, however, such quorum shall not be present at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present. If the adjournment is for more than thirty (30) days, notice shall be given to each Member entitled to vote at the meeting.

Section 3.5 Mail or Absentee Ballots. At all meetings of Members, each Member may vote in person or by Mail or Absentee Ballot which ever applies. Proxies Ballots are not allowed per A.R.S. 33-1812. There shall be one vote per lot per item being voted.

Section 3.6 Member Action Without a Meeting. Unless the Articles provide otherwise, any action required or permitted to be taken by the Members at a meeting may be taken without a meeting, by written consent, as evidenced by one or more written consents describing the action taken, signed by a majority of the Members (or such greater percentage as may be required hereunder or in the Articles or Declaration for the action taken hereunder) and filed with the minutes or corporate records. Action taken by written consent is effective when the last Member (of the number required for the action) signs the consent, unless the consent specifies a different effective date. A signed consent has the effect of a meeting vote and may be described as such in any document.

Any vote of the Members may also be taken without a meeting, by written ballot, if (1) the Association delivers a written or electronic, if and as permitted by state law, ballot to every Member entitled to vote on the matter, giving the Member an opportunity to vote for or against the proposed action, and setting forth (a) the proposed action, (b) the number of responses needed to meet quorum requirements, (c) the percentage of approvals needed to approve the matter, and (d) the time by which a ballot must be delivered in order to be counted, which shall be not fewer than three days after the corporation delivered the ballot to the Members; (2) the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action; and (3) the number of approvals equals or exceeds the

number of votes that would be required to approve the action at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

ARTICLE IV BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 4.1 Number. The affairs of the Association shall be managed by the Board. The Board shall consist of, and the voting Members shall elect, three (3) or five (5) directors, each of whom must be an individual Member or an individual designated by a corporation, partnership, or other non-individual Member;

Section 4.2 Term of Office. The directors shall be elected at the annual meeting of the Members, and the term of the directors, shall be staggered three year terms. No director shall serve more than six (6) years, including any prior service on the board, unless three (3) consecutive years have passed since the director's last full term. Thereafter, the director may only serve alternating three (3) year terms with three (3) year vacancies after each term. Alternatively, the director can serve additional terms if a petition for nomination, signed by Members representing thirty-five percent (35%) of the eligible votes is presented to the Nominating Committee at least sixty (60) days prior to the annual election and thirty (30) days prior to any special election.

Section 4.3 Removal. Any director may be removed from the Board, with or without cause, by a simple majority vote of a quorum of the Members present in person or by mail, electronic ballot, if and as permitted by state law, or absentee ballot at a meeting of the Members, in accordance with A.R.S. 33-1813. In order to recall any director, a petition signed by 25 percent of the Members entitled to vote must be presented to the Board. The Board will call a meeting of Members within forty five (45) days from the receipt of a valid petition, -ballots will be mailed, or provided electronically, if and as permitted by state law, to all Members and counted in the vote. Any director so removed by the Members shall be replaced by a director elected by the Members. Such election can take the form of a "recall and replace" ballot, or by a separate election, as directed by the Member action. A replacement candidate, or candidates, may be selected by the Member or Members initiating the recall effort, however a write-in section shall be included in the replacement portion of the ballot so that all eligible Members, who are in good standing, have the opportunity to be included in the replacement portion of the ballot. So as to avoid any conflict of interest, the existing Board of Directors' sole responsibility shall be the announcement of the meeting and distribution of the ballot. Any meeting that may be held for the recall vote, and any other actions related to the recall, are coordinated by the Member action. The board of directors shall retain all documents and other records relating to the proposed removal of the Member of the board of directors for at least three years after the date of the special meeting and shall permit Members to inspect those documents and records pursuant to section 33-1805. A recalled director is ineligible to run for office again. In the event of death, or resignation of a director, his or her successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his or her predecessor. If, however, more than twelve (12) unexpired term months remain, a special election of the Members may be held, at the discretion of the Board, in accordance to the procedures of an annual election. Under these circumstances, the Board, at its discretion, may appoint an interim director until the special election can be held. The interim director's eligibility to serve on the board is limited to term limits as outlined in these bylaws, but he or she may also run for election in the special election for the remaining term on the board if term limits have not been surpassed, or if completion of the remaining term does not surpass term limits.

