

**BYLAWS
OF
RIVERWALK CONDOS ASSOCIATION, INC.**

(Effective March 1, 2021)

ARTICLE 1

GENERAL PROVISIONS

1.1 Defined Terms. Capitalized terms used in these Bylaws without definition shall have the meanings specified for such terms in the Arizona Condominium Act, A.R.S. §33-1201, et seq., in the Declaration of Condominium for Riverwalk Condos, recorded or to be recorded in the official records of the County Recorder of Mohave County, Arizona (the “Declaration”), and in the Articles of Incorporation of the Association, as the case may be and all as may be amended from time to time. As used in these Bylaws, the term "Eligible Votes" means the total number of votes entitled to be cast by Members as of the record date for determining the Members entitled to vote at a meeting or in respect to any other lawful action including, but not limited to, action by written ballot or written consent.

1.2 Organization and Scope. These Bylaws shall constitute the bylaws of the above-named entity, which is an Arizona nonprofit corporation that is to serve as the property owners association and governing body for a residential community located in Lake Havasu City, Mohave County, Arizona, pursuant to the Declaration. The Board shall be responsible for administering the Declaration and exercising the powers and duties provided for by law and in the Declaration, except for such matters as are reserved to the Members by law or in the Community Documents.

1.3 Application of Bylaws. All present and future Owners and occupants, or any other Persons with any right, title or interest in any Unit, or who may have a right to use the Common Elements, are subject to the provisions of these Bylaws. The ownership, rental or occupancy of any Unit shall be deemed an acceptance and ratification of, and agreement to comply with, these Bylaws by the Owner or occupant.

1.4 Disputes. If any dispute or disagreement arises between or among any Owners relating to the interpretation or application of the provisions of the Declaration, the Articles, the Bylaws or the Association Rules, or any questions of interpretation thereof or any inconsistencies therein, the determination thereof by the Board shall be final and binding.

1.5 Conflicting Provisions. Unless otherwise provided, any inconsistencies or conflicts among the provisions of the Arizona Revised Statutes or other applicable law, the Declaration, the Articles, the Bylaws or the Association Rules, shall be resolved by giving priority first to the Arizona Revised Statutes or other applicable law, second to the Declaration, third to the Articles, fourth to the Bylaws, and fifth to the Association Rules.

1.6 Principal Office. The principal office of the Association shall be located at the

known place of business of the Association designated in the Articles or such other place as may be designated from time to time pursuant to Arizona law.

1.7 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 the Association's incorporation.

1.8 Amendment. Except as otherwise provided in this Section, these Bylaws may only be amended by a majority vote of the Board, provided that Agency approval may be required by the Declaration or the Articles of Incorporation. During the Period of Declarant Control, the Declarant, without the consent of any Unit Owner, shall have the right to amend these Bylaws, provided that Agency approval may be required by the Declaration or the Articles of Incorporation. So long as the Declarant owns one or more Units, any amendment to these Bylaws must be approved in writing by the Declarant in order to be effective. Notwithstanding the foregoing, these Bylaws shall not be amended to contain any provision which would be contrary to or inconsistent with the Declaration or the Articles as in effect from time to time; and any provision of, or purported amendment to, these Bylaws which is contrary to or inconsistent with the Declaration or the Articles shall be void to the extent of such inconsistency.

1.9 Notices. All notices, demands, statements or other communications required to be given or served under these Bylaws shall be in writing and shall be deemed to have been duly given and served if delivered personally, sent by Federal Express or other overnight delivery service, sent by United States mail, postage prepaid or sent by fax, electronic mail or other form of wireless communication, as follows: (a) if to an Owner, at the mailing address, electronic mail address or fax number which the Owner provides to the Secretary of the Association for the purpose of notice or, if no such mailing address, electronic address or fax number is provided, at the street address of the Unit of such Owner or; (b) if to the Association, at the known place of business of the Association as shown on the records of the Arizona Corporation Commission or at such other mailing address, electronic mail address or fax number as may be designated by the Association in a written notice to the Owners pursuant to this Section. Notice given by fax, electronic mail or other form of wireless communication shall be deemed to have been received by the Person to whom the notice was addressed when the notice was verified as sent. Notice given by personal delivery or overnight delivery service shall be deemed to have been received by the Person to whom the notice was addressed when the notice is actually delivered to such address. A notice given by United States mail shall be deemed to have been received by the Person to whom the notice was addressed on the earlier of the date the notice is actually received or three days after the notice is mailed. If a Unit is owned by more than one Person, notice to one of the Owners shall constitute notice to all Owners of the same Unit.

1.10 Captions and Titles. All captions, titles or headings of the Articles and Sections in these Bylaws are for the purpose of reference and convenience only and are not to be deemed to limit, modify or otherwise affect any of the provisions hereof or to be used in determining the intent of context thereof.

