

**BYLAWS
OF
ALTA VISTA HOMEOWNERS ASSOCIATION**

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GENERAL PROVISIONS

1.1 Defined Terms. The words used in these Bylaws shall be given their normal, commonly understood definitions. Unless otherwise defined in the Bylaws, capitalized terms herein shall have the same meanings as in the Declaration of Covenants, Conditions, and Restrictions for Alta Vista (the "Declaration"). Any amendments or supplements to the Declaration shall be deemed to include any such amendments or supplements.

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

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

1.4 Books and Records. The books, records and Community Documents of the Association shall be available for review by any Member during reasonable business hours at the principal office of the Association, where copies may be purchased at a reasonable cost.

1.5 Amendment.

(A) These Bylaws may be amended by a majority vote of the Board of Directors during the Declarant Control Period and thereafter, at a regular or special meeting of the Members, by a vote of the Members having a majority (more than 50%) of the votes entitled to be cast by the Members present in person or by absentee ballot (or by proxy during the Declarant Control Period). The affirmative vote of Declarant is required so long as Declarant owns any Lot.

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

**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 first close of escrow of a Lot to a Class A Member of the Association,

at such time and place as may be set by the Board. An annual meeting of the Members shall be held annually thereafter at such time and place as is determined by the Board.

2.2 Special Meetings. A special meeting of the Members shall be promptly scheduled by the Board in response to:

- (a) a request from the President;
- (b) a decision by the Board; or
- (c) a written petition for a special meeting signed by Members representing at least twenty-five percent (25%) of the total voting power of the Members entitled to vote on the matter to be considered at the special meeting, which petition must state the specific purpose of the meeting. For purposes of determining whether the 25% requirement has been met, the record date is the close of business on the 30th day before delivery of the petition.

2.3 Record Date. For any meeting of the Members, the Board of Directors may fix a date not more than fifty (50) days before the date of the meeting, as a record date for the determination of the Members entitled to vote at the meeting. If the record date has not been fixed in advance of a meeting as provided herein, the record date is the close of business of the last business day prior to the meeting.

2.4 Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting by mailing a copy of each notice, postage prepaid, not less than ten (10) days nor 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. By attending a meeting, a Member waives any right he may have had to object to the meeting on the basis that the proper notice of the meeting was not given in accordance with these Bylaws or the statutes of the State of Arizona.

2.5 Quorum. Except as otherwise provided in the Articles, the Declaration or these Bylaws, a quorum of Members for annual and special meetings shall be constituted by Members entitled to cast one-tenth (1/10th) of the eligible votes in the Association represented in person or by absentee ballot (or by proxy during the Declarant Control Period). Unless the vote of a greater number is required by the Community Documents or applicable law, the affirmative vote of the members holding 50% of the total votes entitled to be cast by the Members who are eligible to vote and present in person or by absentee ballot (or by proxy during the Declarant Control Period) at a meeting at which a quorum of Members is present shall be binding as the act of the Members. If a quorum is not present at any meeting, the Members entitled to vote that are present at the meeting shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

2.6 Proxies and Mail Ballots. At all meetings of the Members which occur prior to the expiration of the Declarant Control Period or the conversion of all Class B memberships to Class A memberships, whichever is later, a vote may be cast in person, by

proxy, or by mail (absentee) ballot. A proxy may be granted by any Member in favor of only another Member, the Secretary of the Association, Declarant, or the Member's mortgagee, or in the case of a non-resident Member, the lessee of such, duly executed in writing and it shall be valid only for the particular meeting designated in the proxy. All proxies must be filed with the Secretary prior to the commencement of the meeting for which the proxy is given. The proxy shall be deemed revoked only upon actual receipt by the person presiding over the meeting of a notice of revocation signed by the Member who granted the proxy. Except with respect to proxies in favor of a mortgagee, no proxy shall in any event be valid for a period in excess of 180-days after the execution thereof. Any election of Director(s) of the Association may, if directed by the Board, provide for mail ballots for Owners to vote in such election; such ballots shall be subject to such rules as the Board may reasonably establish. Upon expiration of the Declarant Control Period or termination of the Class B membership in the Association, whichever is later, votes at all meetings of the Members may be cast in person or by absentee ballot, but may not be cast pursuant to a proxy.

2.7 Voting. The voting rights of the Members shall be as provided in the Declaration.

ARTICLE 3 **BOARD OF DIRECTORS**

3.1 Number. The affairs of this Association shall be initially managed by a Board of three (3) Directors, who need not be Members of the Association so long as there is a Class B membership in the Association or the Declarant Control Period has not expired. After the termination of the Declarant Control Period, all Directors must be Members of the Association or officers or agents of any entity who is a Member. The Board may increase or decrease the number of Directors on the Board, but the number of Directors must always be an odd number and shall not be greater than seven (7) or less than three (3). No reduction in the number of Directors shall affect the remaining term of any previously elected Director.

