

**BYLAWS  
OF THE  
MARYLAND HEIGHTS COMMUNITY ASSOCIATION, INC.**

**ARTICLE I  
GENERAL**

**Section 1: Purpose.** The Maryland Heights Community Association, Inc. is an Arizona nonprofit corporation organized for the purposes stated in its Articles of Incorporation, to act as the council of Owners pursuant to that Declaration of Covenants, Conditions, and Restrictions for Maryland Heights to be recorded in the Official Records of the Maricopa County Recorder, as the same may be amended from time to time ("Declaration"). The principal office of the corporation shall be located at 9014 N. 23<sup>rd</sup> Avenue, Suite 12, Phoenix, Arizona 85012, but meetings of members may be held at such places within the State of Arizona, County of Maricopa, as may be designated by the Board of Directors.

**Section 2: Conflict with Declaration.** Should any provision of these Bylaws be inconsistent or conflict with any provision of the Declaration, such provision of the Declaration shall supersede and take precedence over any such provision of these Bylaws.

**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 Lot shall establish a conclusive presumption that these Bylaws are accepted, ratified and will be complied with by such Owner or occupant.

**ARTICLE II  
DEFINITIONS**

**Section 1: "Association"** shall mean and refer to the Maryland Heights Community Association, Inc., an Arizona nonprofit corporation, its successors and assigns. Other terms used herein (but not specifically defined herein) shall have the same meaning given to them in the Declaration.

**Section 2: "Board"** shall mean and refer to the Board of Directors of the Association.

**Section 3: "Common Expenses"** shall mean the expenses for the administration and enforcement of the Governing Documents and for the operation, maintenance, repair and restoration of the Common Areas, including but not limited to, salaries, wages, payroll taxes, attorney's and accountant's fees, supplies, materials, parts, services, maintenance, repairs and replacements, landscaping, insurance, fuel, power and adequate reserves for the maintenance, restoration and replacement of the Common Areas and the appurtenances thereto.

**Section 4: "Declarant"** shall mean and refer to an Arizona limited liability company, including its successors and assigns, if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development and an Assignment of Declarant's Rights is recorded.

**Section 5: "Eligible Votes"** shall mean the total number of votes entitled to be cast by Members as of the record date for determining the Members to vote at a meeting or in respect of any other lawful action.

**Section 6: "Occupant"** shall mean a person or persons, other than a Member, in rightful possession of a Lot.

**Section 7: "Voting Owners"** shall mean all of the Owners who are entitled to cast one or more votes in the Association at the time of such vote.

Other capitalized words and terms used in these Bylaws but not defined herein shall have the same meanings as set forth in the Declaration, unless the context otherwise requires.

### **ARTICLE III MEMBERS**

**Section 1: Eligibility.** The Membership of the Association shall consist of all Owners of Lots that are subject to assessment in the Maryland Heights Community Association. Membership in the Association shall be mandatory and no Owner during its ownership of a Lot shall have the right to relinquish or terminate its Membership in the Association.

**Section 2: Succession.** The Membership of an Owner shall terminate when it ceases to be an Owner of a Lot, and its Membership in the Association shall automatically be transferred to the new Owner succeeding to such ownership interest.

**Section 3: Annual Meetings.** The first annual meeting of the Members shall be held within one (1) year from the first close of escrow of a Lot within the Property at such hour and at such place as may be specified in a written notice of such meeting, and each subsequent regular annual meeting of the Members shall be held each year at such place as may be designated in the written notice of such meeting.

**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 Members having at least ten percent (10%) of the votes held by voting owners.

**Section 5: 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 such notice, postage prepaid, or hand-delivering a copy of such notice, not less than ten (10) days nor more than sixty (60) days in advance of the meeting, to each Member, addressed to the Member's address last appearing on the books and records of the Association. All notices shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

**Section 6: Voting.** The Association shall have two (2) classes of voting membership.

**CLASSES of MEMBERS:** The Association shall have two (2) classes of voting membership.

**CLASS A** shall be all Owners of Lots, with the exception of the Declarant. Each Class A Member shall be entitled to one (1) vote for each Lot owned.

**CLASS B** shall be the Declarant, the Class B Membership shall not terminate until the sale of the last lot to a non-Declarant Owner, or December 31, 2054. Regardless of the number of Class A Members the Declarant shall have at least 51% of all votes until Class B Member terminates.