ARTICLE 2

MEETINGS OF MEMBERS

2.1 Annual Meeting. The first Annual meeting of the Members shall be held within one (1) year of the date following termination of the Period of Declarant Control, and an annual meeting of the Members shall be held once every twelve months thereafter. The date, time and place of each annual meeting of the Members shall be determined by the Board of Directors. The annual meeting must be held in the State of Arizona. Subject to Declarant's right to appoint and remove all directors prior to termination of the Period of Declarant Control, at each annual meeting the Members shall elect the Board in accordance with the requirements of the Declaration, the Articles and these Bylaws, and may also transact such other business as may be authorized to be transacted by the Members at annual meetings. When Declarant's right to appoint all directors terminates as provided in the Articles or the Declaration, for each election of directors, the Board shall either prescribe an opening and closing date of a reasonable filing period in which each eligible person may declare their candidacy for election to the Board by giving written notice thereof to the Secretary of the Association, or appoint a "Nominating Committee" to nominate candidates for election to the Board. Any Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more persons who are Members of the Association. Any such Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members to serve from the close of such annual meeting until the close of the next annual meeting, and such appointment shall be announced at each annual meeting. Any Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. The Board may also establish such other rules and regulations as it deems appropriate with respect to the nomination and election of directors. In any event, nominations may also be made from the floor at the annual meeting of the Members. In each election of directors, the number of candidates equal to the number of positions to be filled receiving the greatest number of votes shall be deemed elected. Cumulative voting will not be permitted in the election of directors.

2.2 Special Meetings. Special meetings of the Members may be called at any time by the President or by a majority of the Board of Directors or by Unit Owners having at least twenty-five (25%) of the Eligible Votes. Any special meeting must be held in the State of Arizona.

2.3 Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting by mailing a copy of each notice by first-class U.S. Mail, postage prepaid, no fewer than ten (10) nor more than fifty (50) days before such meeting to each Member entitled to vote at the meeting. 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 (and no business shall be transacted at such special meeting except as stated in the notice). The notice of the meeting shall be deemed to be given when deposited in the United States Mail and addressed to the Member at the address that appears on the records of the Association. The failure of any Member to receive actual notice of a meeting of the Members does not affect the validity of any action taken at that meeting. When a meeting is adjourned to another date, time or place, a notice of the new date, time or place is not required if the new date, time or place is announced at the meeting before adjournment. At the adjourned meeting, the Association may

transact any business which might have been transacted at the original meeting. If a new record date for the adjourned meeting is or must be fixed hereunder, the Association shall give notice of the adjourned meeting pursuant to this Section to persons who are Members as of the new record date. A Member's attendance at a meeting waives objection to the lack of notice or defective notice of the meeting, unless the Member at the beginning of the meeting objects to holding the meeting and transaction of business at the meeting. In addition, a Member's attendance at a meeting waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the Member objects to considering the matter at the time it is presented.

2.4 Quorum. Those Members present in person or by proxy at a properly noticed meeting of Members shall constitute a quorum at all meetings of the Members. If a quorum shall not be present at any meeting, the meeting shall be adjourned from time to time until a quorum shall be present.

2.5 Voting and Proxies.

(a) If only one of the multiple Owners of a Unit is present at a meeting of the Association, said person is entitled to cast all the votes allocated to that Unit. If more than one of the multiple Owners of a Unit are present, the votes allocated to that Unit may be cast only in accordance with the agreement of a majority in interest of the multiple Unit Owners unless the Declaration expressly provides otherwise. There is majority agreement if any one of the multiple Owners casts the votes allocated to that Unit without protest being made promptly to the person presiding over the meeting by any of the other Owners of the Unit. In the event that an Owner owns more than one (1) Unit, such Member shall be entitled to one (1) vote for each Unit owned.

(b) At any meeting of Members, any Member entitled to vote may vote by proxy executed in writing by the Member or by his duly authorized attorney-in-fact. Proxies may be granted in favor of only another Member, the granting Member's attorney, the lessee of a granting Member's Unit, the Secretary of the Association or the Board of Directors. Proxies shall be duly executed in writing and shall be valid only for the particular meeting designated therein or any adjournment thereof. All proxies must be filed with the Secretary prior to the commencement of the meeting for which they are given. Proxies shall be deemed revoked only upon the appearance in person of the Member granting a proxy at the meeting for which the proxy was granted or upon the actual receipt by the person presiding over the meeting of a notice of revocation signed by the Member who granted the proxy.

(c) The Association may provide for votes to be cast by absentee ballot or may provide for voting by some other form of delivery. Notwithstanding Section 10-3708 of the Arizona Revised Statutes or any other provision of the Community Documents, any action taken at an annual, regular or special meeting of the Members shall comply with all of the following if absentee ballots are used: (1) the absentee ballot shall set forth each proposed action; (2) the absentee ballot shall provide an opportunity to vote for or against each proposed action; (3) the absentee ballot is valid for only one specified election or meeting of the Members and expires automatically after the completion of the election or meeting; (4) the absentee ballot specifies the time and date by which the ballot must be delivered to the Board of Directors in order to be

counted, which shall be at least seven days after the date that the Board delivers the unvoted absentee ballot to the Member; and (5) the absentee ballot does not authorize another Person to cast votes on behalf of the Member. Votes cast by absentee ballot or other form of delivery are valid for the purpose of establishing a quorum.

