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7546 BK 2353 PG 345  
OFFICIAL RECORDS OF MOHAVE COUNTY AZ.  
\*JEAN McCALL; MOHAVE COUNTY RECORDER\*  
02/07/94 2:15 P.M. PAGE 1 OF 27  
TRANSAMERICA TITLE  
RECORDING FEE 32.00

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When recorded, mail to:

William A. Clarke, Esq.  
Carson Messinger Elliott  
Laughlin & Ragan  
3300 North Central Avenue #1900  
Phoenix, AZ 85012

AMENDED AND RESTATED DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS  
FOR HAVASU GARDEN ESTATES EAST

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, Transamerica Title Insurance Company of Arizona, an Arizona corporation, as Trustee, caused to be recorded in Docket 45 of Official Records, Pages 55-67, records of Mohave County, Arizona, a Declaration of Restrictions of HAVASU GARDEN ESTATES EAST; and

WHEREAS, Standard Chartered Bank, an English banking corporation ("SCB"), as the Receiver for the assets of Havasu Garden Estates Homeowners Association and Havasu Garden Estates Homeowners Association, Inc. in Mohave County Superior Court Cause Number 93-CV-469 and as the Owner of not less than seventy-five percent (75%) of the Lots in Havasu Garden Estates East desires to rescind the previously recorded Declaration of Restrictions in their entirety and substitute in lieu thereof the following restrictions, which shall apply to the real property legally described as:

Lots One (1) through Eight Hundred Thirty-Four (834) inclusive, Common Areas A through K, inclusive, and all Streets of

HAVASU GARDEN ESTATES EAST Tract No. 1122,  
according to the plat of record in the  
office of the County Recorder of Mohave  
County, Arizona in Book 120 of Maps, page  
32 (the "Project").

NOW, THEREFORE, to establish, for its own benefit, and for the mutual benefit of all present and future Owners, lienholders, occupants, or other holders of an interest in the Project, or any part thereof, certain easements and rights, and certain mutually beneficial covenants, restrictions and obligations with respect to the proper use, conduct and maintenance of the Project, SCB hereby submits the Project to these Covenants, Conditions and Restrictions and the same shall be held, conveyed, mortgaged, encumbered, leased, rented, occupied, improved and used subject to the following Covenants, Conditions and Restrictions. The Covenants, Conditions and Restrictions set forth in this Declaration shall run with the Project, shall be binding upon all persons having or acquiring any right, title or interest in the Project, or any part thereof, shall inure to the benefit of every portion of the Project, and any interest therein, shall inure to the benefit of and be binding upon any successor in interest of each Owner and may be enforced by any Owner or by their successors in interest or by the Association.

1. Capitalized terms used in this Declaration shall have the following meanings:

(a) "Architectural Committee" means the committee established pursuant to this Declaration and the Bylaws.

(b) "Architectural Committee Rules" means the rules adopted by the Architectural Committee, as the same may be amended from time to

time.

(c) "Articles" means the Articles of Incorporation of the Association, as the same may be amended from time to time.

(d) "Assessments" means the monthly and special assessments levied and assessed against each Lot pursuant to this Declaration.

(e) "Association" means the Arizona non-profit corporation organized or to be organized by SCB to administer and enforce the Project Documents and to exercise the rights, powers and duties set forth therein, and its successors and assigns. SCB intends to organize the Association under the name of Havasu Garden Association, Inc., but if such name is not available, then SCB may organize the Association under such other name as SCB deems appropriate.

(f) "Association Rules" means the rules and regulations adopted by the Association, as the same may be amended from time to time.

(g) "Board" means the Board of Directors of the Association.

(h) "Bylaws" means the Bylaws of the Association, as the same may be amended from time to time.

(i) "Common Areas" means the recreational, drainage and other parcels designated on the Plat as Parcels A, B, E, F, G, H, I, J, K and all private streets and roadways in the Havasu Garden Estates subdivision.

(j) "Common Expenses" means expenditures made or liabilities incurred by or on behalf of the Association in connection with the Common Areas or Streets, together with any allocation to a reserve fund.

(k) "SCB" means Standard Chartered Bank, an English banking corporation, and its successors, as Receiver for the assets of Havasu Garden Estates Homeowners Association and Havasu Garden Estates Homeowners Association, Inc. in Mohave County Superior Court Cause Number 93-CV-469. As used herein "SCB" shall also be deemed to include any person or entity to whom SCB expressly assigns any or all of SCB's rights under this Declaration.

(l) "Declaration" means this entire document, as the same may be amended from time to time.

(m) "First Mortgage" means any mortgage or deed of trust on a Lot with first priority over any other mortgage or deed of trust.

(n) "First Mortgagee" means the holder of any First Mortgage.

(o) "Lots" means the individual residential lots shown and designated on the Plat as Lots 1 through 834.

(p) "Member" means any person, corporation, partnership, joint venture or other legal entity who is or becomes a member of the Association by virtue of its ownership of a Lot or Lots, including SCB.

(q) "Owner" means the record owner, whether one or more persons or entities, of beneficial or equitable title (and legal title if the same has merged with the beneficial or equitable title) to the fee simple interest of a Lot. Owner shall not include (i) persons or entities having an interest in a Lot merely as security for the performance of an obligation, (ii) a lessee or tenant of a Lot, or (iii) SCB. Owner shall include a purchaser under a contract for the conveyance of real property, a contract for deed, a contract to convey, an agreement for sale or any similar contract through which a seller

has conveyed to a purchaser equitable title in a Lot under which the seller is obligated to convey to the purchaser the remainder of seller's title in the Lot, whether legal or equitable, on payment in full of all monies due under the contract. Owner shall not include a purchaser under a purchase contract, escrow instructions or similar executory contracts which are intended to control the rights and obligations of the parties to executory contracts pending the closing of a sale or purchase transaction. In the case of Lots, the fee simple title to which is vested in a trustee pursuant to A.R.S. §33-801, et seq., the trustor shall be deemed to be the Owner. In the case of Lots, the fee simple title to which is vested in a trustee pursuant to a subdivision trust agreement or similar agreement, the beneficiary of any such trust who is entitled to possession of the Lot shall be deemed to be the Owner.

(r) "Plat" means the map for Havasu Garden Estates East, which map has been recorded with the County Recorder of Mohave County, Arizona, in Book 120 of Maps, page 32, and any amendments thereto.

(s) "Project" means all of the property shown and designated on the Plat including the Lots, the Common Areas and the Streets.

(t) "Project Documents" means this Declaration and the Articles, Bylaws, Association Rules and Architectural Committee Rules.

(u) "Purchaser" means any person or entity, other than SCB, who by means of a voluntary transfer becomes the Owner of a Lot excepting, however, any person or entity who is assigned any or all of SCB's rights under this Declaration.

(v) "Single Family" means a group of one or more persons each

related to the other by blood, marriage or legal adoption, or a group of persons not all so related, together with their domestic servants, who maintain a common household on a Lot.

(w) "Streets" means the roadways within the Project as shown and designated on the Plat.

2. The Lots shall be known and described as Single Family residential lots.

3. No dwelling, building or structure shall be erected, altered, placed or permitted to remain on any Lot other than one detached Single Family dwelling or mobile home as hereinafter provided together with a private garage, carport or other outbuilding. Any such dwelling, mobile home, garage, carport or other outbuilding shall not exceed one story in height. No garage or other outbuilding shall be commenced or erected on any Lot until construction of the main building on such Lot, complying with these restrictions, shall be started or contracted for with a responsible contractor. Prior to the erection of such dwelling, building or structure, no garage or other outbuilding shall be used for residential purposes; provided, however, that this restriction shall not prevent the inclusion of guest or servant quarters in such garage or other outbuilding. Such guest house or servant quarters shall be limited to three (3) rooms and a bath. The work of constructing any dwelling, building or structure shall be prosecuted diligently from the commencement thereof until completion.

4. No Single Family dwelling, except for mobile homes as provided herein, shall be erected, permitted or maintained upon a Lot which contains less than 1,000 square feet of ground floor level area

under permanent roof, exclusive of open porches, pergolas, carports, garages or other outbuilding. All dwellings, structures and buildings erected, constructed and maintained and all mobile homes placed on said Lots and all appurtenant structures thereto shall be subject to the approval of the Board as hereinafter provided.

5. All buildings, dwellings or structures on all Lots shall be of new construction (except as herein provided for mobile homes) and shall conform to the standards and specifications established by the Board as hereinafter provided.

6. All dwellings, buildings, structures and mobile homes placed upon said Lots shall comply with all front, rear and side line setbacks as established by the applicable Mohave County, Arizona, authorities.

7. Any mobile home placed on a Lot shall be no more than two years old at the time it is placed on the Lot, and shall measure at least 12 feet in width by 50 feet in length and shall have complete sanitary facilities, including among other things, a lavatory, toilet, wash basin, tub and/or shower and kitchen sink, and must be properly connected to sewage and/or septic systems in conformity with all applicable county and state health requirements. Each mobile home when placed on a Lot shall be sunken or skirted so as to cover the wheels from view. Plans for the mobile home, its Lot location and placement, other structures, and any variation to the minimum measurements herein set forth must be submitted to and approved in writing by the Architectural Committee as hereinafter provided.

8. No store, office or other place of business of any kind,

and no hospital, sanitarium or other place for the care or treatment of the sick or disabled, physically or mentally, nor any church shall ever be erected or permitted on any Lot, and no business of any kind or character whatsoever shall be conducted in or from any residence located on said Lots.

9. No dwelling, building, structure, additions thereto or improvements of any character, including but not limited to mobile homes, residences, structures, outbuildings, fences, walls, etc. shall be permitted on any of the Lots without the prior written approval of the Architectural Committee being first had and obtained as to design, materials and location on the Lot. In the event the Architectural Committee fails to approve or disapprove such design and location, or the kind of materials to be used in such structure within thirty (30) days after written request so to do is filed with the Architectural Committee, then such approval will not be required provided the design, location and the kind of materials and the buildings or structures to be built or placed on said Lots shall be in harmony with existing buildings and structures within the Project, shall conform to applicable state and county regulations and shall otherwise conform to the requirements set forth in the Project Documents.

