

**CRESTVIEW HOMEOWNERS ASSOCIATION
BY-LAWS**

(Amended 10/17/2015)

ARTICLE 1

NAME AND LOCATION

The name of the corporation is **CRESTVIEW HOMEOWNERS ASSOCIATION**, hereinafter referred to as the "Association". The principal office of the corporation shall be located in the County of Yavapai, State of Arizona.

ARTICLE 2

DEFINITIONS

Section 2.1. "Association" shall mean and refer to CRESTVIEW HOMEOWNERS ASSOCIATION, its successors and assigns.

Section 2.2. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 2.3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the owners.

Section 2.4. "Lot" shall mean and refer to any plot of land or any subdivision thereof shown upon any recorded subdivision map of the properties with the exception of the common area.

Section 2.5. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot or subdivision thereof which is a part of the properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 2.6. "Declarant" shall mean and refer to CRESTVIEW HOMEOWNERS ASSOCIATION, its successors and assigns.

Section 2.7. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the properties recorded in the: Office of the County Recorder of Yavapai County.

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

Section 2.9. "Board" refers to those elected directors serving the Crestview HOA for a defined term.

Article 3

MEETING OF MEMBERS

Section 3.1. Annual Meetings. Annual meetings shall be held on a day in January to be set by the Board of Directors of the association.

Section 3.2. Special Meetings. Special meetings of all members of the HOA may be called at any time by the President or by the Board of Directors, or upon written request of one-fourth (1/4) of the Members.

Section 3.3. Notice of Meetings. Written notice of each meeting of all members of the HOA shall be given by or at the direction of the President, the Secretary or a person authorized to call the meeting by delivering a copy of such notice at least fifteen (15) days before such meeting, to each member by regular mail, email or other electronic means on record with the association. Such notice shall specify the place, day, and hour of the meeting, and the purpose of the meeting.

Section 3.4. Quorum. One-fourth (1/4) of all HOA members entitled to cast a ballot shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote shall have power to adjourn the meeting from time to time without notice other than announcement at the meeting until a quorum as aforesaid shall be present or be represented.

Section 3.5. Absentee Ballots. At all meetings of members of the HOA, each member may vote in person or by absentee ballot. All absentee ballots shall be in writing and filed with the Secretary. Every absentee ballot shall be revocable and shall automatically cease upon conveyance by the member of their lot in person at a meeting.

ARTICLE 4

BOARD OF DIRECTORS SELECTION AND TERM OF OFFICE

Section 4.1. Number. The affairs of this Association shall be managed by a Board of Directors consisting of a number of not less than three (3) nor more than seven (7) members who must be members of the Association. Only one household member may be represented on the board at any time.

Section 4.2. Term of Office. At the annual meeting the members shall elect Directors for a term of two (2) years.

Section 4.3. Removal. Any Director may be removed from the Board with or without cause by a majority vote of the members of the Association. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4.4. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 4.5. Action Taken Without a Regular scheduled 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 approval of all the Directors. A simple majority is required for any action. Any action so approved shall have the same effect as though taken at a meeting of the Directors. An emergency meeting of the board of directors may be called to discuss business or take action that cannot be delayed until the next regularly scheduled board meeting. The minutes of the emergency meeting shall state the reason necessitating the emergency meeting. The minutes of the emergency meeting shall be read and approved at the next regularly scheduled meeting of the board of directors.

ARTICLE 5

NOMINATION AND ELECTION OF DIRECTORS

Section 5.1. Nomination. Nomination for election of the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two (2) or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve until the close of such annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors and the Board of Directors shall in its discretion determine, but not less than the number of vacancies that are to be filled.

Section 5.2. Election. Election to the Board of Directors shall be by written ballot, but may upon a vote of a 100% majority of the Members in attendance be by a verbal consensus ballot. At such elections the members may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected.

ARTICLE 6

MEETING OF DIRECTORS

Section 6.1. Meeting Call and Notice. Meetings of the Board of Directors shall be held as required when called by the President of the Association or by any two (2) Directors after not less than three (3) days notice to each Director with public notice posted on the association Web site or on community signs, by electronic message, on bulletin boards, or by direct mailing. Meetings shall be held at such place and hour as may be fixed by the Board.