2.6 Suspension of Voting Rights. In the event any Unit Owner is in arrears in the payment of any Assessment, monetary penalties or other fees and charges due under the terms of the Community Documents or is in violation of any provision of the Community Documents after the Unit Owner is notified of the violation by the Association, the Unit 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, and all violations of the Community Documents are cured and corrected to the satisfaction of the Board of Directors.

2.7 Record Date. For any meeting of the Members, the Board of Directors shall fix a date as the record date for determining the Members entitled to notice of the meeting. If the Board of Directors fails to fix a record date for any meeting of the Members, the record date for determining the Members entitled to notice of the meeting shall be the business day before the day on which the notice of the meeting is given. The Board of Directors shall also fix a date as the record date for determining the Members entitled to vote at a meeting of the Members. If the Board of Directors fails to fix such a record date, the Members on the date of the meeting who are otherwise eligible to vote are entitled to vote at the meeting. A determination of Members entitled to notice of or to vote at a membership meeting is effective for any adjournment of the meeting, unless the Board of Directors fixed a new date for determining the right to notice or the right to vote. The Board of Directors shall fix a new date for determining the right to notice or the right to vote if the meeting is adjourned to a date that is more than sixty (60) days after the record date for determining Members entitled to notice of the original meeting. The Board of Directors shall fix a date as the record date for the purpose of determining the Members entitled to exercise any rights in respect of any other lawful action of the Members. If a record date is not fixed by the Board of Directors or by these Bylaws, Members at the close of business on the day on which the Board of Directors adopts the resolution relating to that record date, or the sixtieth (60th) day before the date of other action, whichever is later, are entitled to exercise those rights. The record date fixed by the Board of Directors under this Section shall not be more than sixty (60) days before the meeting or action requiring a determination of Members. If a court orders a meeting adjourned to another date, the original record date for notice of voting continues in effect.

2.8 Organization and Conduct of Meeting. All Members attending a meeting of the Members shall register with the Secretary (or such person or persons as may be designated by the Secretary) prior to commencement of the meeting, and all proxies must be filed with the Secretary (or such person or persons as may be designated by the Secretary) prior to commencement of the meeting. After the meeting is called to order by the chair of the meeting, no further proxies or changes, substitutions or revocation of proxies will be accepted. All meetings of the Members will be called to order and chaired by the President of the Association, or if there is no President or if the President is absent or so requests, then by the Vice President. If both the President and Vice President are not present at the meeting, any other officer of the Association or such member of the Association as is appointed by the Board of Directors may call the meeting to order and chair the meeting. The chair of the meeting may appoint the Managing Agent (see below)

to chair the meeting or portions thereof. The chair of the meeting shall have the authority to determine the order of business to be conducted at the meeting and to establish reasonable rules for expediting the business of the meeting. The chair of the meeting may appoint any person (whether or not a Member of the Association) to act as recording secretary. Minutes shall be taken at all meeting of Members. Copies of the minutes shall be available for inspection at the office of the Association by Members and Directors upon reasonable notice.

2.9 Action by Written Ballot. Any action that the Association may take at any annual, regular or special meeting of the Members may be taken without a meeting if the Association delivers a written ballot to every Member entitled to vote on the matter. The written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. All solicitations for votes by written ballot shall: (a) indicate the number of responses needed to meet the quorum requirements; (b) state the percentage of approvals necessary to approve each matter other than election of directors; and (c) specify the time by which a ballot must be delivered to the Association in order to be counted, which time shall not be less than ten (10) days after the date that the Association delivers the ballot. Once a written ballot has been received by the Association, the ballot may not be revoked. Approval by written ballot pursuant to this Section is valid only if both the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action and the number of approvals equals or exceeds the number of votes which would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. Unless a different record date is fixed by the Board, the record date for determining the Members entitled to vote on matters submitted to a vote by written ballot shall be the business day before the day on which the ballots are delivered to the Members.

2.10 Action by Written Consent. The Members may approve any action required or permitted by law that requires the Members' approval without a meeting of the Members if the action is approved by Members holding at least a majority of the Eligible Votes in the Association, unless the Declaration, Articles, these Bylaws or applicable law require a different amount of voting power. The action shall be evidenced by one or more written consents describing the action taken, signed by those Members representing at least the requisite amount of the voting power, and delivered to the Association for inclusion in the minutes or filing with the corporate records of the Association. If not otherwise fixed by the Board of Directors pursuant to these Bylaws, the record date for determining Members entitled to take action without a meeting is the date the first Member signs the consent to the action. A consent signed under this Section has the effect of a meeting vote and may be described as such in any document. Written notice of Member approval pursuant to this Section shall be given to all Members who have not signed the written consent. Unless otherwise specified in the consent or consents, the action is effective on the date that the consent or consents are signed by the last Member whose signature results in the requisite amount of the voting power. Any Member may revoke the Member's consent by delivering a signed revocation of the consent to the President or Secretary before the date that the consent or consents are signed by the last Member whose signature results in the requisite amount of the voting power.