10. No outside toilets shall be permitted under any circumstance; and all toilets, sinks, baths, showers and similar plumbing or sanitation facilities shall be properly connected to and empty into underground septic tanks or sewer systems. All such septic tanks and sewer systems must meet the requirements of the applicable state and county health and sanitation departments.



11. Lots shall not be subdivided into smaller lots nor conveyed or encumbered in less than the full dimension of the Lot as shown on the Plat, except for the conveyance of public utility easements.

12. An entire Lot, together with the improvements thereon, may be rented or leased by the Owner thereof to a Single Family but not otherwise.

13. No poultry, livestock or other animals other than a reasonable number of household pets shall be permitted on any Lot.

14. No unlawful, offensive, noxious or immoral activity or condition shall be carried on or maintained upon any Lot, nor shall anything be done or permitted thereon which may be or become a nuisance or annoyance to the neighborhood. No equipment, service yards, woodpiles, or storage piles, nor anything normally described as junk, trash, or rubble shall be kept or maintained on any Lot. All rubbish, trash, or garbage shall be removed from the Lots and shall not be allowed to accumulate thereon. No incinerators shall be kept or maintained on any Lot.

15. With the exception of one "For Rent" or "For Sale" sign (which shall not exceed 18 x 24 inches in size), no advertising signs, billboards, unsightly objects or nuisances shall be erected, placed or permitted on any Lot.

16. No elevated tanks of any kind shall be erected, placed or permitted upon any of the Lots. Any tanks used in connection with any residence, building or structure on the Lots, including but not limited to tanks for storage of gas, fuel oil, gasoline, or oil, must be buried

or kept screened by adequate planting or fencing to conceal them from neighboring Lots and structures. Such tanks shall be used and maintained by the Owners thereof in strict conformance with all federal, state or local ordinances applicable thereto.

17. It is anticipated that residences will be constructed and/or mobile homes will be placed on the Lots and that ownership of each Lot shall be evidenced by an agreement of sale and/or deed to the Lot upon which said structure is situated. All portions of the Project with the exception of the Lots shall be designated as Streets or Common Areas. The Streets in the subdivision are private streets and as such will be taxed by the applicable state and county municipalities and said Streets will require certain upkeep and maintenance. The Common Areas may be used by the Association for recreational, planting, fence areas, water drainage or water storage facilities. The construction, repair, upkeep and maintenance of Streets and Common Areas and the payment of taxes and insurance thereon, shall be undertaken and paid for by the Association. The rights and obligations of the Association with respect to the upkeep, construction, repair, maintenance, operation and payment of taxes and insurance on the Streets and Common Areas are as set forth in the Project Documents.

18. The Association shall be a non-profit Arizona corporation and shall be the entity through which the Owners shall act. The Association shall have the rights and obligation set forth in the Project Documents, together with such rights, powers and duties as may be reasonably necessary in order to effectuate the objectives and purposes of the Association as set forth in the Project Documents.

Unless the Project Documents specifically require a vote of the Members, approval or actions to be given or taken by the Association shall be valid if given or taken by the Board of Directors

19. The affairs of the Association shall be conducted by a Board of Directors and such officers and committees as the Directors may elect and appoint, in accordance with the Articles and the Bylaws.

20. The Board of Directors, from time to time and subject to the provisions of the Project Documents, may adopt, amend, and repeal rules and regulations. The Association Rules, may, among other things, restrict and govern the use of any area by any Owner, by the family of such Owner, or by any invitee, licensee or lessee of such Owner; provided, however, that the Association Rules may not unreasonably discriminate among Owners and shall not be inconsistent with this Declaration, the Articles or Bylaws. A copy of the Association Rules as they may from time to time be adopted, amended or repealed, shall be mailed or otherwise delivered to each Owner and may be recorded.

21. The Board shall establish an Architectural Committee consisting of not less than three (3) Members appointed by the Board of Directors to regulate the external design, appearance, use and maintenance of the Project and to perform such other functions and duties as are imposed upon it by the Board of Directors.

22. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners, with the exception of SCB. Each Class A member shall be entitled to one (1) vote for each Lot owned.

Class B. The Class B member shall be SCB and shall be entitled to three (3) votes for each Lot owned by SCB. The Class B membership shall cease and be converted to Class A membership upon the happening of any of the following events, whichever occurs earlier:

(a) 120 days after the date by which seventy-five percent (75%) of all Lots have been conveyed to Owners; or

(b) when SCB, or its successor-in-interest, notifies the Association in writing that it relinquishes its Class B membership.

23. When more than one person is the Owner of a Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one ballot be cast with respect to any Lot. The vote for each such Lot must be cast as a unit, and fractional votes shall not be allowed. In the event that joint Owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question. If any Owner casts a ballot representing a certain Lot, it will thereafter be conclusively presumed for all purposes that he was acting with the authority and consent of all other Owners of the same Lot. In the event more than one ballot is cast for a particular Lot, none of said votes shall be counted and said votes shall be deemed void.

24. In the event a Lot is owned by a corporation, partnership or association, such entity shall be a Member and shall designate in writing to the Association at the time of its acquisition of the Lot, the name and title of the person who shall have the power to vote the membership of the corporation, partnership or association in the

Association. The person so designated shall be the only person who shall be entitled to cast the vote for the Lots owned by such corporation, partnership or association. If the corporation, partnership or association fails to designate the person who shall have the right to vote the membership of the corporation, partnership or association, then such corporation, partnership or association shall lose its right to vote and it shall not be considered as a Member for the purpose of determining the requirement for a quorum or any other purpose requiring the approval of a person entitled to cast the vote for the Lot owned by such corporation, partnership or association.

25. In the event any Owner is in arrears in the payment of any Assessment or other amounts due under the terms of the Project Documents for a period of thirty (30) days, said Owner's right to vote as a Member of the Association shall be automatically suspended and shall remain suspended until all payments, including accrued interest and attorneys' fees, are brought current. Additionally, the Board of Directors may suspend the voting rights of a Member for a period not to exceed sixty (60) days for any other infraction of the Project Documents.

26. The Association membership of each Owner of a Lot shall be appurtenant to the Lot or Lots owned. The rights and obligations of an Owner and the Owner's membership in the Association shall not be assigned, transferred, pledged, conveyed, or alienated in any way except upon transfer of ownership of such Lot, or by intestate succession, testamentary disposition, foreclosure of a mortgage of record, exercise of a power of sale under a Deed of Trust, or such

other legal process as is now in effect or as may hereafter be established under or pursuant to the laws of the State of Arizona. Any attempt to make a prohibited transfer shall be void and shall not be reflected upon the books and records of the Association. Any transfer of ownership of a Lot shall operate to transfer said membership to the new Owner thereof.

27. Each owner of a Lot, by acceptance of a deed therefor or otherwise becoming the Owner thereof, is deemed to covenant and agree to pay to the Association monthly and special assessments (the "Assessments"). The Assessments, together with interest, costs, reasonable attorneys' fees and all other amounts payable to the Association under the Project Documents shall be a lien on the Lot against which each such Assessment is made. Each such Assessment, together with interest, costs, and reasonable attorney's fees shall also be the personal obligation of each person who was the Owner of such Lot at the time when the Assessment was levied. The personal obligation for delinquent Assessments shall not pass to an Owner's successors in title unless expressly assumed by such successor.

28. The Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the Owners, for the improvement and maintenance of the Streets and Common Areas, and for all other purposes set forth in the Project Documents, including but not limited to, real and personal property taxes and assessments, insurance premiums, expenses for maintenance, repairs and replacements of the Streets and Common Areas and reserves for depreciation and contingencies.

29. Upon recordation of this Declaration, for the 1994 calendar year, the monthly assessment shall be Fifteen Dollars (\$15) for each Lot owned by an Owner. For the 1995 calendar year, the Association shall have the right (upon vote of the Members) to increase the monthly assessments to \$20 per Lot. For the 1996 calendar year, the Association shall have the right (upon vote of the Members) to increase the monthly assessments to \$25 per Lot. SCB shall not be responsible or liable for assessments on Lots owned by SCB. However, for the 1994 calendar year, SCB shall contribute to the Association funds to cover the operation deficit of the Association (exclusive of any budgeted amount for reserves). For the 1995 and 1996 calendar years, SCB shall loan to the Association funds sufficient to cover the operation deficit of the Association (exclusive of any budgeted amount for reserves). Such loan shall be due and payable on January 1, 1998 and shall bear interest at the rate of 10% per annum.

30. From and after January 1, 1997, the Board of Directors may, without a vote of the Members, increase the monthly assessment during each fiscal year of the Association by an amount proportional to the amount of increase during the prior fiscal year in the Consumer Price Index for All Urban Consumers (All Items), U.S. City Average, published by the United States Department of Labor, Bureau of Labor Statistics (1967-100), or in the event said index ceases to be published, by any successor index recommended as a substitute therefor by the United States government.

31. From and after January 1, 1997, the maximum monthly assessment may be increased by an amount greater than the maximum

increase allowed pursuant to the preceding paragraph, only with the approval of Members representing two-thirds (2/3) of the votes entitled to be cast at a meeting duly called for such purpose.

32. In addition to monthly assessments, the Association may levy, in any fiscal year of the Association, a special assessment applicable to that fiscal year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement or the Common Areas and Streets, including fixtures and personal property related thereto, or for any other lawful Association purpose, provided that any such special assessment shall have first been approved by Members representing two-thirds (2/3) of the votes entitled to be cast at a meeting duly called for such purpose.

33. Written notice of any meeting called for the purpose of taking any action authorized under Paragraphs 29, 30, 31 or 32 hereof shall be sent to all Members not less than thirty (30) days nor more than fifty (50) days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called, subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

34. Except for Lots owned by SCB, Assessments shall be fixed



at a uniform rate for each Lot. SCB shall not be obligated to pay Assessments on Lots owned by SCB.

35. The monthly assessments provided for herein shall commence as to all Lots on the first day of the month following recordation of this Declaration. The first monthly assessment shall be adjusted according to the number of months remaining in the fiscal year of the Association. The Board of Directors shall fix the amount of the monthly assessment against each Lot at least thirty (30) days in advance of each fiscal year. If the monthly assessment is not fixed by the Board of Directors at least thirty (30) days in advance of the fiscal year, then the monthly assessment for the prior fiscal year shall remain in effect until the thirtieth day after the Board fixes the monthly assessment for the then current fiscal year. Written notice of the monthly assessment shall be sent to every Member subject thereto prior to the commencement of the fiscal year; provided, however, that failure to give such notice shall not affect the validity or enforceability of the Assessments as fixed by the Board of Directors. The Board of Directors may require that special assessments be paid in installments. Unless otherwise specified by the Board of Directors special assessments shall be due thirty (30) days after they are levied by the Association and notice of the special assessment is given to the Owners.

