

BYLAWS

OF

1920 E. MARYLAND PLACE TOWNHOMES, INC.,

an Arizona non-profit corporation

ARTICLE I

GENERAL

Section 1. Purpose. 1920 E. Maryland Place Townhomes, Inc. is an Arizona non-profit corporation organized for the purpose of acting as the council of co-owners (as that term is used in Arizona Revised Statutes 33-561) and/or as a unit owner's association (as that term is used in A.R.S. §33-1241), whichever is applicable, for Maryland Place Townhomes, a condominium community located in Maricopa County, Arizona, which was created pursuant to an Amended and Restated Declaration of Horizontal Property Regime and Declaration of Covenants, Conditions and Restrictions for Maryland Place Town Homes, recorded in the office of the County Recorder of Maricopa County, Arizona (as may be from time to time amended) (the "Declaration").

Section 2. Conflicts. Should any provisions of these Bylaws be inconsistent or conflict with any provision of the Declaration, the provision(s) of the Declaration shall supersede and take precedence over any such provision(s) of these Bylaws. The Articles of Incorporation shall govern over these Bylaws, but the Declaration shall govern over the Articles. These Bylaws shall govern over all rules and regulations.

Section 3. Application of Bylaws. All present and future Owners, Occupants, and their respective licensees, invitees and employees shall be subject to and be bound by all of the provisions of these Bylaws. The act of ownership or the mere occupancy of a Unit shall establish a conclusive presumption that these Bylaws are accepted and ratified and will be complied with by the Owner and Occupant.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean 1920 E. Maryland Place Townhomes, Inc., an Arizona non-profit corporation, and its successors and assigns.

Section 2. "Board" shall mean the Board of Directors of the Association.

Section 3. "Common Elements" shall mean the "Common Elements" as that term is defined in the Declaration.

Section 4. "Common Expenses" shall mean the expenses for the operation, maintenance, repair and restoration of the Common Elements, including but not limited to, salaries, wages, payroll taxes, attorneys' and accountants' fees, supplies, materials, parts, services, maintenance, repairs and replacements, landscpaing, insurance, fuel, power and adequate reserves for the restoration and replacement of the Common Elements and appurtenances thereto, Common Expenses shall include those Common Expenses identified in the Declaration.

Section 5. "Declarant" shall mean Evans Western Joint Venture, an Arizona joint venture partnership, and its successors in interest and assigns.

Section 6. "Declaration" shall mean the Amended and Restated Declaration of Horizontal Property Regime and Declaration of Covenants, Conditions and Restrictions for Maryland Place Townhomes, recorded on March 23, 1984, in Docket 84-120898, as amended on September 13, 1984, in Docket 84-402195, of the records of the County Recorder of Maricopa County, Arizona, as the same may be further amended from time to time.

Section 7. "Institutional Holder" means a Mortgagee which is a bank or savings and loan association, insurance company, mortgage company, or other entity chartered under federal or state laws, or any federal or state agency which owns an obligation, the repayment of which is in whole or in part, secured by a Mortgage recorded against the Property or any part thereof.

Section 8. "Majority" or "Majority of Members" shall mean the Owners of Units to which more than fifty percent (50%) of the undivided ownership of the Common Elements is appurtenant, irrespective of the total number of Owners. Likewise, any specified fraction or percentage of the Members shall mean the Owners of Units to which that fraction or percentage of undivided ownership of the Common Elements is appurtenant.

Section 9. "Member" shall mean an Owner of a Unit. If a Member is a corporation or partnership, the Member shall be represented by an officer, partner, agent or employee of such Member.

Section 10. "Mortgage" means any recorded, filed, or otherwise perfected instrument given in good faith and for valuable consideration which is not a fraudulent conveyance under Arizona law as security for the performance of an obligation, including, without limitation, a deed of trust, but shall not include any instrument creating or evidencing solely a security interest arising under the the Uniform Commercial Code. "Mortgagee" means a person secured by a Mortgage, including a trustee and beneficiary under a deed of trust, and "Mortgagor"

means the party executing a Mortgage,. "First Mortgage" means a Mortgage which is the first and most senior of all Mortgages upon the same property.