2.11 Voting Requirements. Unless a greater proportion is required by statute or the Community Documents, if a quorum is present at a meeting of the Members, the affirmative vote of a majority of the votes represented and voting is the act of the Members.

ARTICLE 3

BOARD OF DIRECTORS

3.1 Number. The affairs of this Association shall be managed by a board of directors. During the Period of Declarant Control, the minimum number of directors shall be one (1). After the expiration of the Period of Declarant Control, the minimum number of directors shall be three (3), but shall in all events be an odd number. During the Period of Declarant Control, the Declarant shall have the right to appoint and remove the members of the Board of Directors who do not have to be Unit Owners. Upon the termination of the Period of Declarant Control, the Unit Owners shall establish the number of directors and elect the Board of Directors, all of whom must be Unit Owners or a representative of Declarant, but need not be residents of the State of Arizona. For the limited purpose of determining whether a natural person is a Unit Owner and therefore eligible to serve on the Board of Directors, the spouse of a natural person who is a Unit Owner and any member, manager, shareholder, partner, director, officer or other authorized representative of a corporation, general partnership, limited partnership, limited liability company, limited liability partnership or other legal entity that is a Unit Owner shall be considered a Unit Owner. The Declarant may voluntarily surrender his right to appoint and remove the members of the Board of Directors before termination of the Period of Declarant Control, and in that event the Declarant may require, for the duration of the Period of Declarant Control, that specified actions of the Association or the Board of Directors, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before they become effective.

3.2 Term of Office. Directors appointed by the Declarant shall hold office until their successors are elected and qualify. All directors elected by the Members shall be elected for a term of three (3) years. Despite the expiration of a director's term, a director shall continue to hold office until the director's successor is elected, designated or appointed and qualified, until the director's resignation or removal or until there is a decrease in the number of directors.

3.3 Resignation of Directors. A director may resign at any time by delivering written notice to the Board of Directors, its presiding officer or the Association. A resignation is effective when the notice is delivered unless the notice specifies a later effective date or event. If a resignation is made effective at a later date, the Board may fill the pending vacancy before the effective date if the Board provides that the successor does not take office until the effective date.

3.4 Removal. The Members, by a majority vote of Members entitled to vote and voting on the matter at a meeting of the Members called pursuant to this Section at which a quorum is present, may remove any member of the Board of Directors, with or without cause, other than a member appointed by the Declarant. Further, upon receipt of a petition that calls for removal of a member of the Board of Directors and that is signed by the number of Persons who are entitled to cast at least twenty percent (20%) of the votes in the Association, the Board of Directors shall call and provide notice of a special meeting of the Association as prescribed herein. The special meeting shall be called, noticed and held within thirty days after receipt of the petition. For purposes of a special meeting called pursuant to this Section, a quorum is present if the number of Owners to whom at least twenty percent (20%) of the votes are allocated is present at the meeting

or as otherwise permitted by law. Any Director whose removal has been proposed by the Members shall be given an opportunity to be heard at the meeting prior to the vote for removal. The Board of Directors shall retain all documents and other records relating to the proposed removal of the member of the Board of Directors for at least one year after the date of the special meeting and shall permit Members to inspect those documents and records pursuant to law. A petition that calls for the removal of the same member of the Board of Directors shall not be submitted more than once during each term of office for that member. If a civil action is filed regarding the removal of a member of the Board of Directors, the prevailing party in the civil action shall be awarded its reasonable attorney fees and costs. Except in the case of injury, illness or similar excusable circumstances, a director's fourth consecutive absence from regular meetings of the Board shall automatically result in the removal of such absent director, effective as of the commencement of the fourth missed meeting. If a director ceases to be a Member (or, in the case of a director who is an individual designated by a non-individual Member, if such designating Member ceases to be a Member), his directorship shall immediately and automatically terminate. No individual shall continue to serve on the Board if such individual, or the non-individual Member which designated such individual for candidacy as a director, is more than thirty (30) days delinquent in the payment of an Assessment, and such delinquency shall automatically constitute the removal of such director on the thirty-first (31st) day of the delinquency. A curing of such delinquency shall not result in a reinstatement of such director, even if the director's vacancy has not yet been filled.

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

3.6 Action Taken Without a Meeting. Unless otherwise expressly restricted by statute or the Community Documents, any action required or permitted to be taken at a meeting of the Board or any committee thereof may be taken without a meeting if all directors or committee members, as appropriate, consent thereto in writing. Each such consent shall be filed with the minutes of proceedings of the Board or the committee. Any action taken pursuant to this Section shall be effective when the last director or committee member, as appropriate, signs the consent, unless the consent specifies a different effective date.

3.7 Vacancies. Until the termination of the Period of Declarant Control, any vacancy on the Board of Directors shall be filled by the Declarant. Except with respect to members appointed by the Declarant and vacancies caused by the removal of a member of the Board of Directors by a vote of the Unit Owners as set forth above, all vacancies in the Board of Directors shall be filled by a vote of a majority of the remaining directors though less than a quorum or by a sole remaining director. Any person so elected shall serve the unexpired portion of the prior director's term. Any newly created directorship shall be deemed a vacancy. Any person elected to fill such a vacancy shall serve until the next annual meeting of the Members.