36. Any Assessments, or any installment of an Assessment, which is not paid within fifteen (15) days after the Assessment first became due shall be deemed delinquent and shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum. Any

Assessment, or any installment of an Assessment, which is delinquent shall become a continuing lien on the Lot against which such Assessment was made. The lien shall be perfected by the recordation of a "Notice of Claim of Lien" which shall set forth (a) the name of the delinquent Owner, (b) the legal description or street address of the Lot against which the claim of lien is made, (c) the amount claimed as of the date of the recording of the notice including interest, collection costs, lien recording fees and reasonable attorneys' fees, (d) the name of the Owner of the Lot as shown in the records of the Association, and (e) the name and address of the Association. In the event the Association records a Notice and Claim of Lien against a Lot, the Owner of such Lot shall be obligated to pay to the Association a lien fee in such amount as may be established from time to time by the Board of Directors. The Association's lien shall have priority over all liens or claims created subsequent to the recordation of the Notice of Claim of Lien except for tax liens for real property taxes on the Lot, Assessments on any Lot in favor of any municipal or other governmental body and the liens which are specifically described in Paragraph 37 of this Declaration. Before recording a lien against any Lot, the Association shall make a written demand to the defaulting Owner for payment. Said demand shall state the date and amount of the delinquency. Each default shall constitute a separate basis for a demand or claim of lien, but any number of defaults may be included within a single demand or claim of lien. If such delinquency is not paid within ten (10) days after delivery of such demand, the Association may proceed with recording a Notice of Claim of Lien against the Lot of the defaulting Owner. The Association

shall have the right, at its option, to enforce collection of any delinquent Assessments in any manner allowed by law including, but not limited to, (a) bringing an action at law against the Owner personally obligated to pay the delinquent Assessments and such action may be brought without waiving any lien securing any such delinquent Assessments, (b) bringing an action to foreclose its lien against the Lot in the manner provided by law for the foreclosure of a realty mortgage, or (c) exercising a power of sale in the manner provided by law for a sale under a deed of trust. The Association shall have the power to bid at any foreclosure sale and to purchase, acquire, hold, lease, mortgage and convey any and all Lots purchased at such sale.

37. The lien of the Assessments provided in this Declaration shall be subordinate to the lien of any First Mortgage. Any First Mortgagee or any other party acquiring title or coming into possession of a Lot through foreclosure of a First Mortgage, purchase at a foreclosure sale or trustee sale, or through any equivalent proceedings, such as, but not limited to, the taking of a deed in lieu of foreclosure, shall acquire title free and clear of any claims for unpaid Assessments and charges against the Lot which became payable prior to such sale or transfer. Any such delinquent Assessments which are extinguished pursuant to this Section may be reallocated and assessed to all Lots as a common expense. Any Assessments and charges against the Lot which accrue prior to such sale or transfer shall remain the obligation of the defaulting Owner of the Lot.

38. No Owner of a Lot may exempt himself from liability for payment of Assessments and other charges levied pursuant to this

Declaration by waiver or nonuse of any of the Common Areas and facilities or by the abandonment of his Lot.

39. In the event that any taxes are assessed against the personal property of the Association, said taxes shall be included in the Assessments made under the provisions of this Declaration, and, if necessary, a special assessment may be levied against the Lots in an amount equal to said taxes, to be paid in two installments, thirty (30) days prior to the due date of each tax installment.

40. The Association shall, upon demand of an Owner, furnish to such Owner a certificate in writing signed by an officer of the Association setting forth whether the Assessments on a particular Lot have or have not been paid and the amount of any unpaid Assessments. The Association may charge the Owner requesting the certificate a reasonable fee in an amount established by the Board of Directors for each such certificate. Such certificate shall be conclusive evidence of payment of any Assessment described in the certificate as having been paid.

41. Out of the monthly assessments, the Association shall establish and maintain an adequate reserve fund equal to at least ten percent (10%) of the monthly assessment, for the periodic maintenance, repair and replacement of improvements to the Streets and Common Areas which the Association is obligated to maintain.

42. All Assessments shall be payable in accordance with the provisions of this Declaration, and no offsets against such Assessments shall be permitted for any reason, including, without limitation, a claim that the Association is not properly exercising its duties and

powers as provided in this Declaration, the Articles or Bylaws.

43. To assure that the Association shall have adequate funds to meet its expenses or to purchase necessary equipment or services, each Purchaser of a Lot from SCB or its successor-in-interest shall pay to the Association, immediately upon becoming the Owner of the Lot, a sum equal to two months' Annual Assessment on his Lot. Such amount shall not be considered as an advance payment of any Assessments levied by the Association pursuant to this Declaration.

44. In the event the Owner of any Lot shall fail to maintain the Lot and the exterior of the improvements situated thereon in a manner satisfactory to the Board of Directors, the Association, through its agents and employees, shall have the right to enter upon such Lot and to repair, maintain, rehabilitate and restore the exterior of any improvements situated hereon, and the cost thereof shall be charged against the Owner of said Lot and shall become a lien on said Lot which may be foreclosed as herein provided in the case of unpaid Assessments, provided, however, that the Association first gives written notice to the Owner of said Lot of its intention to make such repairs or of its intention to perform such maintenance or rehabilitation work and affording the Owner of said Lot sixty (60) days in which to make said necessary repairs or maintenance work. If at the end of the sixty-day period the work to be performed has not been done by the Owner, then the Association shall have the right (but not the obligation) as set forth herein to make such maintenance, repairs, or rehabilitation work. Nothing herein contained shall be construed to grant to the Association any right to enter into or inside any building or buildings located on

any Lot without the consent of the Owner thereof.

45. The covenants, restrictions, reservations and conditions contained herein shall run with the land and shall be binding upon all persons purchasing, leasing, subleasing or occupying any Lot in the Project. These covenants, conditions and restrictions may be enforced by the beneficial Owner of any Lot in the Project, or by any one or more of said Owners, by the Association or by SCB; provided, however, that any breach of said covenants, conditions and restrictions, or any right of re-entry by reason thereof, shall not defeat or affect the lien of any mortgage or deed of trust made in good faith and for value upon said land, but each and all of said covenants, conditions and restrictions shall be binding upon and effective against any Owner of a Lot whose title thereto is acquired by foreclosure, trustee's sale or otherwise, and provided also that the breach of any of said covenants, conditions and restrictions may be abated, enjoined, or remedied by appropriate proceedings, notwithstanding the lien or existence of any such deed of trust or mortgage. All instruments of conveyance of any interest in all or any part of the Project shall contain the covenants, restrictions, reservations and conditions herein as fully as though the terms and conditions of this Declaration were therein set forth in full; provided, however, that the terms and conditions of this instrument shall be binding upon all persons affected by its terms, whether express reference is made to this instrument or not.

46. Failure to enforce any of the covenants, conditions and restrictions contained herein shall not in any event be construed or held to be a waiver thereof or consent to any further or succeeding

breach or violation thereof.

47. If there shall be a violation or threatened or attempted violation of any of the covenants, conditions, or restrictions contained herein, it shall be lawful for any Owner or Member to prosecute proceedings at law or in equity against all persons violating or attempting to violate or threatening to violate any such restrictions, covenants, conditions, or restrictions, and either to prevent him or them from so doing, or to recover damages as a result of such violation.

48. Each Owner shall be liable to the Association, to the extent provided for by Arizona law, for any damage to the Common Areas or Streets, or the improvements, landscaping or equipment thereon which results from the negligence or willful conduct of the Owner. The cost to the Association of any such repair, maintenance or replacements required by such act of an Owner shall be paid by said Owner, upon demand, to the Association. The Association may enforce collection of any such amounts in the same manner and to the same extent as provided for in this Declaration for the collection of Assessments.

49. This Declaration shall remain in force and effect until and including December 31, 2019. Thereafter, it shall be deemed to have been automatically renewed and extended for successive periods of ten (10) years each unless revoked or amended by an instrument in writing executed and acknowledged by the Members representing not less than seventy-five percent (75%) of the votes entitled to be cast and properly recorded in the office of the Recorder of Mohave County, Arizona, within ninety (90) days prior to the expiration of (a) the

initial effective period hereof or (b) any ten-year extension.

50. Invalidation of any one of these covenants, conditions, or restrictions by judgment or court order shall in no way affect any of the other provisions which shall remain in full force and effect as written.

51. (a) Except for the amendments which may be executed by the Board of Directors or SCB pursuant to Sub-section (b) of this paragraph, this Declaration or the Plat may only be amended by the written approval or the affirmative vote of Members representing not less than seventy-five percent (75%) of the votes entitled to be cast.

(b) Either the Board of Directors or SCB may amend this Declaration or the Plat, without obtaining the approval or consent of any Owner or First Mortgagee, in order to conform this Declaration or the Plat to the requirements or guidelines of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration, the Veterans Administration or any federal, state or local governmental agency whose approval of the Project, the Plat or the Project Documents is required by law or requested by SCB.

(c) Any amendment which would delete or modify any right granted to SCB by this Declaration must be approved in writing by SCB, so long as SCB owns any Lot.

(d) Any amendment approved pursuant to Sub-section (a) above or by the Board pursuant to Sub-section (b) above shall be signed by the President or Vice President of the Association and shall be recorded with the County Recorder of Mohave County, Arizona. Any such



amendment shall certify that the amendment has been approved as required by this Section. Any amendment made by SCB pursuant to Sub-section (b) above shall be executed by SCB and shall be recorded with the County Recorder of Mohave County, Arizona.