After the termination of the Declarant Control Period, Declarant has the right but not the obligation to appoint the first Board comprised of Owners. At such time that Declarant relinquishes its rights to appoint the Board, Directors shall be elected by the Members at the annual meeting of the Members or any special meeting called for such purpose. In the event of any increase in the number of Directors in advance of the annual meeting, each additional Director shall be elected by the then members of the Board and hold office until his successor is duly elected at the next annual meeting of the Members. No more than one representative from a particular Lot may serve on the Board at the same time, except during the Declarant Control Period.

In the case of a Member which is a partnership, corporation, or other such legal entity, any officer, Director, manager, partner or trustee of such entity shall be presumed to be eligible to serve as a Director unless otherwise specified by written notice to the Association signed by such entity. No Member may have more than one such representative on the Board at a time, except in the case of the Directors appointed by the Declarant.

No individual shall continue to serve on the Board if such individual, or the corporate, partnership or other non-individual Member which designated such individual for candidacy as a Director, is not entitled to vote or is more than thirty (30) days delinquent in the payment of an Assessment, and such delinquency shall automatically constitute a resignation by such Director on the thirty-first (31st) day of the delinquency.

After the Declarant Control Period, if any Director fails to attend three (3) or more successive meetings of the Board, including special meetings, of which such Director has been given notice as provided in Sections 3.7 & 3.8 of this Article, or misses four (4) or more meetings out of six (6) successive meetings of the Board, including special meetings, of which such Director has been given notice as provided in Sections 3.7 & 3.8 of this Article, such Director shall, unless otherwise determined by two-thirds (2/3rds) of the Directors present at a meeting at which a quorum is present, be automatically removed as a Director.

3.2 Term of Office. The initial members of the Board shall hold office until their successors are elected and qualified. Directors elected by the Members after termination of the Declarant Control Period shall serve for staggered terms of one, two and three years, if there are three or more directors. 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 Removal of Directors. 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 Article at which a quorum is present, may remove any member of the Board, with or without cause, other than a member appointed by the Declarant. On receipt of a petition that calls for removal of a member of the Board and that is signed by the number of Persons who are entitled to cast at least twenty-five percent (25%) of the votes in the Association or one hundred (100) votes in the Association, whichever is less, the Board of Directors shall call and provide notice of a special meeting of the Association as prescribed by Section 2.2. 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 or one thousand votes, whichever is less, are allocated is present at the meeting or as otherwise permitted by law. The Board shall retain all documents and other records relating to the proposed removal of the member of the Board for at least one year after the date of the special meeting and shall permit Members to inspect those documents and records pursuant to Section 33-1805 of the Arizona Revised Statutes. A petition that calls for the removal of the same member of the Board 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, the prevailing party in the civil action shall be awarded its reasonable attorney fees and costs.

3.4 Compensation. No Director shall receive compensation for any service he may render as a Director. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

3.5 Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the

written consent of all the Directors. Any such written consent shall be filed with the minutes of the proceedings of the Board.

3.6 Vacancies. Vacancies on the Board caused by any reason other than the removal of a Director in accordance with the provisions of Section 3.3 of these Bylaws shall be filled by a majority vote of the remaining Directors at the first regular or special meeting of the Board held after the occurrence of such vacancy, even though the Directors present at such meeting may constitute less than a quorum. Each person so elected shall serve the unexpired portion of the prior Director's term. Any vacancy on the Board caused by the removal of a Director by a vote of the Members shall be filled by a vote of the Members at a duly held annual or special meeting.

3.7 Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by the Board. Such meetings shall be held at least once during each fiscal year. After the Declarant Control Period, notice to Directors of regular meetings shall be delivered by telephone, mail, e-mail, or facsimile to each Director not less than forty-eight (48) hours prior to the meeting. Notice of a meeting need not be given to any Director who has signed a waiver of notice or a written consent to holding of the meeting. After the Declarant Control Period, notice to Members of regular 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.

3.8 Special Meetings. Special meetings of the Board may be called by the President. Special meetings of the Board shall also be called by the President upon the written request of at least two of the Directors other than the President. Notice to Directors of special meetings shall be delivered to each Director in writing, by mail, telephone, e-mail, or facsimile and shall state the time, place and purpose of the meeting. Notice to Directors of special meetings shall be given not less than forty-eight (48) hours prior to the special meeting unless emergency circumstances necessitate a meeting before such notice can be given. Notice of any such meeting need not be given to any Director who signed a waiver of notice or a written consent to holding of the meeting. After the Declarant Control Period, notice to Members of special 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, unless emergency circumstances necessitate a meeting before forty-eight (48) hours notice can be given. Special meetings of the Board shall be held at such time and place as the Board shall determine.

3.9 Meetings Open to Members. Regular and special meetings of the Board are open to all Members pursuant to Section 33-1804 of the Arizona Revised Statutes and may be closed only to the extent permitted by law.

3.10 Meetings after the Declarant Control Period. For meetings of the Board that are held after the Declarant Control Period, all of the following apply:

- (a) The agenda shall be available to all Members attending.

(b) An emergency meeting of the Board 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 be read and approved at the next regularly scheduled meeting of the Board.