3.8 Meetings. If the time and place of a meeting of the Board of Directors is permanently fixed by unanimous approval of the Board of Directors, the meeting is a regular meeting. A regular annual meeting of the Board of Directors shall be held without other notice

than this bylaw, immediately after, and at the same place as, the annual meeting of Members. All other meetings of the Board of Directors are special meetings. Regular meetings of the Board of Directors may be held with or without notice to the directors of the date, time, place or purpose of the meeting. Special meetings of the Board of Directors may be called by the President on two (2) business days' notice to each director, given in writing, by hand delivery or email at the address or email address as shown on the records of the Association, which notice shall state the time, place and purpose of the meeting. If notice is given by email, such notice shall be deemed to be delivered when the notice is sent and the sender has no reason to believe that the recipient Director does not have access to email or did not receive the email. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) directors. A director's attendance at or participation in a meeting waives any required notice to the director of the meeting unless the director at the beginning of the meeting or promptly on the director's arrival at the meeting objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting. A director may participate in a regular or special meeting of the Board of Directors through the use of any means of communication by which all directors participating may simultaneously hear each other during the meeting, and a director participating in a meeting by such means is deemed to be present in person at the meeting. Notice of meetings of the Board of Directors shall be given to the Members of the Association within such time and in such manner as is required by law.

3.9 Quorum and Voting. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors; but if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice. If a quorum is present when a meeting is convened, the quorum shall be deemed to exist until the meeting is adjourned, notwithstanding the departure of one or more directors. If a quorum is present when a vote is taken, the affirmative vote of a majority of directors present is the act of the Board of Directors unless the Community Documents or statute require the vote of a greater number of directors. A director who is present at a meeting of the Board when corporate action is taken is deemed to have assented to the action taken unless either: (a) the director objects at the beginning of the meeting or promptly on the director's arrival to holding it or transacting business at the meeting; (b) the director's dissent or abstention from the action taken is entered in the minutes of the meeting; or (c) the director delivers written notice of the director's dissent or abstention to the presiding officer of the meeting before its adjournment or to the Association before 5:00 P.M. on the next business day after the meeting. The right of dissent or abstention is not available to a director who votes in favor of the action taken. A director may vote in person or by proxy. A director may appoint a proxy to vote or otherwise act for the director by signing an appointment form, either personally or by the director's attorney-in-fact. The appointment does not relieve the director of liability for acts or omissions imposed by law on directors. An appointment of a proxy is effective when received by the Secretary. An appointment is valid for one (1) month unless a shorter period is expressly provided in the appointment form. An appointment of a proxy is revocable by the director. The death or incapacity of a director appointing a proxy shall not affect the right of the Association to accept the proxy's authority unless written notice of death or incapacity is received by the Secretary before the proxy exercises its authority under the appointment. Subject to any express limitation on the proxy's authority appearing on the face of the appointment form, the Association is entitled

to accept the proxy's vote or other action as the vote of the director making the appointment.

3.10 Conflict of Interest. If any contract, decision or other action for compensation taken by or on behalf of the Board of Directors would benefit any person who is a parent, grandparent, spouse, child or sibling of a member of the Board of Directors or a parent or spouse of any of those persons, that member of the Board of Directors shall declare a conflict of interest for that issue. The Member shall declare the conflict in an open meeting of the Board before the Board discusses or takes action on that issue and that Member may not vote on that issue. Any contract entered into in violation of A.R.S. § 33-1243(C) is void and unenforceable.

3.11 Open Meetings. Notwithstanding any provision in the Community Documents to the contrary, all meetings of the Association and Board of Directors are open to all Members of the Association or any Person designated by a Member in writing as the Member's representative and all Members or designated representatives so desiring shall be permitted to attend and speak at an appropriate time during the deliberations and proceedings. The Board of Directors may place reasonable time restrictions on those Persons speaking during the meeting but shall permit a Member or a Member's designated representative to speak before the Board takes formal action on an item under discussion in addition to any other opportunities to speak. The Board shall provide for a reasonable number of persons to speak on each side of an issue.

Unless otherwise provided in the Articles or these Bylaws of the Association, for meetings of the Board that are held after the termination of the Period of Declarant Control of the Association, notice to Owners of meetings of the Board shall be given at least forty-eight (48) hours in advance of the meeting by newsletter, conspicuous posting or any other reasonable means as determined by the Board. An affidavit of notice by an officer of the Association is prima facie evidence that notice was given as prescribed by this section. Notice to Owners of meetings of the Board is not required if emergency circumstances require action by the Board before notice can be given. Any notice of a Board meeting shall state the time and place of the meeting. The failure of any Owner to receive actual notice of a meeting of the Board does not affect the validity of any action taken at that meeting.