**Section 7: Quorum.** The presence of Members (including proxies) entitled to cast ten percent (10%) of the votes of the Voting Owners shall constitute a quorum at all meetings. If the required quorum is not present, subsequent meeting(s) may be called (subject to the same notice requirement), until a quorum is achieved and the required quorum at each such subsequent meeting shall be one-half (1/2) of the required quorum at the immediately preceding meeting; provided, however, in no event shall the required quorum be less than one-tenth (1/10) of the Voting Owners. No such subsequent meeting shall be held more than sixty (60) days following the immediately preceding meeting.

**Section 8: Proxies.** At all meetings of the Members a vote may be cast in person or by proxy. A Member may appoint a proxy to vote or otherwise act for the Member by signing an appointment form, either personally or by the Member's attorney-in-fact. A proxy is valid for eleven months unless a shorter period is expressly provided in the appointment form. An appointment of a proxy is effective on receipt by the Secretary or other officer or agent authorized to tabulate votes. An appointment of a proxy is revocable unless the appointment form conspicuously states that it is irrevocable and the appointment is coupled with an interest. Appointment of a proxy is revoked by the Member who appoints a proxy by either: (a) attending any meeting and voting in person or (b) signing and delivering to the Secretary or other officer or agent authorized to tabulate proxy votes either a writing stating that the appointment of the proxy is revoked or a subsequent appointment form. The death or incapacity of the Member who appoints a proxy shall not affect the right of the Association to accept the proxy's authority unless the Secretary or other officer or agent authorized to tabulate votes receives written notice of the death or incapacity before the proxy exercises authority under the appointment.

**Section 9: Record Date.** For any meeting of the Members, the Board shall fix a date as the record date for determining the Members entitled to notice of the meeting. If the Board fails to fix a record date for any meeting of the Members, the record date for determining the Members entitled to notice of the meeting shall be the business day before the day on which the notice of the meeting is given. The Board shall also fix a date as the record date for determining the Members entitled to vote at a meeting of the Members. If the Board fails to fix such a record date, the Members on the date of the meeting who are otherwise eligible to vote are entitled to vote at the meeting.

A determination of Members entitled to notice of or to vote at a meeting of the Members is effective for any adjournment of the meeting, unless the Board fixed a new date for determining

the right to notice or the right to vote. The Board shall fix a new date for determining the right to notice or the right to vote if the meeting is adjourned to a date that is more than seventy (70) days after the record date for determining Members entitled to notice of the original meeting.

The Board shall fix a date as the record date for the purpose of determining the Members entitled to exercise any rights in respect of any other lawful action of the Members. If a record date is not fixed by the Board, Members at the close of business on the day on which the Board adopts the resolution relating to that record date, or the sixtieth (60) day before the date of other action, whichever is later, are entitled to exercise those rights.

The record date fixed by the Board under this Section shall not be more than seventy (70) days before the meeting or action requiring a determination of Members. If a court orders a meeting adjourned to another date, the original record date for notice of voting continues in effect.

**Section 10: Members' List For Meeting.** Subsequent to fixing a record date for a meeting, an alphabetical list of the names of all the Members entitled to notice of the meeting must be prepared. The list must show the address and number of votes each member is entitled to vote at the meeting. If any Members are not entitled to notice but are entitled to vote at the meeting, then a separate list of those Members must also be created and made part of the list of Members.

This list of members must be available at the meeting, and any member, member's agent or member's attorney may inspect the list at any time during the meeting or during any adjournment. Additionally, the list of Members must be made available during normal business hours at the principal office or other location identified in the meeting notice, for inspection and/or copying by any Member, subject to the limitations of A.R.S. §§ 10-11602(C) and 10-11605. Any such copying shall be at the requesting Member's expense.

**Section 11: Organization and Conduct of Meeting.** All Members attending a meeting of the Members shall register with the Secretary (or such person or persons as may be designated by the Secretary) prior to commencement of the meeting, and all proxies must be filed with the Secretary (or such person or persons as may be designated by the Secretary) prior to commencement of the meeting. After the meeting is called to order by the chair of the meeting, no further proxies or changes, substitutions or revocation of proxies shall be accepted. All meetings of the Members will be called to order and chaired by the President of the Association, or if there is no President or if the President is absent or so requests, then by the Vice President. If both the President and Vice President are not present at the meeting, any other officer of the Association or such member of the Association as is appointed by the Board may call the meeting to order and chair the meeting. The chair of the meeting may appoint the Managing Agent to chair the meeting or portions thereof. The chair of the meeting may appoint any person (whether or not a Member of the Association) to act as Recording Secretary. The chair of the meeting shall have the authority to determine the order of business to be conducted at the meeting and to establish reasonable rules for expediting the business of the meeting, but the rulings of the chair with respect to such matters may be overruled by Members having more than fifty percent (50%) of the votes represented in person or by proxy at the meeting.