Section 11. "Occupant" shall mean a person or persons, other than a Member, in rightful possession of a Unit.

Section 12. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of equitable or beneficial title (or legal title if the same has merged of any Unit). "Owner" shall include a purchaser of a Unit under an agreement for sale within the meaning of Arizona Revised Statutes 33-741. Owner does not include persons or entities who hold an interest in a Unit merely as security for the performance of an obligation.

Section 13. "Person" shall mean a natural individual, corporation, partnership, trustee, or other entity capable of holding title to real property.

Section 14. "Unit" shall mean an "apartment" as that term is defined in Arizona Revised Statutes 33-551(1) and/or a "unit" as that term is defined in A.R.S. §33-1202(22), and as used herein shall have the same meaning as in the Declaration.

Section 15. "Rules" shall mean those rules and regulations adopted by the Association as the Association's rules and regulations pursuant to the Declaration, these Bylaws, A.R.S. §33-1202(20), or A.R.S. §33-561 governing maintenance, use of the Units, buildings, Common Elements, the health, safety, and welfare of the Owner (and family members, visitors, lessee's, and pets) and any other matters the Association deems necessary or desirable for the administration and conducting of affairs of the Association, preservation of the value of the Property (as defined in the Declaration), and the peaceful and quiet enjoyment of the Property.

Section 16. Other words and terms used in these Bylaws shall have the same meaning as set forth in the Declaration except where the context requires a different meaning.

ARTICLE III

MEMBERS

Section 1. Eligibility and Acceptance of Deed. The membership of the Association shall consist of all Owners of Units of Maryland Place Townhomes. Membership in the Association shall be mandatory, and no Owner during his ownership of a Unit shall have the right to relinquish or terminate his membership in the Association. By accepting a deed to a Unit or otherwise becoming an "Owner", each Owner enters into a contract with the Association and the other Owners whereby the Owner becomes a Member of the Association and is bound by the terms and

provisions of the Declaration, Articles of Incorporation for the Association, Bylaws, and the Rules, each as may be amended from time to time.

Section 2. Succession. The membership of each Unit Owner shall terminate when he ceases to be an Owner of a Unit, and his membership in the Association shall automatically be transferred to the new Owner succeeding to such ownership interest.

Section 3. Annual Meeting. The first annual meeting of the Members shall be held within one (1) year from the date of incorporation of the Association at such hour and at such place as may be specified in a written notice of such meeting. Each subsequent regular annual meeting of the Members shall be on the same day of the same month of each year thereafter at the same hour and at such place as may be designated in the written notice of such meeting unless the Board of Directors directs otherwise. If the date set for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following such legal holiday.

Section 4. Special Meetings. Special meetings of the Members may be called at any time by the President or by a majority of the Board, or upon written request of more than one-fourth (1/4) of the Class A Members.

Section 6. Voting. The Association shall have two classes of voting membership.

(a) Class A. Class A Members shall be all Owners Maryland Place Townhomes with the exception of the Declarant and, except as hereinafter provided in the case of election of Directors, shall be entitled to one vote for each Unit owned which vote shall be weighted as to all matters in the proportion that the cubic content space of such Owner's Unit bears to the total cubic content space of all Units. When more than one person holds an interest in any Unit, all such persons shall be Members. The voting for such Unit shall be exercised as such persons among themselves determine, or, in the absence of such determination, as determined by the Board, but in no event shall more than one vote be cast with respect to any Class A Unit. If any Member or Members cast a vote representing a certain Unit, it will thereafter be conclusively presumed for all purposes that such Member or Members were acting with the authority and consent of all Members with respect to the particular Unit.