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

(A) Legal advice from an attorney for the Board or the Association. On final resolution of any matter for which the Board received legal advice or that concerned pending or contemplated litigation, the Board may disclose information about that matter in an open meeting except for matters that are required to remain confidential by the terms of a settlement agreement or judgment.

(B) Pending or contemplated litigation.

(C) Personal, health or financial information about an individual Member of the Association, an individual employee of the Association or an individual employee of a contractor for the Association, including records of the Association directly related to the personal, health or financial information about an individual Member of the Association, an individual employee of the Association or an individual employee of a contractor for the Association.

(D) Matters relating to the job performance of, compensation of, health records of or specific complaints against an individual employee of the Association or an individual employee of a contractor of the Association who works under the direction of the Association.

3.13 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 exercise all corporate powers of the Association, subject to any limitation set forth in the Community Documents or imposed by law. The duties of the Board of Directors shall include, without limitation:

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

(b) To accept such properties, improvements, rights, and interests as may be conveyed, leased, assigned, or transferred to the Association;

(c) To maintain and otherwise manage all of the Common Elements and any Areas of Association Responsibility and all facilities, improvements, and landscaping thereon; to pay all taxes and assessments, if any, which may properly be levied against the Common Elements; to repair, rehabilitate and restore the Common Elements; and to insure the Common Elements against such risks as the Board of Directors shall determine in accordance with the Community Documents;

(d) To own, maintain, manage, lease, sell or otherwise dispose of any personal and real property acquired by the Association in lieu of foreclosure or trustee's sale or through attachment, foreclosure, Sheriff's sale, Trustee's sale, tax sale, redemption or any other judicial, quasi-judicial, bankruptcy or regulatory action and all facilities, structures, buildings, fixtures, landscaping and other improvements located thereon; to pay all taxes and assessments, if any, which may properly be levied against such property; to repair, rehabilitate and restore such property; and to insure such property against such risks as the Board of Directors shall determine;

(e) To purchase, lease, acquire, own, maintain, manage, sell or otherwise dispose of Association property, if any; to pay all taxes and assessments, if any, which may properly be levied against Association property, if any; and to insure Association property, if any, against such risks as the Board of Directors shall determine;

(f) To do all things necessary to carry out and enforce the terms and provisions of the Community Documents and to do all things and acts, including the payment of all maintenance, operating and other costs, which in the sole discretion of its Board of Directors shall be deemed to be in the best interest of the Members of the Association or for the peace, comfort, safety or general welfare of the Members of the Association, all in accordance with the Community Documents;

(g) To enter into agreements with third parties authorizing such parties to carry on any activities which might legally be carried on by the Association and delegated by the Association to third parties;

(h) To engage the services of a manager or managing agent who shall manage

and operate the Association for all of the Members upon such terms, for such compensation and with such authority as the Board of Directors may approve;

(i) To appoint committees of the Board of Directors and to delegate to such committees the authority to carry out certain duties of the Board of Directors, to the extent permitted by the Act and the Condominium Documents,

(j) To estimate the amount of the annual budget and to provide the manner and time of assessing and collecting from the Owners the Assessments provided for in the Community Documents;

(k) To promulgate such Rules pertaining to the use and occupancy of the Community and the personal conduct of the Members and their family members, guests, lessees and invitees thereon as may be deemed proper and which are consistent with the Declaration;

(l) To enforce, by suit or otherwise, the terms and provisions of the Community Documents; provided, however, that the Association shall not be obligated to take action to enforce any provision of the Community Documents if the Board determines, in its sole discretion, that because of the strength of the Association's position, possible defenses, the time and expenses of litigation or other enforcement action, the likelihood of a result favorable to the Association or other factors deemed relevant by the Board, enforcement action would not be appropriate or in the best interests of the Association;

(m) To establish and maintain working capital, reserve and contingency accounts in an amount to be determined by the Board of Directors;

(n) To lend or invest its working capital and reserves with or without security;

(o) To fix and collect fees, rates, rentals and other charges for the use of Community amenities, for the use of other property owned by the Association and for services rendered by the Association;

(p) To obtain, for the benefit of the Community, all water, sewer, gas, electric, and telecommunications services and refuse collections, and to grant easements when necessary for all related facilities over the Property;

(q) To enter into agreements with the owners of property not within the Community whereby such owners shall contribute to the payment of construction, maintenance and reconstruction expenses, taxes, insurance and other charges attributable to portions of the Common Elements which may directly or indirectly benefit such property;

(r) To levy and collect Assessments as provided in the Declaration;

(s) To establish, levy, collect and enforce by any lawful means a schedule of fines, penalties, transfer fees, refinance fees, administrative charges, late charges, interest and costs of collection;

(t) To designate, hire, supervise and dismiss the personnel necessary for the maintenance, operation, repair, replacement of the Common Elements and any Areas of Association Responsibility and provide services for the Community, 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;

(u) To supervise all officers, agents and employees of the Association and see that their duties are properly performed;

(v) To procure and maintain adequate property liability and other insurance as required by the Declaration and to cause all officers or employees having fiscal responsibilities to be bonded or covered by insurance, as it may deem appropriate;

(w) To do all other acts and things required by applicable law or statute or authorized in the Declaration but not explicitly set out above; and

(x) In general to do and perform such acts and things and to transact such business in connection with the foregoing objects and purposes as may be necessary or appropriate.