Section 4.4 Compensation. No director shall receive compensation for any service he or she may render to the Association that is within his or her duties as a director. However, any director may be reimbursed for his or her actual expenses incurred in the performance of his duties, provided such expenses are documented and approved by the Board.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 5.1 Nomination. Nominations from the floor are not allowed. Nomination for the regular annual election to the Board of Directors or to replace a board Member in the event of resignation or death of a board Member whose remaining term is more than twelve (12) months, shall be made by a Nominating Committee. The Nominating Committee shall consist of a Chair, who shall be a Member of the Board of Directors, and two (2) Members of the Association. The Nominating Committee shall be appointed by the Board of Directors- The Nominating Committee shall send a written request to all Members at least 60 days prior to the annual election, or 30 days prior to a special election for replacement of a director due to resignation or death, requesting letters of intent to run for the Board. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations shall be made from among individual Members, who are in good standing with the Association and granted an opportunity for a hearing as outlined in Article 10 of these Bylaws if that standing is questioned. No Member who is in good standing with the Association shall be denied the opportunity to run for the Board of Directors unless their election would surpass the term limits outlined in these Bylaws.

Section 5.2 Election. All ballots for election to the Board of Directors, either for the annual election, a special election, or a recall vote, shall comply with A.R.S. 33-1812. All ballots will include a write-in category, and any eligible write-in candidate who is in good standing and granted the opportunity for a hearing, as outlined in Article 10 of these Bylaws, shall be considered entitled to run, so long as their election would not surpass term limits as outlined in these Bylaws. Election to the Board of Directors shall be by secret written ballot. In any such election, every Owner entitled to vote, except those not in good standing due to failure to pay dues or other violations, and granted the opportunity for a hearing as outlined in Article 10 of these Bylaws if that standing is questioned, shall be entitled to cast the number of votes attributable to such Owner multiplied by the number of directors to be elected. Each Owner shall have the right to accumulate the Owner's votes for one (1) candidate or to divide such votes among any number of the candidates. A mail or absentee ballot or a secure electronic ballot, if and as permitted by state law, will be sent to all Members 30 days prior to the annual meeting, special election, or recall election. Completed ballots can be mailed to the association, submitted electronically if an electronic ballot has been provided, if and as permitted by state law, or brought to the annual meeting or meeting called for a special or recall election.

ARTICLE VI MEETINGS OF DIRECTORS

Section 6.1 Regular Meetings. All meetings of the Board Of Directors will be held in accordance with A.R.S 33-1804. Regular meetings of the Board shall be held at least once per year, at such place and hour as may be fixed from time to time by resolution of the Board. All meetings of the association and Board of Directors are open to all Members of the association or any person designated by a Member in writing as the Member's representative and all Members or designated representatives so desiring shall be permitted to attend and speak at an appropriate time during the deliberations and proceedings. Any email or private discussion by a quorum of the board relating to board business, outside of simple scheduling of meeting date, time and location, is expressly prohibited and any documented, and deliberate or ongoing attempt to partake in such discussion is grounds for immediate removal from the board, without any special election by board Members or association Members, but by simple presentation of a petition, along with evidence of such activities, signed by Members representing 25% of available votes, demanding the resignation of said board Member(s).

Each Member, or Member's representative, may speak for no more than three minutes per subject, unless additional, reasonable time is granted by the meeting chair. The Board shall permit a Member or Member's designated representative to speak before the Board takes formal action on an item under discussion in addition to any other opportunities to speak. The board shall provide for a reasonable

number of persons to speak on each side of an issue. Persons attending may audio or video record those portions of the meetings of the board of directors and meetings of the Members that are open, and publish such audio or video recordings in a way where only Members have access to the recording. Each action item agenda item shall comply, to the best of the Board's ability, with the following general framework; discussion by the board and/or a motion and second by the Board, further discussion by Board Members, additional discussion by attending Members, or Member representatives, prior to a vote, per A.R.S. 33-1807 E. Any attendee, including a Board Member, who makes slanderous or incendiary remarks may be removed from the meeting by the Board, at the Board's discretion. Regular meetings shall be limited to a two-hour duration; at the end of the two-hour limit, the meeting shall be adjourned, and all remaining agenda items shall be added to the beginning of the next meeting's agenda. However, the Board may vote to continue the meeting for an additional 30 minutes. Additional extensions may be permitted if additional Board votes approve of such extensions.