52. Any written notice or other documents relating to or required by the Project Documents may be delivered either personally or by mail. If by mail, it shall be deemed to have been delivered twenty-four hours after a copy of same has been deposited in the United States mail, postage prepaid, addressed as follows: If to the Association, the Architectural Committee or SCB, to William A. Clarke, Standard Chartered Bank, 3300 North Central Avenue, Suite 2400, Phoenix, Arizona 85012; if to an Owner, to the address of the Lot owned, or to any other address last furnished by such Owner to the Association; provided, however, that any such address may be changed at any time by the party concerned by delivering a written notice of change of address to the Association. Each Owner of a Lot shall file his correct mailing address with the Association, and shall promptly notify the Association in writing of any subsequent change of address.

53. In the event of any discrepancies, inconsistencies or conflicts between the provisions of this Declaration and the Articles, Bylaws, Association Rules or Architectural Committee Rules, the provisions of this Declaration shall prevail.

54. Nothing contained in this Declaration shall be construed to prevent the erection or maintenance by SCB or its duly authorized agents, of improvements or signs necessary or convenient to the development or sale of the Lots. SCB and its agents and assigns

specifically reserve the right to use and enjoy the Common Areas and all other improvements and buildings in connection with its advertising, promotion and sales efforts; provided, however, that such use of the Common Areas by SCB must not interfere with any owner's use and enjoyment of the Common Areas.

55. Each Owner shall, to the extent required by Arizona law, be responsible for compliance by his agents, tenants, guests, invitees, licensees and their respective servants, agents and employees with the provisions of the Project Documents. An Owner's failure to insure compliance by such persons shall be grounds for the same action available to the Association or any other Owner by reason of such Owner's own noncompliance.

56. Any agreement for professional management of the Association or the Project or any other contract providing for services to the Association must provide for termination by either party without cause and without payment of a termination fee, on thirty (30) days or less written notice.

57. Notwithstanding any provisions of this Declaration or the Project Documents, upon sixty (60) day written notice to the Association, SCB (or its successor in interest) shall have the unrestricted right to de-annex any Lots and adjacent, contiguous Common Areas and Streets from the covenants, conditions and restrictions herein contained. Following any such de-annexation, the Lots, Common Areas and Streets so de-annexed (1) will no longer be subject to the terms and provisions of this Declaration or the Project Documents, (2) will not be eligible for membership in the Association, (3) will not

have any rights to the use of the remaining Common Areas, and (4) will assume self-management. SCB (or its successor in interest) shall be responsible for real property taxes, maintenance, etc. for such Lots and adjacent, contiguous Common Areas and Streets so de-annexed. The Association agrees to join in any necessary cross-easements over the Common Areas and Streets in order to provide ingress and egress for the Association's property and the de-annexed property.

58. The benefits and obligations hereunder shall inure to and be binding upon the parties hereto, their successors and assigns.

DATED this 31st of JANUARY, 1994.

STANDARD CHARTERED BANK, an English banking corporation

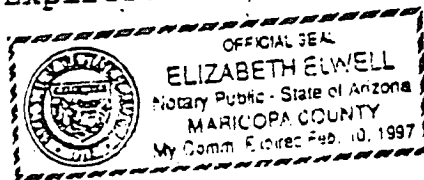
By [Signature]  
M.A. Shields  
Its Authorized Representative

STATE OF ARIZONA )  
County of Maricopa ) ss.

On this the 31st day of JANUARY, 1994, before me, the undersigned Notary Public, personally appeared M. A. Shields, known to me to be the person whose name is subscribed to the foregoing Declaration, and acknowledged that he executed the same for the purposes therein contained.

[Signature]  
Notary Public

My Commission Expires:



**BYLAWS**  
**OF**  
**HAVASU GARDENS ASSOCIATION, INC.**

**ARTICLE I**  
**GENERAL PROVISIONS**

1.0 Defined Terms. Capitalized terms used in these Bylaws without definition shall have the meanings specified for such terms in the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Havasu Garden Estates East recorded with the County Recorder of Mohave County, Arizona, on \_\_\_\_\_, 1993, in Book \_\_\_\_, Pages \_\_\_\_.

1.1 Principal Office. The principal office of the Association shall be located at 505 North Acoma, Lake Havasu City, Arizona 86403, but meetings of members and directors may be held at such other place within the State of Arizona as may be designated by the Board of Directors.

1.2 Conflicting Provisions. In the case of any conflict between the Articles and these Bylaws, these Bylaws shall control and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

1.3 Designation of Fiscal Year. The fiscal year of the Association shall begin on the 1st day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation of the Association.

1.4 Books and Records. All books, records and papers of the Association shall be available for inspection by any Member during reasonable business hours at the principal office of the

Association, where copies may be purchased at reasonable cost.

1.5 Amendment.

(a) These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of the Members having a majority (more than 50%) of the votes entitled to be cast by the Members present in person or by proxy.

(b) Either the Board or Standard Chartered Bank, without a vote of the Members and without the consent of any First Mortgagee, may amend these Bylaws in order to conform these Bylaws to the requirements or guidelines of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration, the Veterans Administration or any federal, state or local governmental agency whose approval of the Project, the Plat or the Project Documents is required by law or requested by Standard Chartered Bank.

ARTICLE II

MEETINGS OF MEMBERS

2.0 Annual Meeting. The first annual meeting of the Members shall be held within one (1) year of the date on which the Association is incorporated and an annual meeting of the Members shall be held during each calendar year thereafter on the second Wednesday of November, or on such other date as may be approved by the Board of Directors. The time and place of each annual meeting of the Members shall be determined by the Board of Directors.

2.1 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 signed by Members having at least one-fourth (1/4) of the total authorized votes in the Class A membership of the Association.

2.2 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 each notice, postage prepaid, at least thirty (30) days before such meeting to each Member entitled to vote thereat 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.

2.3 Quorum. Except as otherwise provided in the Articles, the Declaration or these Bylaws, the presence in person or by proxy of Members entitled to cast sixty percent (60%) of the total votes of each Class of Membership shall constitute a quorum at all meetings of the Members. If the required quorum is not present, another meeting may be called, subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

2.4 Proxies. At all meetings of the Members a vote may be cast in person or by proxy. A proxy may be granted by any Member in favor of only another Member, the Secretary of the

Association, Standard Chartered Bank, or the Member's mortgagee, the lessee of such Member's Lot, the Member's attorney or the Member's managing agent. A proxy shall be duly executed in writing and it shall be valid only for the particular meeting designated in the proxy. All proxies must be filed with the Secretary prior to the commencement of the meeting for which the proxy is given. The proxy shall be deemed revoked only upon actual receipt by the person presiding over the meeting of a notice of revocation signed by the Member who granted the proxy. Except with respect to proxies in favor of mortgagees, no proxy shall in any event be valid for a period in excess of 180 days after the execution thereof.

### ARTICLE III

#### BOARD OF DIRECTORS

3.0 Number. The affairs of this Association shall be initially managed by a Board of Directors of four (4) directors, but may thereafter contain not less than three (3) nor more than seven (7) directors. So long as there is a Class B membership in the Association, the directors need not be Members of the Association. After the termination of the Class B membership, all directors must be Members of the Association.

3.1 Term of Office. The initial members of the Board of Directors shall hold office until the first annual meeting of the Members and until their successors are elected and qualified. Commencing with the first annual meeting of the Members, all directors shall be elected for a term of one (1) year. Members who

have resigned, been removed or whose terms have expired may be re-elected.

3.2 Removal. At any annual or special meeting of the Members any one or more of the members of the Board of Directors may be removed from the Board of Directors, with or without cause, by Members having more than fifty percent (50%) of the votes entitled to be cast by the Members present in person or by proxy at the meeting, and a successor may then and there be elected to fill the vacancy thereby created.

3.3 Compensation. No director shall receive compensation for any service he may render to the Association which is within his duties as a director. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties. A director may receive compensation for services rendered to the Association which are outside his duties as a director if the payment of such compensation is approved by all of the other directors.

3.4 Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written consent of all the directors. Any such written consent shall be filed with the minutes of the proceedings of the Board of Directors.

3.5 Vacancies. Vacancies on the Board of Directors caused by any reason other than the removal of a director in accordance with the provisions of Section 3.2 of these Bylaws shall be filled by a majority vote of the remaining directors at a



meeting of the Board of Directors held after the occurrence of such vacancy, even though the directors present at such meeting may constitute less than a quorum. Each person so elected shall be a member of the Board of Directors until a successor shall be elected at the next annual meeting of the Members.

3.6 Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by the Board of Directors. Such meetings shall be held at least once during each fiscal year.

3.7 Special Meetings. Special meetings of the Board of Directors may be called by the President on three business days notice to each director, given in writing, by hand delivery, mail or telecopy, which notice shall state the time place and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary in like manner and on like notice on the written request of at least two directors.

3.8 Quorum. A majority of the 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 of Directors.

3.9 Powers and Duties. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not required to be acted on or done by the Members pursuant to the terms of these Bylaws, the Declaration or the

Articles. In addition to the duties imposed by these Bylaws or by any resolution of the Members that may hereafter be adopted, the Board of Directors shall have the following powers and duties:

(a) Open bank accounts on behalf of the Association and designate the signatories thereon;

(b) Make, or contract for the making, of repairs, additions, improvements or alterations of the Streets and Common Areas, in accordance with the Declaration, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings;

(c) In the exercise of its discretion, enforce by legal means the provisions of these Bylaws, the Declaration or the Articles.

(d) Designate, hire and dismiss the personnel necessary for the maintenance, operation, repair and replacement of the Streets and Common Areas and provide services for the Association, and, where appropriate, provide for the compensation of such personnel and for the purchase of equipment, supplies and material to be used by such personnel in the performance of their duties;

(e) Provide for the operation, care, upkeep and maintenance of the Streets and Common Areas and services for the Association and borrow money on behalf of the Association when required in connection with any one instance relating to the operation, upkeep and maintenance for the Streets and Common Areas; provided however, the consent of Members having at least two-thirds (2/3) of the total votes in the Association shall be obtained

either in writing or at a meeting called and held for such purpose in accordance with the provisions of these Bylaws in order for the Association to borrow in excess of \$10,000;

(f) Prepare and adopt an annual budget for the Association prior to the commencement of each fiscal year;

(g) Adopt and publish rules and regulations governing the use of the Streets and Common Areas and facilities and the personal conduct of the Members and their guests, lessees, invitees and family members thereon and establish penalties for the infraction thereof;

(h) In accordance with the Declaration, to suspend the voting rights of a Member and such Member's right to use of the Common Areas and facilities;

(i) 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 Declaration or the Articles;

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

(k) Employ, hire and dismiss such employees as they deem necessary and to prescribe their duties and their compensation;

(l) Hire or employ and dismiss a manager, whether as an independent contractor or as an employee, to perform such services and duties as the Board of Directors may direct including, but without limitation, any of the duties granted to the officers of

the Association in these Bylaws or any duties of the Board of Directors set forth in this Section 3.0;

(m) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by any Member entitled to vote;

(n) Supervise all officers, agents and employees of the Association and see that their duties are properly performed;

(o) Levy Assessments in accordance with the Declaration and take all necessary action to collect such Assessments;

(p) Issue, or cause an appropriate officer to issue upon demand to any person, a certificate setting forth whether or not any Assessment has been paid. A reasonable charge may be made by the Board of Directors for the issuance of these certificates. If a certificate states an Assessment has been paid, such certificate shall be conclusive evidence of such payment;

(q) Procure and maintain adequate property, liability and other insurance covering the Streets and Common Areas and such other coverages as the Board of Directors deems prudent.