(b) Class B. The Class B Member shall be the Declarant and shall be entitled to three (3) votes for each Unit owned, which votes shall be weighted in accordance with the proportion that the cubic content space of the particular Unit bears to the total cubic content space of all Units. Each vote may be cast in such proportions on any matter as the Declarant may determine. Class B membership

shall cease and be converted to Class A membership, without further act or deed, upon the happening of any of the following events:

(1) Upon the conveyance of any particular Unit by the Declarant, other than as security for an obligation, with respect to the particular Unit or Units so conveyed;

(2) With respect to all remaining Class B memberships, upon the first to occur of the following:

(i) Within One Hundred Twenty (120) days following the first date when the total votes outstanding in the Class A membership equal or exceed the votes outstanding in the Class B membership; or

(ii) Three (3) years after the conveyance of the first Unit to a Unit Owner other than Declarant.

If any lender to whom Declarant has assigned, or hereafter assigns, as security, all or substantially all of its rights under the Declaration succeeds to the interest of Declarant by virtue of said assignment, the Class B membership shall not be terminated thereby, and such lender shall become the Class B Member on the same terms as Declarant pursuant to the Declaration. As long as any Class B membership titled to cast any vote with respect to the election of Directors.

Section 7. Quorum. The presence at a meeting of Members representing one-tenth (1/10) of each Class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote shall have the power to adjourn the meeting from time to time, without notice other than the announcement at the meeting, until a quorum shall be present or represented.

Section 8. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and, to be effective, filed with the Secretary. Every proxy shall automatically cease upon conveyance by the Member of his Unit and the interest in the Common Elements appurtenant thereto.

ARTICLE VI

BOARD OF DIRECTORS

Section 1. Number. The affairs of the Association shall be managed by a Board of three (3) Directors.

Section 2. Term of Office. At the first annual meeting of the Members, the first Director to be elected shall be elected for a term of one (1) year; the second Director to be elected shall be elected for a term of two (2) years; and the third Director shall be elected for a term of three (3) years, so as to stagger the terms of office of the Directors. Thereafter, at each subsequent annual meeting, the Members shall elect one director for a term of three (3) years.

Section 3. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association entitled to vote for the election of Directors. In the event of the death, resignation, or removal of a Director, his successor shall be selected by a majority of the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties as a Director.

Section 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 approval of all Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board shall be made by a nominating committee. Nominations may also be made from the floor at the annual meeting by any Member not in default. The nominating committee shall consist of a chairman, who shall be a member of the Board, and two or more Members of the Association. The nominating committee shall be appointed by the Board of Directors at least sixty (60) days prior to each annual meeting and shall serve until such annual meeting has been concluded. The nominating committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

Section 2. Election. Election to the Board shall be by secret written ballot or oral vote. Those candidates for election to the Board receiving the greatest percentage of votes cast either in person or by proxy at the meeting shall be elected.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board shall be held at least annually, with or without notice, at such place and hour as may be affixed from time to time by resolution of the Board.

Section 2. Special Meetings. Special meetings of the Board shall be held and called by the President of the Association, or by any two directors, after not less than three (3) days notice to each Director, or within a reasonable time after the presentation to the President of the Association of a petition signed by one-quarter (1/4) of the Class A Members.

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 the act of the Board. The Board shall have the power to:

(a) Elect and remove the Officers of the Association;

(b) Adopt, amend, repeal, and publish the Rules governing, among other things, the maintenance and use of the Units, buildings, the Common Elements and related facilities, and the personal conduct of the Members and their families, guests, pets, and lessees thereon, and to establish penalties for the infraction thereof;

(c) Suspend the voting rights and the right to use of the recreational facilities of a Member during any period of which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;

(d) Engage the services of an agent to maintain, repair, replace, administer, and operate the Common Elements, or any part thereof, for all of the Members, upon such terms and for such compensation as the Board may approve. Any agreement for the services of any such agent shall provide for termination by either party with or without cause, and without payment of a termination fee, upon thirty (30) days written notice, and no such agreement shall be of a duration in excess of one (1) year, renewable by agreement of the parties for successive one (1) year periods;

(e) Make repairs within the individual Units where such repairs are required for the welfare or safety of other Unit Owners or for the preservation or protection of the Common Elements;

(f) Grant or relocate easements over, across, or through the Common Elements as the Board may determine to be beneficial to the Members;

(g) 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; and

(h) Exercise for the Association all powers, duties, and authority vested in or delegated to the Association and not reserved to the Members by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration.