(c) Any quorum of the Board that meets informally to discuss Association business, including workshops, shall comply with the open meeting notice provisions of this section without regard to whether the Board votes or takes any action on any matter at that informal meeting.

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

3.12 Telephonic Participation. Meetings of the Board, whether regular or special, may be held by means of a conference telephone call if a speakerphone is available in the meeting room that allows all parties attending to hear all parties who are speaking during the meeting.

3.13 Powers and Duties.

(A) The Board shall have all of the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by the Community Documents required to be exercised or done by the Members. In addition to the duties imposed by these Bylaws or by any resolution of the Members that may hereafter be adopted, the Board shall have the following powers and duties:

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

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

(c) In the exercise of its discretion, enforce by legal means the provisions of the Community Documents;

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

(e) Provide for the operation, care, upkeep and maintenance of all of the Common Area and borrow money on behalf of the Association when

required in connection with the operation, upkeep and maintenance for said areas; provided, however, the consent of Members having at least two-thirds (2/3) of the total votes in the Association shall be obtained either in writing or at a meeting called and held for such purpose in accordance with the provisions of these Bylaws in order for the Association to borrow in excess of \$5,000;

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

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

(h) Suspend the voting rights of a Member during any period in which such Member shall be in default in the payment of any Assessment or other amounts due under the terms of the Community Documents for a period of fifteen (15) days, and suspend the voting rights of a Member for a period not to exceed sixty (60) days for any infraction of the Community Documents;

(i) Exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions of the Community Documents;

(j) Declare the office of a member of the Board to be vacant in the event such member shall be absent from meetings of the Board per Section 3.1 above;

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

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

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

(n) Levy and collect Assessments as provided in the Declaration;

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

(p) Procure and maintain adequate property, liability and other insurance as required by the Declaration; and

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

(B) The Board may employ for the Association a “Managing Agent” at a compensation established by the Board. The Managing Agent may either be an employee of the Association or an independent professional management company. The Managing Agent shall perform such duties and services as the Board shall authorize, including, but not limited to, all of the duties listed in the Declaration and these Bylaws except for such duties and services that under the Declaration may not be delegated to the Managing Agent. The Board may delegate to the Managing Agent all of the powers granted to the Board or the officers of the Association by the Declaration and these Bylaws other than the following powers:

(a) To adopt the annual budget, any amendment thereto or to levy Assessments;

(b) To adopt, repeal or amend Association Rules;

(c) To designate signatories on Association bank accounts;

(d) To borrow money on behalf of the Association.

(C) 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 at least thirty (30) days written notice. The term of any such contract may not exceed five (5) years.

3.14 Committees. The Board, by resolution adapted by the whole Board, may designate from among its members an executive committee or one or more other committees. Members of the committees shall serve at the pleasure of the Board, and each member of any committee may be removed with or without cause at any time by the Board acting at a meeting or by unanimous written consent. If any vacancy occurs in any committee, the vacancy shall be filled by the Board. The executive committee, if any, shall have and may exercise the powers of the Board in the management of the business and affairs of the Association, but shall not possess any authority of the Board prohibited by law. Any other committee designated by the Board shall have and may exercise only the powers that are expressly granted thereto by the whole Board and which are not prohibited by law and members of the committee need not be members of the Board.

ARTICLE 4 **OFFICERS AND THEIR DUTIES**

4.1 Examination of Officers. The principal officers of the Association shall be the President, the Vice-President, the Secretary, and the Treasurer, all of whom shall be elected by the Board. The President must be a member of the Board. Any other officers may,

but need not, be members of the Board, but all officers must be Members (except during the Declarant Control Period).

4.2 Election of Officers. During the Declarant Control Period, the Declarant shall have the power to appoint and remove the officers of the Association. Thereafter, the officers of the Association will be elected annually by the Board of Directors at the first meeting of the Board following each annual meeting of the members.

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

4.4 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 period, have such authority, and perform such duties as the Board may, from time to time, determine.

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

4.6 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.

4.7 Multiple Officers. Any two or more offices may be held simultaneously by the same person except the office of President.

4.8 Powers and Duties. To the extent such powers and duties are not assigned or delegated to a manager pursuant to Section 3.13(B) of these Bylaws, the powers and duties of the officers shall be as follows:

(A) President. The President shall be the chief executive officer of the Association; shall preside at all meetings of the Board or the Members; shall see that orders and resolutions of the Board are carried into effect; and have general and active management of the business of the Association;

(B) Vice-President. The Vice-President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board. If neither the President nor the Vice President is able to act, the Board shall appoint some other member of the Board to do so on an interim basis;

(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;

(D) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds for appropriate Association purposes as set forth in the Community Documents; 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; and, in general, perform all the duties incident to the office of Treasurer.

CERTIFICATION

I hereby certify that I am the duly elected Secretary of the Association and that the foregoing Bylaws constitute the original bylaws of the association and were duly adopted by the Board of Directors of the Association on the _____ day of February, 2018.

A handwritten signature in black ink, appearing to read "Michael Lanata", written over a horizontal line.

Michael Lanata, Secretary