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

(s) Cause the Common Areas to be maintained, as more fully set forth in the Declaration.

3.10 Form of Meetings. Regular or special meetings of the Board of Directors may be held in person or by telephone

conference.

## ARTICLE IV

### OFFICERS AND THEIR DUTIES

4.0 Enumeration of Officers. The principal officers of the Association shall be the President, the Vice-President, the Secretary, and the Treasurer all of whom shall be elected by the Board of Directors. The President must be a member of the Board of Directors. Any other officers may, but need not, be members of the Board of Directors.

4.1 Election of Officers. The officers of the Association shall be elected annually by the Board of Directors. The election of the officers shall take place at the first meeting of the Board of Directors and following each annual meeting of the Members.

4.2 Term. Each officer shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve. Officers who have resigned, been removed or whose term has expired may be re-elected.

4.3 Special Appointments. The Board of Directors may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board of Directors may, from time to time, determine.

4.4 Resignation and Removal. Any officer may be removed from office with or without cause by the Board of Directors. Any officer may resign at any time by giving written notice to the

Board of Directors, 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.

4.5 Vacancies. A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacant office shall serve for the remainder of the term of the officer he replaces.

4.6 Powers and Duties. To the extent such powers and duties are not assigned or delegated to a manager by the Board of Directors, the powers and duties of the officers shall be as follows:

(a) President. The President shall be the chief executive officer of the Association; shall preside at all meetings of the Board of Directors or the Members; shall see that orders and resolutions of the Board of Directors are carried into effect; and shall generally manage the business of the Association;

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

(c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members; serve notice of meetings of the Board of Directors 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 of Directors;

(d) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; shall keep proper books of account; 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; and, in general, perform all the duties incident to the office of treasurer.

#### ARTICLE V

#### INDEMNIFICATION

5.1 Indemnification of Officers and Directors. The Association shall indemnify any and all of its former, present and future directors and officers against all expenses incurred by them and each of them, including but not limited to legal fees, judgments, penalties, and amounts paid in settlement or in any legal action brought or threatened against any of them for or on account of any action or omission alleged to have been committed while acting within the scope of their responsibilities and duties as directors or officers of the Association or while serving at the request of the Association as directors, officers, employees or agents or another association, partnership, joint venture, trust or other enterprise, whether or not any action is or has been filed

against them and whether or not any settlement or compromise is approved by a court. Indemnification shall be made by the Association whether the legal action brought or threatened is by or in the right of the Association or by any other person. This indemnification shall be mandatory in all circumstances in which indemnification is permitted by law.

## ARTICLE VI

### ARCHITECTURAL CONTROL

6.0 Committee Composition. The Architectural Committee shall consist of three (3) members. None of such members shall be required to be an architect or to meet any other particular qualifications for membership. A member of the Architectural Committee need not be, but may be, a member of the Board of Directors or an officer of the Association.

6.1 Terms of Office. The term of office for members of the Architectural Committee shall be a period of one year, or until the appointment of a successor. Any new member appointed to replace a member who has resigned or been removed shall serve such member's unexpired term. Members who have resigned, been removed or whose terms have expired may be reappointed.

6.2 Appointment and Removal. ~~The right to appoint and remove members of the Architectural Committee at any time, shall be and is hereby vested solely in the Board of Directors;~~  
*Am. 12/14/11*  
provided, however, that no member may be removed from the Architectural Committee by the Board of Directors except by the vote or written consent of a majority of all of the members of the



Board of Directors.

6.3 Resignations. Any member of the Architectural Committee may at any time resign from the Architectural Committee by giving written notice thereof to the Board of Directors.

6.4 Vacancies. Vacancies on the Architectural Committee, however caused, shall be filled by the Board of Directors. A vacancy or vacancies on the Architectural Committee shall be deemed to exist in case of the death, resignation or removal of any member.

~~It shall be the duty of the Architectural Committee to consider and act upon any and all proposals or plans submitted to it pursuant to the terms of the Declaration, to adopt Architectural Committee Rules, to perform other duties delegated to it by the Board of Directors,~~ and to carry out all other duties imposed upon it by the Project Documents.

6.6 Meetings and Compensation. The Architectural Committee shall meet from time to time as necessary to perform its duties. The vote or written consent of any two members, at a meeting or otherwise, shall constitute the act of the Architectural Committee unless the unanimous decision of the Architectural Committee is required by any other provision of the Project Documents. The Architectural Committee shall keep and maintain a written record of all actions taken by it at such meeting or otherwise. Members of the Architectural Committee shall not be entitled to compensation for their services.

6.7 Architectural Committee Rules. The Architectural

Committee may adopt, amend and repeal, by unanimous vote or written consent, Architectural Rules. The Architectural Rules shall interpret and implement the Declaration by setting forth the standards and procedures for Architectural Committee review and the guidelines for architectural design, placement of buildings or mobile homes, landscaping, color schemes, exterior finishes and materials and similar features which are recommended by use within the Project.

6.8 Waiver. The approval by the Architectural Committee of any plans, drawings or specifications for any work done or proposed, or for any other matter requiring the approval of the Architectural Committee under the Declaration, shall not be deemed to constitute a waiver of any right to withhold approval of any similar plan, drawing, specification or matter subsequently submitted for approval.

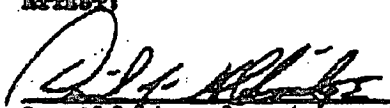
6.9 Time for Approval. In the event the Architectural Committee fails to approve or disapprove any application for approval within 30 days after the application is filed with the Architectural Committee, together with supporting plans and specifications, have been submitted to it, approval will not be required and this Article will be deemed to have been complied with, provided the design, location and the kind of materials and the buildings or structures to be built or placed on said Lots shall be in harmony with existing buildings and structures within the subdivision, shall conform to applicable state and county regulations and shall otherwise conform to the requirements set

forth in the Project Documents.

CERTIFICATION

I hereby certify that the foregoing Bylaws were duly adopted by the Board of Directors of the Association on the \_\_\_ day of \_\_\_\_\_, 1994.

  
Don Aldridge, President

SECRET:  
  
Don Aldridge, Secretary

ARTICLES OF INCORPORATION

OF

HAVASU GARDEN ASSOCIATION, INC.

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, have this day associated ourselves for the purpose of forming a corporation under the laws of the State of Arizona, and for that purpose do hereby adopt the following Articles of Incorporation.

1. Name. The name of this corporation is HAVASU GARDEN ASSOCIATION, INC. (the "Association")

2. Duration. The period of duration of the Association shall be perpetual.

3. Principal Place of Business. The principal office for the transaction of business of the Association is located in Mohave County, Arizona.

4. Statutory Agent. The name and address of the initial Statutory Agent for the Association are:

William A. Clarke, Esq.  
Carson Messinger Elliott Laughlin & Ragan  
3300 North Central Avenue, Suite 1900  
Phoenix, Arizona 85012

5. Non-profit Corporation. This Association is organized as a non-profit corporation under the laws of the State of Arizona.

6. Purpose and Powers. The Association does not contemplate the distribution of gains, profits or dividends to its Members and the specific primary purposes for which it is formed are to provide for the acquisition, construction, management, operation, administration, maintenance, repair, improvement, preservation and architectural control of the Association Property within that certain tract of property situated in Mohave County, Arizona ("the Property"), which is more particularly described in that certain Amended and Restated Declaration of Covenants, Conditions and Restrictions for Havasu Garden Estates East (the "Declaration") which was recorded on \_\_\_\_\_, in Book \_\_\_\_\_, Pages \_\_\_\_\_ of the official records of the Mohave County Recorder, and to promote the health, safety and welfare of all of the residents within the Property and any additions thereto as may hereafter be brought within the jurisdiction of this Association for this purpose, all according to the Declaration and Bylaws of

the Association. The Association shall have no powers to carry on any activities that are not permitted to be carried on by a homeowner's association that is exempt from Federal income taxation under Section 501(a) of the Internal Revenue Code or any successor thereto.

In furtherance of said purposes, this Association shall have the powers to:

a. Perform all of the duties and obligations of the Association as set forth in the Declaration or the Bylaws;

b. Fix, levy, collect and enforce assessments and fines as set forth in the Declaration or the Bylaws;

c. Pay all expenses and obligations incurred by the Association in the conduct of its business, including without limitation, all licenses, taxes or governmental charges levied or imposed against the property owned by the Association (including Common Areas);

d. Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

e. Borrow money, mortgage, pledge, deed in trust or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred as authorized by the Declaration or the Bylaws;

f. Grant easements over the Streets or Common Areas owned by the Association to any public agency, authority or utility company approved in the Declaration, the Bylaws or as approved by the Board of Directors;

g. Participate in mergers and consolidations with other non-profit corporations organized for the same purposes, provided that any merger or consolidation shall have the assent by vote or written consent of two-thirds (2/3) of the Members; and

h. Have and exercise any and all powers, rights and privileges which a corporation organized under the Arizona non-profit corporation Act may now or hereafter have or exercise.

7. Membership Voting Rights. The number and qualifications of Members of the Association, the different classes of membership, if any, the property, voting and other rights and privileges of Members, their liability for assessments (as defined in the Declaration) and the method of collection thereof shall be as set forth in the Declaration and Bylaws.