Any portion of a meeting may be closed only if that closed portion of the meeting is limited to consideration of one or more of the following:

1. Legal advice from an attorney for the Board or the association. On final resolution of any matter for which the Board received legal advice or that concerned pending or contemplated litigation, the Board may disclose information about that matter in an open meeting except for matters that are required to remain confidential by the terms of a settlement agreement or judgment.
2. Pending or contemplated litigation.
3. Personal, health and financial information about an individual Member of the association, an individual employee of the association or an individual employee of a contractor for the association.
4. Matters relating to the job performance of, compensation of, health records of or specific complaints against an individual employee of the association or an individual employee of a contractor of the association who works under the direction of the association. Notice to Members of meetings of the Board of Directors shall be given at least forty-eight hours in advance of the meeting by newsletter, conspicuous posting or any other reasonable means as determined by the Board of Directors, for example, sending notice via email.

Section 6.2 Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two (2) directors, after not less than three (3) days written notice to each director, and announced to all Members at least 48 hours prior to the meeting by conspicuous posting or any other reasonable means as determined by the Board of Directors.

Section 6.3 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.

Section 6.4 Emergency Meeting. An emergency meeting of the board of directors may be called to discuss business or take action that cannot be delayed until the next regularly scheduled board meeting. The minutes of the emergency meeting shall state the reason necessitating the emergency meeting. The minutes of the emergency meeting shall be read and approved at the next regularly scheduled meeting of the board of directors. The definition of an emergency will comply with the following rule of thumb: If there is time to contact legal counsel to ask if the situation at hand is an "emergency," it is not an emergency.

ARTICLE VII RESPONSIBILITIES, POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 7.1 Responsibilities. As per 5.1 of the Association's Conditions, Covenants, Restrictions and Easements (CCRs), the Association shall be responsible for the protection, improvement, alteration, maintenance, repair, replacement, administration, management and operation of the Common Area. As

per 11.1 of the CCRs, the Association, or any Member, shall have the right, but not the duty, to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens or charges now or hereafter imposed by the provisions of the CCRs.

Section 7.2 Powers. The powers of the Board of Directors shall be limited to:

A. Adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof. Rules, regulations and procedures may also be adopted and published to clarify interpretation of these Bylaws, the Declaration of Conditions, Covenants, Restrictions and Easements, the Articles of Incorporation, or other aspects of Association membership. All changes, deletions or additions to rules, regulations and procedures are subject to approval by a simple majority vote of a quorum of the Members, through a single annual ballot, or as a special vote, if deemed urgent by the Board.

B. Suspend the voting rights of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association, so long as such Member has the opportunity for a hearing in accordance to Article 10 of these bylaws.

C. Exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the Membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;

D. Declare a vacancy on the Board of Directors in the event such Member shall be absent from three (3) consecutive regular meetings of the Board of Directors, and so long as the board Member in question has been contacted and notified, in writing, of this clause of these bylaws after the second consecutive absence.

E. Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties; and

F. Grant easements over, across or under the Common Areas for public utilities, ingress, egress and such other purposes as may be deemed advisable by the Board.

G. Enforce these Bylaws, the Articles of Incorporation, and/or the Declaration, to the best of its ability. Any enforcement must not interfere with each Member's right to quiet enjoyment. "Quiet enjoyment" refers to the right to live in the community without being harassed or abused by others. In order to protect all Members' right to quiet enjoyment, board Members, Members and other residents shall not engage in any abusive or harassing behavior, either verbal or physical, or any form of intimidation or aggression directed at other Members, residents, guests, occupants, invitees, or directed at the Board of Directors, management, its agents, its employees, or vendors. For the purposes of these bylaws, harassment is legally defined as outlined in A.R.S. 13-2921. For the purposes of these bylaws, the definition of abuse shall be defined using Black's Law Dictionary, as "insulting, hurtful, or offensive wrongs or acts."

