

SANDS McCORMICK TOWNHOMES ASSOCIATION

INDEX TO BYLAWS

(Amended & Restated on March 20, 2024)

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AMENDED AND RESTATED BYLAWS OF
THE SANDS McCORMICK TOWNHOMES ASSOCIATION
SCOTTSDALE, AZ 85258
(Amended and Restated on March 20, 2024)

ARTICLE I: NAME AND LOCATION

The name of the corporation is SANDS McCORMICK TOWNHOMES ASSOCIATION, hereinafter referred to as the "Association". The principal office of the corporation shall be located at such place within the State of Arizona, County of Maricopa, as may be designated by the Board of Directors; meetings of Members and Directors may be held at such places within the State of Arizona, County of Maricopa, as may be designated by the Board of Directors.

ARTICLE II: DEFINITIONS

Section 1. "Association" shall mean and refer to Sands McCormick Townhomes Association, its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners as defined in the Declaration.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision plat of the Properties with the exception of the Common Area.

Section 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 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 6. "Declaration" shall mean and refer to the Amended and Restated Declaration of Covenants, Conditions, and Restrictions for Sands McCormick Townhomes, applicable to the Properties recorded in the Office of the County Recorder of Maricopa County, Arizona.

Section 7. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

ARTICLE III: MEETINGS OF MEMBERS

Section 1. Annual Meetings. An annual meeting of the Members of the Association shall be held at least once every fourteen (14) months at such date, time and place within the State of Arizona as is determined by the Board.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the president or by the Board of Directors, or upon written request of 25% of the Association Members.

Section 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 by the Board, by delivering a copy of such notice at least ten (10) but no more than fifty (50) 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.

Section 4. Quorum. Members holding one third (1/3) of the votes in the Association, present in person or by absentee ballot, shall constitute a quorum for any meeting of the Members. If the quorum is not met at a meeting, another meeting may be called, with notice, not more than sixty (60) days after the preceding meeting.

Section 5. Method of Voting. At all meetings of the Members, a vote may be cast in person or by absentee ballot, and the Board may allow for voting by some other form of delivery. Votes may be cast by any electronic method permitted by Arizona law.

ARTICLE IV: BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of Directors. The Board of Directors may increase or decrease the number of Directors, but the number of Directors must always be an odd number and shall not be greater than five (5) or less than three (3). Any decrease in the size of the Board may only affect vacant Director positions.

Section 2. Term of Office. Each Director shall be elected to a one (1) year term. Notwithstanding the foregoing, the Board may determine that, for each year, no more than two Directors will be elected for a term of two years. There are no term limits for Directors.

Section 3. Nomination. Nominations for election to the Board may be made by Members, by the Board of Directors, and if appointed by the Board, by a nominating committee. Nominations shall be made in accordance with a procedure established by the Board of Directors. If there are no other candidates to run for the Board (other than the current Board members), then the current Board members are automatically nominated and elected to the Board, assuming they wish to serve another term. The purpose of this provision is to avoid the unnecessary cost, time and effort of printing and stuffing ballots for mailing, when the outcome of the election would already be known.

Section 4. Election. The Board will call for an election when a member or members of the Association (other than the current Board members) place their name(s) in nomination to the Board by the record date as established by the Board. If the number of Board candidates is greater than five, then a written ballot will be prepared by the nominating committee and mailed to all Association members. The Association members will vote for each candidate with no more than one vote for each candidate permitted. The ballots will be returned by mail to be opened and tallied by members of the nominating committee. The five people receiving the largest number of votes shall be elected. The results of the vote will then be presented to the Board.

Section 5. Resignation and Removal. A Director may resign at any time by giving written notice of such resignation to the Board or the President. Such resignation shall take effect at the time of receipt of such notice or at any later time specified therein. The acceptance of such resignation shall not be necessary to make it effective. Any Director may be removed with or without cause by a vote of the Directors.

Section 6. Vacancies. In the event of death, resignation or removal of a Director, his or her successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his or her predecessor.

Section 7. Compensation. No Director shall receive compensation for any service he or she may render to the Association. However, any Director may be reimbursed for his or her actual expenses incurred in the performance of his or her duties.

ARTICLE V: MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at such time and place as shall be determined from time to time by a majority of the Directors. Notice of the time and place of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, e-mail, telephone, or other legally recognized electronic means at least forty-eight (48) hours prior to the day named for the meeting. Notice of regular meetings of the Board shall be given to Members 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 of Directors. The failure of any Member to receive actual notice of a meeting of the Board does not affect the validity of any action taken at that meeting.

Section 2. Special Meetings. Special meetings of the Board of Directors may be called to discuss business that cannot be delayed until the next regular Board meeting and the minutes of such special meeting must state the reason necessitating the special meeting. Special meetings of the Board of Directors shall be held when called by the President or by any two Directors, after not less than forty-eight (48) hours notice to each Director, given personally or by mail, e-mail, telephone, or other legally recognized electronic means, unless emergency circumstances necessitate a meeting before forty-eight (48) hours notice can be given. Such notice shall specify the time and place of the meeting and the nature of any special business to be considered. Notice of special meetings of the Board shall be given to Members 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 of Directors, unless emergency circumstances necessitate a meeting before forty-eight (48) hours notice can be given.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as an act of the Board.