8. Board of Directors. The affairs of the Association shall be managed by a Board of not less than three (3) nor more than seven (7) Directors (the exact number of which shall be fixed by the Bylaws, or amendments thereof, duly adopted by the Members or by the Board of Directors), each of whom shall be a Member of the Association. The number of Directors may be changed by amendment to the Bylaws of the Association. The initial Board of Directors, the members of which shall serve until their successors are elected according to the By-laws, is as follows:

Don Aldridge  
505 North Acoma  
Lake Havasu City, Arizona 86403

Dan Aldridge  
505 North Acoma  
Lake Havasu City, Arizona 86403

Jon Conelly  
3300 North Central, Suite 2400  
Phoenix, Arizona 85012

Liz Elwell  
3300 North Central, Suite 2400  
Phoenix, Arizona 85012

9. Officers. The following persons shall be the initial officers of the Association and shall hold the positions opposite their names until the first annual meeting of the Association and until their successors have been elected and qualified:

Don Aldridge - President  
\_\_\_\_\_ - Vice President  
\_\_\_\_\_ - Secretary  
Dan Aldridge - Treasurer

10. Dissolution. In the event of the dissolution, liquidation or winding up of the Association, after paying or adequately providing for the debts and obligations of the Association, the Directors or Persons in charge of the liquidation shall divide the remaining assets among the Members in accordance with their respective rights therein except where the Association holds its assets in trust, in which case the assets shall be disposed of according to the applicable provisions of Arizona corporate laws for non-profit corporations.

11. Exemption. The private property of each and every officer, director, and member of this Association shall at all times be exempt from the debts and liabilities of the Association.

12. Governing Documents. In the case of any conflict between the terms and provisions of these Articles and the Declaration, the Declaration shall control; and in the case of any conflict between the terms and provisions of these Articles and the Bylaws, the Bylaws shall control. Any provision contained in these Articles of Incorporation to the contrary notwithstanding, neither the corporation, the Board of Directors of the Corporation, nor any agent or employee of the corporation shall be authorized or empowered to take any action inconsistent with the provisions of the Declaration.

13. Amendments. These Articles may be amended by the vote or written assent of Members representing seventy-five percent (75%) of the total voting power of the Association. The Bylaws may be amended by the Members as provided in the By-laws.

14. FHA/VA Approval. As long as there is Class B Membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties, mergers and consolidations, mortgage of Common Area, dedication of Common Area, and dissolution or amendment of these Articles.

15. Incorporators. The Incorporators and their names and addresses are:

William A. Clarke, Esq.  
Carson Messinger Elliott Ragan & Laughlin  
3300 North Central Avenue, Suite 1900  
Phoenix, Arizona 85012

Don Aldridge  
505 North Acoma  
Lake Havasu City, Arizona 86403

16. Indemnification of Officers and Directors. The Corporation shall indemnify any and all of its former, present and future directors and officers against all expenses incurred by them and each of them, including but not limited to legal fees, judgments, penalties, and amounts paid in settlement or in any legal action brought or threatened against any of them for or on account of any action or omission alleged to have been committed while acting within the scope of their responsibilities and duties as directors or officers of the Corporation or while serving at the request of the Corporation as directors, officers, employees or agents or another corporation, partnership, joint venture, trust or other enterprise, whether or not any action is or has been filed against them and whether or not any settlement or compromise is approved by a court. Indemnification shall be made by the Corporation whether the legal action brought or threatened is by or in the right of the Corporation or by any other person. This indemnification shall be mandatory in all circumstances in which

indemnification is permitted by law.

IN WITNESS WHEREOF, for the purpose of forming this Association, under the laws of the State of Arizona, we, the undersigned, constituting the Incorporation of this Association, have executed these Articles of Incorporation this 31 day of January, 1994.

By William A. Clarke  
William A. Clarke  
Incorporator

By Don Aldridge  
Don Aldridge  
Incorporator

STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

On this the 31st day of JANUARY, 1994, before me, the undersigned Notary Public, personally appeared William A. Clarke, Esq., known to me to be the person whose name is subscribed to the foregoing Articles of Incorporation, and acknowledged that he executed the same for the purposes therein contained.

Elizabeth Elwell  
Notary Public

My Commission Expires:



STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

On this the 9 day of February, 1994, before me, the undersigned Notary Public, personally appeared Donald Aldridge, known to me to be the person whose name is subscribed to the foregoing Articles of Incorporation, and acknowledged that he executed the same for the purposes therein contained.

Elizabeth Elwell  
Notary Public

My Commission Expires:

My Commission Expires Jan. 19, 1995



HAVASU GARDEN ASSOCIATION, INC.  
P. O. Box 5533  
Lake Havasu City, AZ 86404-5533

BOARD OF DIRECTORS

RESOLUTION 06-1

HOMEOWNERS DUES – AMOUNT, DUE DATES AND LATE PAYMENT PENALTY

Per the Association's governing documents, the Board of Directors is authorized to set the amount of dues, due dates and late payment penalty fee. Therefore, the Board of Directors has resolved that:

1. Dues shall be per the budget adopted by the Board annually per CCR's Section 30 & 31.
2. All dues are payable quarterly in advance and shall be received at the Association's office on or before the 15th day of each month, immediately following billing.
3. Any dues not received in the Association's office within 15 days of the due date shall be considered late and are subject to late charges.
4. Late fee charges are to be \$12.00 for each billing period received late.
5. Late fee charges collected shall be deposited in the Associations operating account.

Adopted\_\_ 3/30/06

Revised\_\_\_\_\_

Supercedes\_\_05-01

HAVASU GARDEN ASSOCIATION, INC.  
P. O. Box 5533  
Lake Havasu City, AZ 86404-5533

BOARD OF DIRECTORS

RESOLUTION 06-2

SUSPENSION OF MEMBERS RIGHTS TO VOTE ON ASSOCIATION BUSINESS  
AND TO USE COMMON AREAS AND GROUNDS

Per the Association's governing documents, the Board of Directors is authorized to suspend the right to vote and the use of common elements for lack of payment of Association assessments. Therefore, the Board of Directors has resolved that:

1. Upon any payment being late (see Resolution 03-1 for definition), the members right to vote on Association business or to use the common areas and/or elements shall be automatically suspended without further action by the Board of Directors.
2. The common areas and/or elements may include the pool/spa, courts, parks, clubhouse, RV storage areas, and/or any other space considered common grounds, area/or elements by the Association.
3. Upon payment becoming late, the management agent shall, without further action from the Board of Directors, notify the member in writing of the suspension of his rights and of the further steps that will be taken if not paid promptly.

Adopted \_\_\_\_\_

Revised \_\_\_\_\_

Supercedes \_\_\_03-2

HAVASU GARDEN ASSOCIATION, INC.  
P. O. Box 5533  
Lake Havasu City, AZ 86404-5533

BOARD OF DIRECTORS

RESOLUTION 06-3

LEGAL ACTION AGAINST MEMBER FOR NON-PAYMENT  
OF HOMEOWNERS ASSESSMENTS

Per the Association's governing documents, the Board of Directors is authorized to take legal action against members for non-payment of dues. Therefore, the Board of Directors has resolved that:

1. Any Assessments, or any installment of an Assessment, which is not paid within fifteen (15) days after the Assessment first became due shall be deemed delinquent and shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum.
2. Upon the "second" consecutive payment being late (see Resolution 03-1 for definition), the property of the lot owner is entered into the Lien Process including a Demand for Payment letter sent to the owner of the property. If the delinquency continues ten (10) days following the date of the Demand for Payment letter, the Board of Directors shall act to record a lien on the property.
3. A charge of \$100.00 is to be added to the delinquent owner's account to cover legal fees. All Mohave County Recorders Office filing fees that apply will also be charged to the owner account.
4. With continued delinquency, the Board of Directors and/or attorney is instructed to pursue foreclosure or personal judgment.
5. It shall be the Board of Director's responsibility to make sure that all reasonable costs and attorney's fees are paid by the member and are to be added to the members statement prior to releasing the lien and/or settling the foreclosure or judgment.
6. Late fee charges collected shall be deposited in the Associations operating account.

Adopted 2-24-11

Revised 2-24-11

Supercedes \_\_\_\_\_

HAVASU GARDEN ASSOCIATION, INC.  
P. O. Box 5533  
Lake Havasu City, AZ 86404-5533

BOARD OF DIRECTORS

RESOLUTION 06-4

ADOPTION OF RULES AND REGULATIONS

Per the Association's governing documents, the Board of Directors is authorized adopt Rules and Regulations. Therefore, the Board of Directors has resolved that:

1. The Rules and Regulations dated 3/30/06 are the official Rules and Regulations to be followed by all members.
2. The 3/30/06 Rules and Regulations shall remain in effect without further action by the Board until further notice.
3. In the future, the Board may revise these Rules and Regulations by a majority vote of the Board and distribute them to owners without revising this resolution and/or adopting a new resolution.

Adopted \_\_\_\_\_

Revised \_\_\_\_\_

Supersedes \_\_03-4

HAVASU GARDEN ASSOCIATION, INC.  
P. O. Box 5533  
Lake Havasu City, AZ 86404-5533

BOARD OF DIRECTORS

RESOLUTION 06-5

NOTIFICATION OF SALE AND TRANSFER FEE

Per the Association's governing documents, the Board of Directors is authorized to require notification of sale and a transfer fee and as such has resolved the following:

1. The Owner selling and/or transferring ownership shall immediately notify the association of the pending sale or transfer.
2. The Owner shall also advise the name, address and phone number of the firm handling the escrow and/or title transfer.
3. There shall be a \$75.00 transfer fee paid to the Association and it shall be deposited in the Association's operating account.
4. The Board of Directors shall make disclosure to the purchaser per ARS, section 33-1806, para A (1-6) and para C.
5. The Association shall provide ordering information to the new Owner regarding access for the common areas, if applicable.
6. An amount equivalent to one (1) pay periods Association dues shall be paid in advance by the new owner.
7. The Board of Directors is to make sure that all above is concurred with prior to close of escrow or transfer.

