

**AMENDED
BYLAWS OF**

TOWN LAKE CONDOS HOMEOWNERS' ASSOCIATION INC.

1.0 NAME AND LOCATION. The name of the Association is

TOWN LAKE CONDOS HOMEOWNERS' ASSOCIATION INC.

1.1 PURPOSE. To manage the affairs of TOWN LAKE CONDOS, consisting of 12 units located at 1005 E. Fifth Street, Tempe, Arizona.

1.2 REGISTERED OFFICE of the Association shall be c/o Steven Bisbee, 7527 E. First Street, Scottsdale AZ 85251.

2.0 These Bylaws are intended to supplement the DECLARATION FOR CONDOMINIUM TOGETHER WITH COVENANTS, CONDITIONS AND RESTRICTIONS FOR TOWN LAKE CONDOS ("Declaration") and Arizona Revised Statutes Annotated Sections 33-1201 et seq. ("Statutes") and matters not covered by these Bylaws are governed by the Declaration and Statutes.

3.0 DEFINITIONS.

A. "Association": TOWN LAKE CONDOS HOMEOWNERS' ASSOCIATION INC., its successors and assigns.

B. "Properties": That certain real property described in the DECLARATION FOR A CONDOMINIUM TOGETHER WITH COVENANTS, CONDITIONS AND RESTRICTIONS FOR TOWN LAKE CONDOS and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

C. "Common Area": All real property owned in common tenancy by the members of the Association for the common use and enjoyment of the owners as defined in the Declaration.

D. "Unit": Any unit shown upon the recorded map and Declaration.

E. "Owner": The record owner, whether one or more persons or entities, of the fee simple title to any unit and which is a part of the Properties, but excluding those having such interest merely as security for the performance of an obligation.

F. "Declarant": The Declarant in the Declaration, its successors and assigns if such successors or assigns should acquire more than one unit from the Declarant for the purpose of development.

G. "Declaration": The DECLARATION FOR A CONDOMINIUM TOGETHER WITH COVENANTS, CONDITIONS AND RESTRICTIONS FOR TOWN LAKE CONDOS to which these Bylaws are attached.

H. "Member": Those persons entitled to membership as provided in the Declaration.

4.0 ASSOCIATION MEETINGS.

4.1 ANNUAL MEETING. The first annual meeting of the members shall be held not later than 30 days after sixty seven percent (67%) of the units have been sold. Subsequent regular annual meetings of the members shall be held during January of each year thereafter, at a date and time to be determined by the Board of Directors.

4.2 SPECIAL MEETINGS. Special meetings of the members may be called at any time by the designated Managing Member or by majority vote of the Board of Directors, or upon written request of the members who are entitled to vote twenty-five percent (25%) of all the votes.

4.3 NOTICE OF MEETINGS. Written notice of each meeting of the members shall be given by the person authorized to call the meeting, by hand-delivering or by mailing a copy of such notice, postage prepaid U.S. Mail, at least 10, but not more than 60 days before such meeting to each member entitled to vote thereat, addressed to the mailing address of the Unit or member's address supplied by such member in writing to the Association for the purpose of notice. Such notice shall specify the agenda, place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting, all in accordance with A.R.S. Section 33-1248.

4.4 QUORUM. The presence at the meeting of members or proxies entitled to cast thirty three percent (33%) of the votes shall constitute a quorum for any action except as otherwise provided herein. If however such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented, all in accordance with A.R.S. Sec. 1249.

4.5 PROXIES. At meetings of members, each member may vote in person or by proxy. Proxies shall be in writing and filed with the secretary, and shall be revocable and terminate upon conveyance by the member of his Unit, in accordance with A.R.S. 12-1250.

4.6 VOTING. Voting rights of Declarant and Unit owners shall be as stated in the Declaration.

5.0 BOARD OF DIRECTORS.

5.1 NUMBER. The affairs of this Association shall be managed by a Board of three Directors, each of whom must be a

natural person but need not be a member of the Association.

5.2 TERM OF OFFICE. The Board of Directors elected at the first annual meeting shall serve staggered terms, as follows: The member gaining the highest number of votes shall serve for an initial term of two years; the member gaining the next highest number of votes shall serve for an initial term of two years; the remaining elected director shall serve for a period of one year. Thereafter, the term of each elected Director shall be for one year.

5.3 REMOVAL. Any Director may be removed from the Board, with or without cause, by two-thirds (2/3) vote of the members of the Association present and entitled to vote at a meeting and a quorum is present. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

5.4 COMPENSATION. No Director shall receive compensation for services rendered to the Association, but may be reimbursed for actual expenses incurred in the performance of his duties.