**Section 12: Action by Written Ballot.** Any action that the Association may take at any annual, regular or special meeting of the Members may be taken without a meeting if the Association delivers a written ballot to every Member entitled to vote on the matter. The written ballot shall

set forth each proposed action and provide an opportunity to vote for or against each proposed action. All solicitations for votes by written ballot shall: (a) indicate the number of responses needed to meet the quorum requirements; (b) state the percentage of approvals necessary to approve each matter other than election of directors; and (c) specify the time by which a ballot must be delivered to the Association in order to be counted, which time shall not be less than three (3) days after the date that the Association delivers the ballot. Once the Association has received a written ballot, the ballot may not be revoked. Approval by written ballot pursuant to this Section is valid only if both the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action and the number of approvals equals or exceeds the number of votes which would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

**Section 13: Action by Written Consent.** The Members may approve any action required or permitted by law that requires the Members' approval without a meeting of the Members if the action is approved by Members holding at least a majority of the Eligible Votes, unless the Declaration, Articles, these Bylaws or applicable law require a different amount of Eligible Votes. The action shall be evidenced by one or more written consents describing the action taken, signed by those Members representing at least the requisite amount of the Eligible Votes, and delivered to the Association for inclusion in the minutes or filing with the corporate records of the Association.

If not otherwise fixed by the Board pursuant to Section 9 of this Article, the record date for determining Members entitled to take action without a meeting is the date the first Member signs the consent to the action. A consent signed under this Section has the effect of a meeting vote and may be described as such in any document. Written notice of Member approval pursuant to this Section shall be given to all Members who have not signed the written consent. Unless otherwise specified in the consent or consents, the action is effective on the date that the consent or consents are signed by the last Member whose signature results in the requisite amount of the Eligible Votes. Any Member may revoke the Member's consent by delivering a signed revocation of the consent to the President or Secretary before the date that the consent or consents are signed by the last Member whose signature results in the requisite amount of the Eligible Votes.

**Section 14: Voting Requirements.** Unless otherwise provided in the Governing Documents, if a quorum is present at a meeting of the Members, the affirmative vote of a majority of the votes represented and voting is the act of the Members.

## **ARTICLE IV BOARD OF DIRECTORS**

**Section 1: Number.** The business and affairs of this Association shall be initially managed by a Board of one (1) Director. After the termination of the Class B Membership in the Association, the number of Directors may be increased to three (3) Directors and the number of Directors must always be an odd number.

**Section 2: Term of Office.** So long as there is a Class B Membership in the Association, the Directors shall be appointed and may be removed by the Declarant. After the termination of the



Class B Membership in the Association, the Members at each annual meeting of the Members shall elect the Directors. At the first annual meeting of the Members following the termination of the Class B Membership, at least one (1) Director shall be elected for a term of one (1) year; at least (1) Director shall be elected for a term of two (2) years; and at least one (1) Director shall be elected for a term of three (3) years, and at each annual meeting thereafter, the Members shall elect at least one (1) Director for a term of three (3) years so as to stagger the terms of office of the Directors.

**Section 3: Qualifications.** Each Director shall be a Member or Owner (or if a Member is a corporation, partnership or trust, a Director may be an officer, authorized agent, partner or trustee of such Member). If a Director shall cease to meet such qualifications during its term, said Director will thereupon cease to be a Director, and its place on the Board shall be deemed vacant. The requirements of the sections shall not apply to Directors appointed by the Declarant or elected as a result of any of the votes cast by the Class B Membership.

**Section 4: Removal.** So long as the Class B Membership remains in existence, the Class B Member(s) shall have the sole right to remove any and all Directors until the Class B Membership is terminated. After the Class B Membership is terminated, any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Board.

In the event of death, resignation or removal of a Director, its successor shall be selected by a majority of the remaining members of the Board and shall serve for the unexpired term of its predecessor.

**Section 5: Compensation.** No Director shall receive compensation for any service it may render to the Association. However, any Director may be reimbursed for its actual expenses incurred in the performance of its duties as a Director.