Adopted \_\_\_\_\_

Revised \_\_\_\_\_

Supersedes \_\_\_03-5

HAVASU GARDEN ASSOCIATION, INC.  
P. O. Box 5533  
Lake Havasu City, AZ 86404-5533

BOARD OF DIRECTORS

RESOLUTION 06-6

NOTIFICATION OF AND/OR FINES FOR VIOLATION OF ARTICLES,  
BYLAWS, CC&R'S AND/OR RULES AND REGULATIONS

Per the Association's governing documents, the Board of Directors is authorized to establish Rules and Regulations and penalties. Therefore for any violation of a single rule by an Owner, renter or guest, reported in writing by two Owners, and or reported or confirmed verbally by a member of an appropriate committee or a Director, the Board of Directors has resolved that:

1. A violation letter shall be sent to the Owner.
2. On the first occurrence, a written warning shall be given to the Owner.
3. On a second occurrence for the same offense and/or failure to correct a violation previously noted, a fine of \$100.00 shall be assessed against the Owner and written notice given.
4. On a third occurrence for the same offense and/or continued failure to correct a violation, a fine of \$200.00 shall be assessed against the owner and written notice given, plus the Owner's or renters rights to use the common elements shall be suspended.
5. On a fourth occurrence and/or continued failure to correct a violation, legal action shall be taken.
6. All warnings and/or fines shall be sent to the Owner of record of the unit involved in the violation. It is the Owner's responsibility to resolve the violation with renters or guests.
7. All such fines collected shall be deposited in the Association's operating account.
8. This fine policy shall apply to all violations not specifically covered by any other Board Resolution.
9. Any cost to the Association resulting from legal action necessary to correct any violation will be assessed against the Owner.

HAVASU GARDEN ASSOCIATION, INC.  
P. O. Box 5533  
Lake Havasu City, AZ 86404-5533

BOARD OF DIRECTORS

RESOLUTION 06-7

NOTIFICATION OF AND/OR FINES FOR **NONCOMPLIANCE** OF ARTICLES,  
BYLAWS, CC&R'S AND/OR RULES AND REGULATIONS

Per the Association's governing documents, the Board of Directors is authorized to establish penalties for noncompliance of Governing Documents. Therefore for any violation of a single rule by an Owner, renter or guest, reported in writing by two Owners, and or reported or confirmed verbally by a member of an appropriate committee or a Board of Director, the Board of Directors has resolved that:

1. A noncompliance letter shall be sent to the Owner.
2. On a first occurrence, a written warning shall be given to the Owner.
3. The Owner will be given 10 days to correct the noncompliance. In the event the noncompliance cannot be corrected within the 10 days, the Owners must contact the Association and make arrangements for a mutually agreeable extension of time.
4. If the noncompliance is not corrected within the 10 days and/or the agreed upon time, a charge of \$100.00 will be added to the owner's statement to cover legal fees associated with the recordation of a noncompliance.
5. In addition to the legal fee, if the noncompliance is not corrected within the 10 days and/or the agreed upon time, a fine of \$100.00/month or portion thereof will be added while the noncompliance exists.
6. If the noncompliance is not corrected within 3 months, legal action will be taken.
7. All warnings and/or fines shall be sent to the Owner of record of the unit involved in the noncompliance. It is the Owner's responsibility to resolve the noncompliance with renter or guests.
8. All fees and fines collected shall be deposited in the Association's operating account.
9. This fine policy shall apply to all noncompliances not specifically covered by any other Board Resolution.
10. Any cost to the Association resulting from legal action necessary to correct any noncompliance will be assessed against the Owner.

HAVASU GARDEN ASSOCIATION, INC.  
P. O. Box 5533  
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BOARD OF DIRECTORS

RESOLUTION 09-1

KEYS AND KEYCARDS

Per the Association's governing documents, the Board of Directors is authorized to establish Rules and Regulations governing the use of common properties and facilities. The Board is empowered via the CC&R's (Paragraph 20) to restrict and govern the use of any Common area. Therefore, the Board of Directors has resolved that:

1. POOL KEYS

- a) Each owner in good standing will be issued, when requested, one (1) key to the pool area upon posting a \$5.00 refundable deposit.
- b) In the event of a misplaced or lost key, replacements will be issued to an owner at a \$10.00 charge (\$5.00 of which will be a new refundable deposit).
- c) Owners are fully responsible for the conduct of guests or tenants (CC&R's Paragraph 55).

2. EXERCISE ROOM KEYCARDS

- a) Each owner in good standing will be issued, when requested, one (1) key card to the exercise room upon posting a \$25.00 refundable deposit.
- b) In the event of a misplaced or lost key card, replacements will be issued to an owner at a \$50.00 charge (\$25.00 of which will be a new refundable deposit).
- c) Owners are fully responsible for the conduct of guests (CC&R's Paragraph 55)

3. LOSS OF PRIVILEGE AND OWNER RESPONSIBILITY

- a) Damages to any Common Property will result in a charge to the Owner's account (CC&R's Paragraph 48).
- b) Tenants or guests, with permission of an owner, may use pool keys. Exercise Room use is for owners only or guests when accompanied by the owner. Misuse of keys or keycards will result in the revocation or suspension of this Owner privilege.

Adopted\_\_3-25-09

Supersedes\_\_06-8



HAVASU GARDEN ASSOCIATION, INC.  
P. O. Box 5533  
Lake Havasu City, AZ 86404-5533

BOARD OF DIRECTORS

RESOLUTION 06-9

RESERVE FUND

Per the Association's governing documents, the Board of Directors has established a "Reserve Fund". Therefore, the Board of Directors has resolved that:

1. The intent of the Reserve Fund is to collect funds on a gradual basis to fund the predictable expense of periodic maintenance, repair or replacement, so as to eliminate and/or reduce the amount of any special assessments.
2. The only items to be funded by the Reserve Fund for common elements are as follows:
  - A. Clubhouse building-Major Repairs
  - B. Clubhouse Interiors-Major Repairs/Replacement
  - C. Clubhouse HV/AC-Major Repairs/Replacement
  - D. Painting –Buildings/Cabana
  - E. Pool/spa-Major Repair/Replace
  - F. Pool/spa Equipment-Major Repair/Replace
  - G. Walls-Fences Major Repair/Replace
  - H. Pool Furniture-Major Repair/Replace
  - I. Barbecues-Major Repair/Replace
  - J. Parks Equipment-Major Repair/Replace
  - K. Landscape-Replacement
  - L. Sewer/Septic-Major Repair/Replacement
  - M. Roads
3. The Board of Directors is hereby instructed to deposit a pro-rata share of the dues collected (based on Adopted Budget) into the Reserve Fund on a quarterly basis.
4. If year-end funds permit, the board may transfer funds from the Operating Account into the Reserve Account.
5. Any expenditures from the Reserve Fund must be approved by a majority of the Board of Directors.

Adopted\_3/30/06

Revised\_\_\_\_\_

Supercedes\_\_03-9

HAVASU GARDEN ASSOCIATION, INC.  
P. O. Box 5533  
Lake Havasu City, AZ 86404-5533

BOARD OF DIRECTORS

RESOLUTION 06-10

BALLOT DISTRIBUTION AND VALIDATION

Per the Association's governing documents, members may vote at Association meetings via ballot, providing the owner is in good standing as defined in the Associations CC&R's and Bylaws, which means he or she is current in payment of all annual and special assessments and has not had their voting rights suspended for infraction of rules and regulations. To define the procedure to be used for distribution and validation of ballots, the Board of Directors has resolved that:

1. Prior to any meetings, the Association will mail an official pre-printed Association ballot to each Owner – one ballot for each unit owner.
2. Ballots must be returned to the Association Secretary prior to the date listed in the official meeting notice.
3. Only official pre-printed Association ballots will be counted. Copied ballots and/or letters will not be accepted.
4. The Association Secretary shall review each ballot submitted prior to the meeting and shall rule on each as being valid or invalid.
5. Ballots may be taken to the meeting and submitted to the Secretary prior to the start of the meeting to be counted.

Adopted\_3/30/06

Revised\_\_\_\_\_

Supercedes\_\_03-10

HAVASU GARDEN ASSOCIATION, INC.  
P. O. Box 5533  
Lake Havasu City, AZ 86404-5533

BOARD OF DIRECTORS

RESOLUTION 06-11

RECORDS

Per the Association's governing documents, members may inspect books, records and papers of the Association. To define the procedure to be used for inspection and/or copying of Association records, the Board of Directors had resolved that::

1. Inspection of Association records shall be done at the Association office.
2. Owners requesting inspection shall give advance notice to the Board of Directors, as per Arizona Revised Statute 10-11602 (copy attached) as to their desire to make an inspection and which files they wish to review.
3. The principal owner of the Board of Directors will set an appointment time during reasonable business hours when the files requested may be reviewed by the Owner.
4. The Board of Directors shall allow up to thirty minutes for the inspection process, without cost to the Association.
5. For inspections exceeding thirty minutes, the Board of Directors shall have the right to charge the inspecting member an hourly charge for the excess time.
6. For copies, the Management Agent shall have the right to charge the inspecting Owner a per copy charge equal to a common commercial rate for copies.
7. There shall be no cost to the Association for this service.

Adopted\_3/30/06

Revised\_\_\_\_\_

Supercedes\_\_03-11

HAVASU GARDEN ASSOCIATION, INC.  
P. O. Box 5533  
Lake Havasu City, AZ 86404-5533

BOARD OF DIRECTORS

RESOLUTION 06-12

VIOLATIONS COMMITTEE

Per the Association's governing documents, the Board of Directors is authorized to appoint committees by Resolution. The duties, powers, composition, and operation to the Committee shall be in accordance with the terms of the Resolution and/or any rules adopted by the Board of Directors. As it pertains to a Violations Committee, the Board of Directors has resolved that:

1. A Violations Committee is hereby established.
2. The Violations Committee shall consist of a Chairman, who shall be a member of the Board of Directors plus two (2) additional members of the Association.
3. The Violations Committee members shall be appointed by a majority vote of the Board of Directors and shall serve until resignation or removal by the Board.
4. The Violations Committee shall be the policing unit of the Association for the enforcement of the Declaration, Articles of Incorporation, Bylaws, Rules and Regulations and Board Resolutions as adopted.
5. Enforcement shall be per the procedures spelled out in the governing documents.
6. The Committee shall have the authority to instruct the Board of Directors to send "Demand for Abatement" and/or "Notice of Noncompliance" as well as "Notice of Action" taken on each when Owners do not comply.
7. The Committee shall have the authority to instruct the Board of Directors to levy fines per the established Association policies when Owners do not comply.