If a dispute arises from or relates to these bylaws, the Articles of Incorporation or the Declaration, or the breach thereof, the parties hereto shall use their best efforts to settle the dispute, claim, question, or disagreement. To this effect, they shall consult and negotiate with each other in good faith and, recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to both parties. If they do not reach such solution within a period of 60 days, then all disputes, claims, questions, or differences shall be settled by mediation administered by the American Arbitration Association before resorting to arbitration. The parties further agree that any unresolved controversy or claim arising out of or relating to these bylaws, the Articles of Incorporation or the Declaration, or breach thereof, shall be settled by arbitration administered by the American Arbitration Association and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

Claims shall be heard by a single arbitrator. The place of arbitration shall be Cochise County, Arizona. The arbitration shall be governed by the laws of the State of Arizona. Each party will, upon written request of the other party, promptly provide the other with copies of all relevant documents. There shall be no other discovery allowed. The arbitration will be based on the submission of documents and there shall be no in-person or oral hearing. The arbitrators will have no authority to award punitive or

other damages not measured by the prevailing party's actual damages, except as may be required by statute. The arbitrators may determine how the costs and expenses of the arbitration shall be allocated between the parties, but they shall not award attorneys' fees.

The board may not pursue litigation under any circumstances unless the contemplation of such litigation is brought to a vote, and approved by a simple majority of a quorum of Members, and unless such litigation includes a special assessment, to be determined by the board, and to be paid by all Members of the association to cover reasonable legal fees and expenses.

Section 7.3 Duties. It shall be the duty of the Board of Directors to:

- A. As more fully provided in the Declaration:
 1. Fix the amount of the annual assessment against each Lot;
 2. Send written notice of each assessment to every Owner subject thereto; and
 3. Foreclose the lien against any property for which assessments are not paid, and only if the Owner has been delinquent in the payment of monies secured by the lien, excluding reasonable collection fees, reasonable attorney fees and charges for late payment of and costs incurred with respect to those assessments, for a period of one year or in the amount of one thousand two hundred dollars or more, whichever occurs first, or to bring an action at law against the Owner personally obligated to pay the same, provided same is cost effective in the sole discretion of the Board of Directors;
- B. 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 a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- C. Procure and maintain liability and hazard insurance on property owned by the Association in the amounts required by the Declaration or otherwise determined by the Board of Directors in their sole discretion;
- D. Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- E. Cause the Common Area, and any other areas for which the Association is responsible, to be maintained, repaired and otherwise protected; and
- F. Send the information required by Article XIII below to a prospective purchaser of a Lot upon receipt of the required notice of pending sale.

ARTICLE VIII OFFICERS AND THEIR DUTIES

Section 8.1 Enumeration of Offices. The officers of this Association shall be a president, vice-president, secretary and treasurer, who shall at all times be Members of the Board of Directors and such other officers as the Board may from time to time by resolution create.

Section 8.2 Election of Officers. Officers shall be selected by the Board at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 8.3 Term. The officers of this Association shall be selected annually by the Board and each shall hold office for one (1) year unless he or she shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 8.4 Special Appointments. The Board may select 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 8.5 Resignation and Removal. Any officer may be removed from office, but not from the board, with a simple majority vote of a quorum of the association Membership. Any officer may resign at any time by 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 8.6 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 or she replaces.

Section 8.7 Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one (1) of any of the other offices except in the case of special offices created pursuant to Section 8.4 of this Article.

Section 8.8 Duties. The duties of the officers are as follows:

A. PRESIDENT The president shall, along with the secretary, set the agenda of all regular meetings; 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.

B. VICE-PRESIDENT The vice-president shall act in the place and stead of the president in the event of the president's absence, or inability to act, and shall exercise and discharge such other duties as may be required by the Board.

C. SECRETARY The secretary, along with the president, shall set the agenda of all regular meetings. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; 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. The treasurer shall insure the reserve funds are held in a savings account non-related to the operating account, which may only be used for road repairs or emergency road maintenance which may, from time to time, inadvertently surpass the budgeted amount. The treasurer shall co-sign all checks and promissory notes of the Association, keep or cause to keep, all financial records of the Association and send, or cause to have sent, all invoices for assessments and other fees; cause an annual review 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. The Treasurer and President may in writing delegate to a professional management company the authority to execute checks for ordinary and necessary operating expenses of the Association. Capital expenses shall require the signature of the Treasurer and President.