Section 4. Means of Participation. Meetings of the Board of Directors may be held by means of telephone conference or other similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation at such meeting shall constitute presence in person at the meeting. Furthermore, for any Board meetings open to the Members, the means of communication must also allow Members to hear all parties who are speaking during the meeting.

Section 5. Agenda. An agenda will be available to all Members attending a Board meeting.

Section 6. Action Taken Without a Meeting. Unless otherwise expressly restricted by statute, the Declaration, the Articles, or these Bylaws, the Board of 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. Any action so approved shall have the same effect as if said action was taken at a meeting of the Board of Directors.

ARTICLE VI: POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

- (a) adopt and publish rules and regulations as provided in the Declaration, and to establish penalties for the infraction thereof;
- (b) suspend the voting rights and right to use of the recreational facilities of a Member as set forth in the Declaration;
- (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 Bylaws, the Articles of Incorporation, or the Declaration;
- (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
- (e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe duties to them (which may include delegation of certain Board duties).

Section 2. Duties. It shall be the duty of the Board of Directors to:

- (a) cause to be kept a complete record of all its acts and corporate affairs;
- (b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- (c) as more fully provided in the Declaration, to
 - (1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;
 - (2) send written notice electronically or via mail of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and
 - (3) take such action, as and when the Board deems such action is appropriate, to foreclose the lien against any Lot for which the assessments are not paid and/or to bring an action at law against the Member personally obligated to pay the same, in accordance with any procedures required by the Declaration or Arizona law.
- (d) issue, or to cause an appropriate officer to issue, upon written request from a person acquiring an interest in any Lot and to a lienholder, escrow agent, Owner or person designated by an Owner, a certificate in writing signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A reasonable charge may be made by the Board for the issuance of these certificates. Such certificate will be provided within the time period required by law. Such certificates shall be conclusive evidence of payment of any Assessment therein stated to have been paid;

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

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

(g) cause the Common Area to be maintained.

ARTICLE VII: OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a President and Vice-President, who shall at all times be members of the Board of Directors, a Secretary, and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. To the extent practicable, the election or appointment of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected or appointed annually by the Board, and each shall hold office for one (1) year or two (2) years (in accordance with Article IV, Section 4 herein) unless he or she shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such a period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 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 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 7. Multiple Offices. The same person may hold the offices of Secretary and Treasurer. Except as provided in the preceding sentence, no person shall simultaneously hold more than one of any of the other offices, except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. To the extent not delegated to a management agent by the Board of Directors, the duties of the officers are as follows:

(a) President. The 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; shall manage the architectural and landscape modifications submitted by homeowners; and supervise the occupancy or the RV Lot.

(b) Vice-President-Community Maintenance. This vice-president shall act in the place of and stead of the president in the event of his or her absence, inability, or refusal to

act, and shall exercise and discharge such other duties as may be required of him or her by the Board including maintaining the community center, pool, tennis courts and other Association assets.

(c) Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; 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 including facilitating communication with the homeowners and maintaining the Association website.

(d) Treasurer. The treasurer shall receive and deposit or cause to be deposited in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; keep proper books of account; cause, if appropriate, an annual review, audit, or compilation of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures.

(e) Director of Landscaping. This director shall cause the common areas of the Association to be maintained including grass, shrubs, trees, etc.

ARTICLE VIII: COMMITTEES

Section 1. Types of Committees. The Board may appoint an Architectural Committee as provided in the Declaration and may appoint nominating committees as provided in these Bylaws. In addition, the Board of Directors may appoint other committees as deemed appropriate in carrying out its purposes.

Section 2. General Provisions. All committees shall be responsible for carrying out the duties and responsibilities which have been established by the Board and no committee may take action which exceeds its responsibilities. Each committee shall operate in accordance with any terms, limitations, or rules adopted by the Board of Directors. Each committee will elect a chairperson who will be responsible for reporting all committee activities to the Board monthly prior to the regular meeting of the Board.

ARTICLE IX: BOOKS AND RECORDS

The books, records and papers of the Association shall be made available, during reasonable business hours, for inspection by any Member upon receipt of a written request stating the specific records requested and the purpose, unless allowed by law to be withheld from view.

ARTICLE X: AMENDMENTS

Section 1. Amendments. These Bylaws may be amended by the Board of Directors in a manner not inconsistent with the Declaration or Articles.

Section 2. Conflict. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XI: FISCAL YEAR

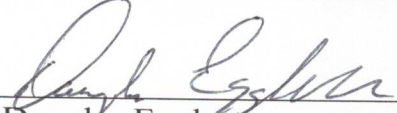
The fiscal year of the Association shall begin on the first day of February and end on the 31st day of January.

CERTIFICATION

I, the undersigned, do hereby certify that these Amended and Restated Bylaws were adopted by the Board of Directors.

DATED this 20th day March, 2024

SANDS McCORMICK TOWNHOMES ASSOCIATION

By: 
Douglas Eggleston
Its: President

By signing below, I hereby acknowledge that I have been provided with a copy of the above Bylaws together with other governing documents for SMTA and acknowledge further that I am ultimately responsible for any violations and potential fines that may transpire during ownership of my property.

SignatureOwner(s) _____ Date _____

Address of Property _____