Adopted\_3/30/06

Revised\_\_\_\_\_

Supercedes\_\_03-12

HAVASU GARDEN ASSOCIATION, INC.  
P. O. Box 5533  
Lake Havasu City, AZ 86404-5533

BOARD OF DIRECTORS

RESOLUTION 06-13

ARCHITECTURAL COMMITTEE

Per the Association's governing documents, the Board of Directors is authorized to appoint an Architectural Committee. The duties, powers, composition, and operation to the Committee shall be in accordance with the terms of this Resolution and/or any rules adopted by the Board of Directors. As it pertains to an Architectural Committee, the Board of Directors has resolved that:

1. An Architectural Committee is hereby established.
2. The Architectural Committee may consist of one (1) Board member plus two or more (2) additional members of the Association. two (2) or more constitutes a quorum.
3. The individual members of the Committee shall be appointed by a majority vote of the Board of Directors and shall serve until resignation or removal by the Board.
4. The members of the Committee shall elect a Chairman and Secretary from their members.
5. The Committee shall adopt reasonable rules and regulations covering the conduct of its proceedings as well as any that are required for the Committee to carry out its duties.
6. Copies of the Architectural rules and regulations shall be included in the Architectural submittal packet which shall be available to any owner or contractor upon request.
7. It shall be the responsibility of the Architectural Committee to enforce Architectural Standards that are adopted by the Board of Directors and/or Architectural Committee, and/or as specified in the Association's governing documents.
8. Enforcement shall be per the procedures spelled out in the CC&R'S, Articles, Bylaws and/or Board of Directors Resolutions.
9. The Committee shall have the authority to instruct the Board of Directors to send "Demand for Abatement" and/or "Notice of Noncompliance", as well as "Notice of Action" notice when owners do not comply.
10. The Committee shall have the authority to initiate cease and desist letters from the attorney or court injunctions when the owners defy the appropriate letters.

Adopted\_3/30/06

Revised\_\_\_\_\_

Supercedes\_\_03-16

HAVASU GARDEN ASSOCIATION, INC.  
P. O. Box 5533  
Lake Havasu City, AZ 86404-5533

BOARD OF DIRECTORS

RESOLUTION 06-14

WAIVING OF ASSESSMENTS

Per the Association's governing documents, the Board of Directors is authorized to establish Board Resolutions by which to administer the affairs of the Association. Therefore, the Board of Directors has resolved that:

1. Any request to delete, reduce, or waive any Association assessment shall be in the written form only and be directed to the Board of Directors.
2. Upon receipt of any such request, the Board shall consider the request at their next regularly scheduled meeting.
3. After discussion the Board by a majority vote of the quorum present shall make a decision.
4. In the event the Board authorizes an individual board member or the Association attorney to negotiate a settlement involving a lawsuit, bankruptcy or foreclosure, the person so authorized may waive assessments as deemed necessary to conclude the settlement procedure.
5. In the event it is determined that the Board of Directors has made a clerical billing error, the Board of Directors is authorized to make the corrections required to correct the mistake.

Adopted\_3/30/06

Revised\_\_\_\_\_

Supercedes\_\_03-18

HAVASU GARDEN ASSOCIATION, INC.  
P. O. Box 5533  
Lake Havasu City, AZ 86404-5533

BOARD OF DIRECTORS

RESOLUTION 06-15

BOARD MEMBER CONTACT WITH ASSOCIATION ATTORNEY

Per the Association's governing documents, the Board of Directors is authorized to establish Board Resolutions by which to administer the affairs of the Association. Therefore, the Board of Directors has resolved that:

1. The President of the Board of Directors shall be the contact person between the Association and attorney to handle all routine administrative matters not requiring specific Board approval.
2. In those cases requiring specific Board action, the board shall appoint one of its members to be the Board contact person with the attorney.
3. In the event any individual Board member is named individually in litigation and/or is subpoenaed in a legal matter, they shall have the right to meet with the attorney as deemed necessary by the Association attorney.
4. In the event an individual Board member desires an opinion and/or wishes to discuss an Association matter individually with the Association's attorney, he/she shall direct a written request to the President of the Association explaining what they wish to discuss and how it pertains to the Association.
5. The President shall have the authority to authorize contact with the attorney on association matters. On complex and/or issues involving already existing litigation, the President shall poll the board prior to authorizing any individual contact with the attorney.

Adopted\_3/30/06

Revised\_\_\_\_\_

Supercedes\_\_\_03-19

HAVASU GARDEN ASSOCIATION, INC.  
P. O. Box 5533  
Lake Havasu City, AZ 86404-5533

ARCHITECTURAL RULES

AC 06-01 PURPOSE

1. The Architectural Committee recognizes two important goals in adopting standards.
  - A. To preserve and protect the value of the common property by regulating the usage of it.
  - B. To provide and enforce reasonable rules that effect the private property of the Owners of the Association.
2. Neither of the above standards is intended to cause excessive restrictions or hardship on the Owners. Efforts will be made to find solutions to problem areas by first offering reminder letters to those felt to be in violation. The Architectural Committee is empowered to take stronger measures if Owners cannot or will not comply with reasonable rules.
3. Any Owner should recognize they are co-owners of our common property. Harm or loss of value to the common property can result in a loss to an owner. Improvements to the common property are a direct, shared benefit. Preservation of aesthetic values reflects well on our community.
4. It should also be evident that improper care of a private Lot reflects negatively on our community. It may be presumed that a poorly maintained unsightly Lot causes loss of value to the community as a whole.



HAVASU GARDEN ASSOCIATION, INC.  
P. O. Box 5533  
Lake Havasu City, AZ 86404-5533

ARCHITECTURAL RULES

AC 06-02 COMMON PROPERTY

1. Authority - Enforcement and Responsibility

- A. The Association Board of Directors and the Architectural Committee have the responsibility of maintaining the common property for the benefit of the Owners. Actions taken by any Owner to damage, impair or disrupt the common property may be considered a violation of the Project Documents.
- B. Acts of vandalism are a violation of state law and may be reported to the Mohave County Sheriff's Office. Rule violations will be reported to the Board which has the authority to revoke permission of the Owner to use the common property.
- C. An Owner is fully responsible for acts committed by any tenant or guest.

2. Streets

- A. The Association will not regulate use of off road vehicles on common property streets. However, such usage by unlicensed vehicles or underage operators may be in violation of state law. It is recognized that any owner may report violations to Mohave County Sheriffs Office.
- B. Street Parking – is allowable for visiting passenger vehicles in a limited time frame
- C. Parking – by passenger vehicles of Owners for a reasonable but limited time frame is permitted. Generally, leaving extra vehicles parked on the street for longer than a week is considered misuse of the common property. This includes, but is not limited to, utility trailers, boat trailers, mobile homes and travel trailers.
- D. Parking – by commercial or emergency vehicles is allowed during the time frame needed for such services.
- E. Parking – by Owner-owned or controlled commercial vehicles is prohibited. This is to include earth-moving equipment, semi-truck/trailers and vans.
- F. Blocking – of common property access by specific permission only
- G. Speeding –Speeding by any vehicle in excess of the 15 MPH speed limit is prohibited and enforceable by the Mohave County Sheriff's Office.

3. Dumping

- A. No dumping on any common property is allowed.

HAVASU GARDEN ASSOCIATION, INC.  
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ARCHITECTURAL RULES

AC 06-03 PRIVATE LOTS

It is not the intent of the Architectural Committee to infringe on the rights of an individual property owner to enjoy his/her property. However, we live in close proximity to others and none of us wishes to live in a slum area. The following rules are deemed reasonable and enforcement shall be done with awareness of personal definitions of "slum".

1. Architectural Permits – all improvements and changes to Lots or structures on any Lot requires prior written application to the Architectural Committee. Forms are available through the Committee. In addition, owners are advised that Lot improvements and changes generally require a Mohave County Building Permit and it is the responsibility of the Owner to obtain any permit..
2. Exemption from the Architectural Permit – If the work is in the form of a repair or maintenance, the Permit requirement is waived. Only the Board or Architectural Committee may make this determination and it is advisable that the Owner request a written waiver.
3. Violations – The Committee is instructed to follow Demand for Abatement, and/or Notice of Non-Compliance and Notice of Action procedures as itemized in Resolution 06-13.
  - a. The Notice of Action letter shall include itemized actions that the Association may take to correct the unapproved condition or actions. These itemized corrective actions may be the basis for a fine to be applied against the Owner account.
  - b. An Owner is fully responsible for acts committed by any contractor or volunteer person involved in their employ.
  - c. Public safety agencies may be notified – including the fire department, building department and/or the local law enforcement.
4. Right of Way
  - a. Blocking or impeding traffic access of any right-of-way is prohibited
  - b. Infringing - failing to adhere to the specified passage distance through the right-of-ways. Generally, this is equal to eight feet inside the rear property line.  
It is the responsibility of the property owner to maintain the ROW surface

## 5. Unacceptable Conditions

- a. Dangerous Condition – a condition likely to cause personal injury or harm
- b. Fire Hazard – a condition that inherently promotes fire danger
- c. Structural Hazard – exists when structural failure would likely cause injury or harm.

## 6. Lot Conditions

- a. Carports containing storage piles are not permitted. Generally, carports are openly visible from the street and are intended for vehicle parking. Some miscellaneous storage at the rear of the carport may be acceptable, but the carport used as mini-storage is unsightly and may constitute a fire hazard.
- b. Parking of Inoperative Vehicles – Generally acceptable for a reasonable time if the owner is actively repairing or renovating the vehicle. An owner may be contacted by the Architectural Committee to establish a reasonable time frame
- c. Accumulation of Trash or Refuse – It is evident that loose, lightweight items will eventually be blown onto neighboring property unless properly contained. All trash must be kept in covered containers pending removal.
- d. Dead Plants and Landscape Debris – plant trimmings or dead plants are considered as trash and may also be considered a fire hazard. To be removed or contained in a reasonable time frame.
- e. Architectural display items, such as old wagon wheels, deliberately installed for aesthetic effect are exempt from architectural concern.