ARTICLE IX COMMITTEES

The Association shall appoint a Nominating Committee and an Architectural Review Committee. The Nominating and Architectural Review Committees shall each include a board member who acts as the chair of the committee. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose. Within 60 days following the annual meeting, the board may reassign committee appointments, as it deems appropriate. All committee members must be in good standing, or have had the opportunity for a hearing, as per Article 10 of these Bylaws, if their standing is questioned. The board may assign board members to be committee liaisons. All committee meetings, except the Architectural Review Committee, are subject to open meeting laws and announcements, per A.R.S. 13-1804.

ARTICLE X HEARINGS

In the event the Board shall exercise its right: 1) to suspend voting rights; 2) to suspend the rights of an Owner or his or her family to use the Common Area; or 3) to impose any monetary penalty, the Board shall first give the sanctioned party written notice of the basis for such sanctions, and the sanctioned party shall be granted an opportunity to be heard by the Board as per A.R.S. 33-1803. The form of such notice and the specific procedures for the hearing shall be determined by the rules and regulations adopted by Board resolutions.

ARTICLE XI 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 Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XII ASSESSMENTS

As more fully provided in the Declaration, 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. Charges for the late payment of assessments shall be set by the board, and shall not exceed the greater of fifteen dollars or ten per cent of the amount of the unpaid assessment. 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, costs and reasonable attorney's 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 non-use of the Common Area or abandonment of his or her Lot.

ARTICLE XIII SALE OF LOT BY OWNER/MEMBER

Each Member is required, by the Declaration, to notify the Association in writing, not less than 10 business days prior to the closing of any sale of such Member's Lot, of the name and address of the purchaser thereof, as well as the scheduled closing date for the sale. The Association shall, upon receipt of such information, mail or otherwise deliver to such purchaser a copy of the Declaration, Bylaws, Association Rules, and a statement containing the following information:

- A. The telephone number of a principal contact for the Association, which may be an officer thereof, a management company employed thereby, or any other person.
- B. The amount of the current regular annual assessment, and the amount of any assessments or fees currently owed by the selling Member;
- C. Whether or not any portion of the Lot or Dwelling Unit thereon is covered by insurance maintained by the Association;
- D. Whether the Association knows of any alterations or improvements to the Lot that violate any provision of the Declaration or Association Rules (and, if so, the nature of those violations);
- E. Whether the Association knows of any violation of the health or building codes with respect to the Lot (and, if so, the nature of those violations); and
- F. The case name and number of any pending litigation filed by the Association against the selling Member with respect to the Lot, and the case name and number of any pending litigation filed by the Member against the Association (except that the Association shall not be required to disclose any information protected by the attorney-client privilege).

ARTICLE XIV

AMENDMENTS – CONFLICTS

Section 15.1 These Bylaws may be amended by the Board of Directors of the Association, subject to approval by a simple majority vote of the Owners representing at least sixty-seven percent (67%) of the total votes held by the Members.

Section 15.2 In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws or the Articles, the Declaration shall control. Invalidation of any provision or term of these Bylaws by judgment or court order shall not affect any other provision or term hereof which shall remain in full force and effect. Through its Board, the Association shall have the exclusive right to construct and interpret the provisions of these Bylaws, except for judicial construction.


ARTICLE XVII
FISCAL YEAR

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

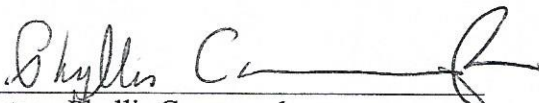
ARTICLE XVIII
NOTICE

All notices, demands, statements or other communications required to be given or served under these Bylaws shall be in writing and shall be deemed to have been duly given and served if delivered personally or sent by U.S. Mail, postage prepaid or, in the case of a notice pursuant to Section 7.1(B) of these Bylaws, registered or certified U.S. Mail, return receipt requested, postage prepaid: (1) if to an Owner, at the address that the Owner shall designate in writing and file with the Secretary or, if no such address is designated, at the Owner's property address within the Property or (ii) if to the Association, the Board or any manager employed by the Association with respect to management of the Common Areas, at the principal office of the manager or such other address as shall be designated by notice in writing to the Owners, with copies mailed or delivered personally to the Association at its then principal address. A notice given by mail, whether regular, certified, or registered, shall be deemed to have been received by the person to whom the notice is addressed on the earlier of the date the notice is actually received or three (3) days after the notice is mailed.

In Witness Whereof, we have executed these Bylaws this 16th day of January, 2014.



President, Greg Briner



Secretary, Phyllis Cavanaugh