3.14 Managing Agent. The Board of Directors may hire a property manager or managing agent (a "Managing Agent") at a compensation established by the Board of Directors. The Managing Agent shall perform such duties and services as the Board of Directors shall authorize. The Board of Directors may, but is not obligated to, delegate to the Managing Agent all of the powers granted to the Board of Directors or the officers of the Association and such powers as are necessary for the Managing Agent to perform the duties assigned to the Managing Agent by the Board, but the Board shall not delegate to the Managing Agent policymaking authority or the power: (a) to adopt the annual budget, any amendment thereto or to levy Assessments; (b) to adopt, repeal or amend Rules; (c) to designate signatories on Association bank accounts; (d) to borrow or lend money on behalf of the Association; (e) to acquire real property on behalf of the Association and mortgage same; or (f) to allocate Limited Common Elements. So long as the Declarant owns any Unit, any change in the Managing Agent or any decision by the Board of Directors to undertake self-management of the Association must be approved in writing by the Declarant. Declarant or an Affiliate of Declarant may be employed as the Managing Agent. Following the Period of Declarant Control, any contract with the Managing Agent must provide that it may be terminated with or without cause and without payment of any penalty or termination fee on no more than thirty (30) days written notice. The term of any such contract may not exceed one (1) year.

ARTICLE 4

OFFICERS

4.1 Enumeration of Officers. The principal officers of the Association shall be the president, vice president, the treasurer, and the secretary. The Board of Directors may create such other offices as the affairs of the Association may require. During the Period of Declarant Control,

all officers of the Association shall be appointed and removed by the Declarant. After the termination of the Period of Declarant Control, all officers shall be elected by the Board of Directors. After the expiration of the Period of Declarant Control, 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. The same person may simultaneously hold more than one office. All officers must be Unit Owners or a representative of Declarant. For the limited purpose of determining whether a natural person is a Unit Owner and therefore eligible to serve as an officer, the spouse of a natural person who is a Unit Owner and any member, manager, shareholder, partner, director, officer or other authorized representative of a corporation, general partnership, limited partnership, limited liability company, limited liability partnership or other legal entity that is a Unit Owner shall be considered a Unit Owner.

4.2 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.

4.3 Term. After the termination of the Period of Declarant Control, the officers of the Association shall be elected annually by the Board of Directors and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise be disqualified to serve. Despite the expiration of an officer's term, an officer shall continue to hold office until the officer's successor is elected, designated or appointed and qualified

4.4 Resignation and Removal. Except for officers appointed by the Declarant, 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 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. If a resignation is made effective at a later date or event and the Board accepts the later effective date, the Board may fill the pending vacancy before the effective date if the Board provides that the successor shall not take office until the effective date.

4.5 Vacancies. Except for officers appointed by the Declarant, a vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

4.6 Compensation. No officer shall receive any compensation from the Association for acting as such. However, any officer may be reimbursed for his or her actual expenses incurred in the performance of his or her duties. Nothing contained herein shall be construed to preclude an officer from serving the Association in any other capacity, and receiving compensation therefor.

4.7 Powers and Duties. To the extent such powers and duties are not assigned or delegated to a Managing Agent, the powers and duties of the officers shall be as follows:

President. The President shall be the principal executive officer of the Association and shall, in general, supervise and control all of the business and affairs of the Association. The President shall preside at all meetings of the Members and of the Board of Directors.

The President may sign, with the Secretary or any other proper officer of the Association authorized by the Board of Directors, any deeds, leases, mortgages, bonds, contracts, or other instruments that the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by the Declaration, these Bylaws or by statute to some other officer or agent of the Association.

Vice-President. In the absence of the President or in the event of the President's inability or refusal to act, the Vice President (or in the event there be more than one (1) Vice President, the Vice Presidents in the order of their election) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President shall perform such other duties as from time to time may be delegated or assigned by the President or by the Board of Directors.

Treasurer. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Association; receive and give receipts for moneys due and payable to the Association from any source whatsoever, and deposit all such moneys in the name of the Association in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of these Bylaws; and, in general, perform all the duties incident to the office of Treasurer, and such other duties as from time to time may be delegated or assigned by the President or by the Board of Directors. The Treasurer shall sign checks of the Association; shall keep proper books of account; and shall prepare an annual budget and a statement of income and expenditures on behalf of the Board of Directors to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members. If required by the Board of Directors, the Treasurer shall provide, at the Association's expense, a bond or other insurance for the faithful discharge of his/her duties in such sum and with such surety or sureties as the Board of Directors shall determine.

Secretary. The Secretary shall record the votes and keep the minutes of the meetings of the Members and of the Board of Directors; see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; be custodian of the Association records; keep a register of the contact information of each Member, which shall be furnished to the Secretary by all Members; and, in general, perform all duties incident to the office of secretary and such other duties as from time to time may be delegated or assigned by the President or by the Board of Directors.