Section 4. 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 and 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 one-fourth (1/4) of the Class A Members who are entitled to vote;

(b) Use reasonable efforts to supervise all officers, agents, and employees of the Association, and to see that their duties are properly performed;

(c) As more fully described in the Declaration, to:

(1) Administer, operate, maintain, and repair the Common Elements;

(2) Determine the Common Expenses of the Association at least thirty (30) days in advance of each annual assessment period;

(3) Send written notice of each Member's proportionate share of the Common Expenses to every Member subject thereto; and

(4) Record a notice and claim of lien against any Unit and the interest in the Common Elements appurtenant thereto for which assessments are not paid, and foreclose the same within a reasonable time, and bring an action at law against the Member personally obligated to pay the same.

(d) Issue, or cause an appropriate officer to issue, upon written request by any person having any interest in any Unit, a statement setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of such a statement. If the statement provides that an assessment has been paid, such statement shall be conclusive evidence of such payments;

(e) Procure and maintain adequate casualty and liability insurance as more fully provided in the Declaration;

(f) Cause all officers or employees having fiscal responsibilities to be bonded in an amount not less than one hundred fifty percent (150%) of the estimated annual budget of the Association.

ARTICLE VII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officer's of the Association shall be a President, Vice President, Secretary, and Treasurer and such other officers as the Board may from time to time provide for by resolution. The President and Vice President shall at all times be members of the Board.

Section 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.

Section 3. Terms. The officers of the Association shall be elected annually by the Board and shall each hold office for one (1) year unless such officer shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointment. 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 prescribe.

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 and the President or 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 fill such vacancy shall serve for the remainder of the term of the officer replaced.

Section 7. Duties. The duties of the officers shall be as follows:

(a) President - The President shall be the chief executive officer of the Association and shall supervise and control all of the business and affairs of the Association. He shall, when present, preside at all meetings of the Members and all meetings of the Board. He may sign, with or without any other officer of the Association as authorized by the Board, deeds, mortgages, bonds, contracts, or other instruments which the Board has authorized to be executed, except where the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws to some other officer or agent of the corporation or shall be required by law to be otherwise signed or executed. He shall have the power to appoint and remove one or more administrative Vice Presidents of the Association and such other assistants to the various elected officers of the Association as is necessary for the accomplishment of their duties. In general, he shall perform all duties incident to the office of the President and such other duties as may be prescribed by the Board. Unless otherwise specified, the President may execute, certify, and record all Amendments to the Declaration on behalf of the Association.

(b) Vice President - In the absence of the President, or in the event of his death, inability or refusal to act, the Vice President, or if there is more than one Vice President, the Senior Vice President, shall perform the duties of the President, and when so acting shall have all the restrictions upon, the President. Otherwise, such Senior and other Vice Presidents shall perform only such duties as may be assigned by the President or by the Board.

(c) Secretary - The Secretary shall keep the minutes of the meetings of the Members and the Board in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these Bylaws, or as required by law; be custodian of the records and seal of the Association, and see that the seal of the Association is affixed to all documents, when such is duly necessary and authorized; keep (or cause to be kept under his general supervision by a registrar of) the name and post office address of each Member as furnished by such Member; have general charge of the transfer books of the corporation; and in general perform all duties incident to the office of Secretary and such other duties as may be assigned to him by the President or by the Board.