Section 6.2. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every decision 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.

ARTICLE 7

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 7. Powers. The Board of Directors shall have the power to:

7.1.a adopt and publish rules and regulations and to establish penalties for the infraction thereof;

7.1.b suspend the voting rights of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing.

7.1.c exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration.

7.1.d 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 of Directors; and

7.1.e authorize the officers to enter into Management Agreements with third parties in order to facilitate efficient operation of the association. It shall be the primary purpose of such Management Agreements to provide for the administration, management, repair and maintenance of the properties, all improvements included therein and designated as common areas, the roof and exterior walls of any common facility and the receipt and disbursement of funds as may be authorized by the Board. The terms of said Management Agreements shall be as determined by the Board to be in the best interest of the corporation, and shall be subject in all respects to the Articles of Incorporation, these By-Laws and the Declaration.

Section 7.2. Duties. It shall be the duty of the Board of Directors to:

7.2.a 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.

7.2.b as more fully provided in this Declaration to:

(1) Indicate the amount of the annual assessment against each lot;

(2) send written notice by mail, email or other electronic means on record with the association of each assessment to every owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(3) The Crestview Homeowners Association may foreclose its lien following Arizona Law.

7.2.c issue upon demand by any person, certificates setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

7.2.d procure and maintain adequate Board of Directors and Officers liability insurance, and to procure adequate hazard insurance on property owned by the Association as the Directors deem advisable; and

7.2.e cause the Common Area and all common facilities to be maintained.

ARTICLE 8

OFFICERS AND THEIR DUTIES

Section 8.1. Enumeration of Officers The officers of this Association shall be a President and Vice-President, who shall, at all times, be members of the Board of Directors. Other officers may include a Secretary, a Treasurer, and chair of the Architectural Control Committee, and such other officers as the Board may by resolution create.

Section 8.2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members. The first regular board meeting will occur within one (1) month of the annual meeting.

Section 8.3. Term. The officers of this Association shall be elected annually by the Board of Directors.

Section 8.4. Special Appointments. The Board may appoint such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may determine.

Section 8.5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 8.6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 8.7. Multiple Offices. The President shall not simultaneously hold more than one office except in the case of special offices created pursuant to Section 8.4 of this Article.

Section 8.8. Duties The duties of the officers include the following:

8.8.a President- Shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments as approved by the Board of Directors.

8.8.b Vice-President- Shall act in the place and stead of the President in the event of his/her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required and approved by the Board.

8.8.c Secretary - Shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; serve notice of meetings of the Board

and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

8.8.d Treasurer- Shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution or written policy of the Board of Directors; shall sign all checks and Promissory Notes of the Association; keep proper books of account; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting and deliver a copy of each to the members.

Article 9

COMMITTEES

Section 9.1. The Board of Directors shall appoint an Architectural Control Committee as provided in the Declaration and a Nominating Committee as provided in these By-Laws. In addition, the Board of Directors may appoint other advisory committees as deemed appropriate in carrying out its purposes.

Section 9.2. All committees appointed by the board shall be advisory to the Board of Directors and shall report their finding and recommendations to the Board for final action, except the Architectural Control Committee in which their decision is final as stated in the CC&Rs.

ARTICLE 10

BOOKS AND RECORDS

The books, records and papers of the Association shall, at all times during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and By-Laws of the Association as well as the Management Agreements shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at a reasonable cost.

ARTICLE 11

ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments. which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eighteen percent (18%) per annum and the Association may bring an action at law against the owner personally obligated to pay the same or foreclose the lien against the property and interest, costs and reasonable attorneys fees of any such action shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

ARTICLE 12

AMENDMENTS

Section 12.1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of members present in person or by absentee ballot.

Section 12.2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE 13

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year.

IN WITNESS WHEREOF, we, being all of the Directors of **CRESTVIEW HOMEOWNERS ASSOCIATION**, have hereunto set our hands this ___ of October 2014

CERTIFICATION

The undersigned President and Secretary of the Crestview Homeowners Association hereby certify that in excess of a majority of a quorum of the Owners voted in favor of these amendments to the Bylaws on October 17, 2015, and results of the vote are in the secretarial minutes of the Association dated October 17, 2015.

President

Secretary