5.5 ACTION TAKEN WITHOUT A MEETING. 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 though taken at a meeting of Directors.

6.0 NOMINATION AND ELECTION OF DIRECTORS.

6.1 NOMINATION. Nomination for election to the Board of Directors shall be made by a Nominating Committee at the annual meeting, and/or from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association, appointed by the Board of Directors prior to each annual meeting of the members. Appointments shall be announced at each annual meeting, to serve from the close of such annual meeting until the close of the next annual meeting. The 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. Nominations may be made from among members or non-members.

6.2. ELECTION. Election to the Board of Directors shall be by secret written ballot. At such election the members or their Proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the

Declaration. The persons receiving the largest number of votes shall be elected.

7.0 MEETINGS OF DIRECTORS.

7.1 REGULAR MEETINGS of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board.

7.2 SPECIAL MEETINGS of the Board of Directors shall be held when called by the president of the Association, or by any two Directors, after not less than three (3) days notice to each.

7.3 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.

8.0 POWERS AND DUTIES OF THE BOARD OF DIRECTORS.

8.1 POWERS. The Board of Directors shall have power to:

A. Adopt and publish rules and regulations governing the use of the Common Area, facilities and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

B. Suspend a Member's voting rights and right to use of the facilities of a member during any period in which such member is in default in the payment of any assessment levied by the Association. Such rights also may exceed 30 days for infraction of published rules and regulations;

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, 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 their duties.

8.2 DUTIES OF DIRECTORS.

A. Cause to be kept a complete record of all its acts and affairs, present a statement thereof to the members at the members' annual meeting.

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 (i)

fix the amount of the annual assessment against each unit at least thirty (30) days in advance of each annual assessment period; (ii) Send written notice of each assessment to every owner subject thereto at least thirty (30) days in advance of each annual assessment period; and (iii) Foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring action at law against the Owner personally obligated to pay the same.

D. Issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid, such certificate shall be conclusive evidence of such payment;

E. Procure and maintain adequate liability and hazard insurance on the general common elements and limited common elements, if any.

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.

H. Adopt annual budgets and amendments for approval of the Unit owners. Thirty (30) days after adoption of a budget a summary shall be given to the Unit owners. The budgets and amendments shall be approved at a meeting of the Unit owners held not fewer than fourteen (14) nor more than thirty (30) days after mailing summary. The budget and any amendments to be approved by a majority vote of the Unit owners at the meeting regardless of a quorum being present. If the budget and any amendments are rejected, the periodic last ratified budget shall continue until a new budget is approved.

9.0 OFFICERS OF THE ASSOCIATION.

9.1 ENUMERATION OF OFFICERS. The officers of this Association shall be a president, a secretary and a treasurer, each of which shall at all times be members of the Board of Directors; and such other officers as the Board may from time to time create by resolution.

9.2 ELECTION OF OFFICERS shall take place at the first meeting of the Board following each annual meeting of the members.

9.3 TERM. The officers of this 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 be disqualified to serve.

9.4 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.

9.5 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.

9.6 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.

9.7 MULTIPLE OFFICES. 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.

10.0 DUTIES OF OFFICERS are:

PRESIDENT shall act as chief executive officer of the Association; 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, deeds and other written instruments and shall co-sign all checks and promissory notes.

SECRETARY shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

TREASURER shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and 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.

11.0 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 of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

12.0 BOOKS AND RECORDS of the Association shall at all times during reasonable business hours, be subject to inspection by any member. The Declaration and the Bylaws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased.

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

14.0 FISCAL MATTERS

14.1 FISCAL YEAR of Association shall be a calendar year, beginning on the first day of January in each year.

14.2 DEPOSITS. Funds of the Association not otherwise employed shall be deposited to the credit of the Association in such banks or other depository as the Board of Directors may select.

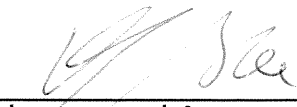
14.3 CHECKS, DRAFTS, ETC. All checks or orders for payment of money, notes or other evidences of indebtedness issued in the name of the Association, shall be signed by an officer of the Association and in such manner as shall from time to time be determined by resolution of the members.

14.4 CONTRACTS. The members may authorize any officer or officers to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.


14.5 LOANS. No loans shall be contracted on behalf of the Association and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the members. Such authority may be general or confined to specific instances.

15.0 AMENDMENTS. These Bylaws may be amended, at a regular or special meeting of the members, by a vote of a majority of the quorum of members present in person or by proxy. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

DATED this 10 day of February, 2002.



Acting President



Acting Secretary