(d) 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 monies due and payable to the corporation from any source whatsoever, and deposit all monies in the name of the Association in such banks, trust companies, or other depositories as shall be directed by the Board; shall sign all checks and promissory notes of the Association except in those instances where the Board has delegated the authority to sign checks to managing agent employed by the Association; shall keep proper books of account; shall cause an annual audit of the books of the Association to be made by a certified public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the Members at the regular annual meeting of the Members, and shall deliver a copy of such to the Members.

Section 9. Committees. The Association shall appoint an architectural committee, as provided in the Declaration, and a nominating committee, as provided in these Bylaws. In addition, the Board shall appoint other committees as the Board may deem appropriate to carry out the purposes of the Association.

ARTICLE VIII

BOOKS AND RECORDS

Section 1. The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation, and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, and copies thereof may be purchased at reasonable cost from the Association.

ARTICLE IX

COMMON EXPENSES

Section 1. Annual Budget. The Board shall cause an estimated annual budget of the Common Expenses to be prepared for each fiscal year of the Association. Such estimated annual budget shall take into account the estimated expenses and cash requirements that will be required for the operation, maintenance, repair, and restoration of the Common Elements for the year, including but not limited to, salaries, wages, payroll, taxes, attorney's and accountants' fees, supplies, materials, parts, services, maintenance, repairs, replacements, landscaping, insurance, fuel, power, and adequate reserves for the restoration and replacement of the Common Elements and the appurtenance thereto. To the extent that assessments for Common Expenses received from Members during the immediately preceding year shall be more or less than the Common Expenses incurred by the

Association for the preceding year, the surplus or deficiency, as the case may be, shall also be taken into account. The annual budget shall also provide for a reserve for contingencies for the year and a reserve for restoration and replacements, in reasonable amounts as determined by the Board.

Section 2. Assessments for Common Expenses. The estimated annual budget for the Common Expenses for each fiscal year shall be approved by the Board, and copies thereof shall be furnished by the Board to each Member not later than sixty (60) days prior to the beginning of the fiscal year. On or before the first day of the first month of each fiscal year, the Board shall assess each Member for his respective share of the expenses of operating, maintaining, repairing, and restoring the Common Elements in accordance with the proportionate interest in the Common Elements appurtenant to the particular Unit. The Association levied against each Unit and each Member shall be payable in twelve (12) equal monthly installments commencing on the first day of each succeeding month thereafter. Payment of the Common Expenses, including any prepayments thereof required by any contract for the sale of a Unit, shall be in such amounts, at such times, and in such manner as may be provided in the Articles and Bylaws or as determined by the Board.

With respect to all Units, assessments for the Common Expenses shall commence upon the first day of the first month immediately following the conveyance of such Unit to a Unit Owner other than Declarant. In the event the Board fails to approve an estimated annual budget for the Common Expenses or fails to determine the assessments for the Common Expenses for any year, or shall be late in so doing, each Member shall continue to pay on the first day of each month during the new fiscal year an amount equal to the monthly installment paid toward the assessment for the Common Expenses levied against the particular Unit for the immediately preceding fiscal year.

ARTICLE X

GENERAL PROVISIONS

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

Section 2. Indemnification. Any indemnification of Members, Directors, officers, employees, and agents of this Corporation shall be governed in accordance with A.R.S. §10-1005(B), as may from time to time be amended.

Section 3. No Modification of Plat or Declaration. Nothing contained in these Bylaws or the Articles of Incorporation shall amend any provision(s) contained in the Declaration or anything contained on the recorded plat for the Property. To the fullest extent allowed by law, the Declaration

and the plat shall be governed by and construed according to A.R.S. §33-551 et seq., both having been recorded and/or prior to January 1, 1986, unless the Members otherwise elect.

Section 4. Amendment. The Bylaws may be amended, supplemented, repealed, or suspended and new Bylaws may be adopted only by a majority vote of the Board of Directors.

CERTIFICATION

I hereby certify that the foregoing Bylaws were duly adopted by the Board of Directors of the Association on the 3rd day of April, 1986.

President

ATTEST:

[Handwritten Signature]

Secretary