ARTICLE 5

COMMITTEES

5.1 Committees of the Board. The Board of Directors may create one or more standing or *ad hoc* committees and appoint members of the Board of Directors to serve on them. Each committee of the Board of Directors may exercise the authority of the Board of Directors only to the extent specified by the Board of Directors. Each committee shall have one or more members, and each member of a committee shall serve at the pleasure of the Board of Directors.

The creation of a committee and appointment of members of the Board of Directors to the committee must be approved by a majority of all the directors in office when the action is taken. The Board of Directors may designate one or more directors as alternate members of any committee who may replace any absent member at any meeting of the committee. The provisions of these Bylaws governing meetings, action without meetings and notice, waiver of notice, quorum and voting requirements of the Board of Directors shall also apply to committees of the Board of Directors and their members. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed by the Declaration or by law.

5.2 Design Review Committee. The Board of Directors may establish a Design Review Committee as described in the Declaration.

5.3 Advisory Committees. In addition to Committees of the Board of Directors, the Board of Directors may appoint committees consisting of members and/or non-members of the Board of Directors to perform such tasks as the Board of Directors deems necessary or desirable. Any such committees shall be advisory only and shall not have the power to exercise any authority of the Board of Directors.

ARTICLE 6

RECORDS

6.1 General. The Managing Agent and Board of Directors will keep records of all actions of the Managing Agent and Board of Directors, as well as minutes of the meetings of the Board of Directors, minutes of the meetings of the Members, and financial records and books of account for the Association, including a record of all receipts and disbursements. A separate account will also be kept for each Member containing, among other things, the amount of each Assessment, the date when due, amounts paid thereon, the balance remaining due, and any other fees, charges, fines and penalties, together with interest, late charges and all costs, including but not limited to reasonable attorneys' fees, incurred by the Association in collecting or attempting to collect delinquent Assessments, fees, charges, fines or penalties, whether or not suit is filed.

6.2 Annual Financial Report. The Board shall provide for an annual financial audit, review or compilation of the Association. The audit, review or compilation shall be completed no later than 180 days after the end of the Association's fiscal year and shall be made available upon request to the Members within 30 days after its completion.

6.3 General Access to Records. The Association shall make the financial and other records of the Association reasonably available for examination by any Member or any Person designated by the Member in writing as the Member's representative. The Association shall not charge a Member or any Person designated by the Member in writing for making material available for review. The Association shall have ten (10) business days to fulfill a request for examination. On request for purchase of copies of records by any Member or any Person designated by the Member in writing as the Member's representative, the Association shall have ten (10) business days to provide copies of the requested records. The Association may charge a fee for making

copies of not more than twenty cents per page. The Association records may be withheld from disclosure to the extent that the portion withheld relates to any matter of a type subject to a Closed Meeting as described in these Bylaws or by statute. The Association shall not be required to disclose financial or other records of the Association if disclosure violates any state or federal law

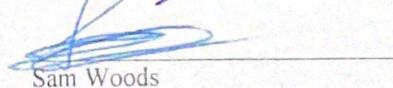
ARTICLE 7

DECLARANT RESERVED RIGHTS

After the termination of the Period of Declarant Control and for so long as the Declarant owns any Unit, the Declarant shall have the right to veto any action, policy or program of the Association, the Board and any committee which, in the sole judgment of the Declarant, would tend to impair or limit the rights of the Declarant under the Declaration or these Bylaws or law, or interfere with development or construction of any portion of the Community, or diminish the level of services being provided by the Association. The Declarant shall be given written notice of all meetings and proposed actions of the Members by written consent or written ballot without a meeting and of all meetings and proposed actions of the Board or any committee by written consent without a meeting at least fifteen (15) days prior to the meeting or proposed action. Such notice shall be given by personal delivery at the address the Declarant has registered with the Secretary of the Association, which notice shall, except in the case of the annual meeting of the Members, set forth with reasonable particularity the agenda to be followed at such meeting. The Declarant shall be given the opportunity at any such meeting to participate in or to have its representatives or agents participate in discussion from the floor of any prospective action, policy, or program which would be subject to the veto right set forth in this Section. No action, policy or program subject to the Declarant's veto right set forth in this Section shall become effective or be implemented until and unless the requirements of this Section have been met. The Declarant, through its representatives or agents, may make its concerns, thoughts and suggestions known to the members, the Board and/or the members of a committee, as the case may be. The Declarant acting through any officer or director, agent or authorized representative, may exercise its right to disapprove at any time within ten (10) days following the meeting at which such action was taken or, in the case of any action taken by written consent or written ballot in lieu of a meeting, at any time within ten (10) days following receipt of written notice of the action taken. The Declarant may use its veto right to block proposed actions. The Declarant shall not use its veto right to reduce the level of services which the Association is obligated to provide or to prevent capital repairs or any expenditure required to comply with applicable laws and regulations.

Duly adopted by the Board of Directors of the Association as of the Effective date set forth above.


Devin Wozencraft


Sam Woods