**Section 6: Action Taken Without a Meeting.** Except as otherwise provided by Arizona law, 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 Directors, including without limitation taking emergency action or acting on matters that are allowed to be considered by the Board in a closed meeting. Any action so approved shall have the same effect as though taken at a meeting of the Directors. Any action taken by the Board pursuant to this Section shall be effective when the last director signs the consent, unless the consent specifies a different effective date.

## ARTICLE V NOMINATION AND ELECTION OF DIRECTORS

**Section 1: Nomination.** After the termination of the Class B Membership in the Association, nominations for election to the Board of Directors may be made from the floor at the annual meeting by any Member not in default. Nominations may also be made by a Nominating Committee. A Nominating Committee shall consist of a Chairman, who shall be a Member of the Board of Directors, and two (2) or more Members of the Association. The Nominating Committee would be appointed by the Board of Directors at least forty-five (45) 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 of Directors 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 of Directors shall be by secret written ballot or oral vote. Those candidates for election to the Board receiving the greatest percentage of votes cast at the meeting (or cast by mail, if the election is conducted by mail) shall be elected. While Class B Membership is in effect, the Class B Members shall appoint all Directors without any vote therefor being held.

## **ARTICLE VI MEETINGS OF DIRECTORS**

**Section 1: Meetings.** If the time and place of a meeting of the Board is fixed by the Board, the meeting is a regular meeting. All other meetings of the Board are special meetings. Regular meetings of the Board may be held with or without notice to the directors of the date, time, place or purpose of the meeting. All meetings of the Board of Directors shall be open to the Members. Notice of all meetings (other than emergency meetings) of the Board of Directors shall be provided to the Members as set forth herein.

Special meetings of the Board may be called by the President on two (2) business days' notice to each director, given in writing, by hand delivery, mail or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board shall be called by the President or secretary in like manner and on like notice on the written request of at least two (2) directors.

A director's attendance at or participation in a meeting waives any required notice to the director of the meeting, unless the director at the beginning of the meeting or promptly on the director's arrival at the meeting objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

A director may participate in a regular or special meeting of the Board through the use of any means of communication by which all directors participating may simultaneously hear each other during the meeting, and a director participating in a meeting by such means is deemed to be present in person at the meeting.

Notice of meetings of the Board shall be given to the Members of the Association within such time and in such manner as is required by law.

**Section 2: Quorum and Voting.** A majority of the prescribed number of directors shall constitute a quorum for the transaction of business. If a quorum is present when a meeting is convened, the quorum shall be deemed to exist until the meeting is adjourned, notwithstanding the departure of one or more directors. If a quorum is present when a vote is taken, the affirmative vote of a majority of directors present is the act of the Board, unless the Articles or Bylaws require the vote of a greater number of directors.

A director who is present at meeting of the Board when corporate action is taken is deemed to have assented to the action taken unless either: (a) the director objects at the beginning of the meeting or promptly on the director's arrival to holding it or transacting business at the meeting; (b) the director's dissent or abstention from the action taken is entered in the minutes of the

meeting; or (c) the director delivers written notice of the director's dissent or abstention to the presiding officer of the meeting before its adjournment or to the Association before 5:00P.M. the next business day after the meeting. The right of dissent or abstention is not available to a director who votes in favor of the action taken.

A director may vote in person or by proxy. A director may appoint a proxy to vote or otherwise act for the director by signing an appointment form, either personally or by the director's attorney-in-fact. The appointment does not relieve the director of liability for acts or omissions imposed by law on directors. An appointment of a proxy is effective when received by the Secretary. An appointment is valid for one (1) month unless a different period is expressly provided in the appointment form. An appointment of a proxy is revocable by the director. The death or incapacity of a director appointing a proxy shall not affect the right of the Association to accept the proxy's authority unless written notice of death or incapacity is received by the Secretary before the proxy exercises its authority under the appointment. Subject to any express limitation on the proxy's authority appearing on the face of the appointment form, the Association is entitled to accept the proxy's vote or other action as the vote of the director making the appointment.

**Section 3: Powers.** The Board shall have all of the powers necessary for the administration of the affairs of the Association and may do all such acts and things as are not required by the Declaration, Articles or their Bylaws 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:

- (a) Elect and remove the Officers of the Association;
- (b) Adopt and publish rules and regulations governing the use of the Common Areas and related facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;
- (c) Suspend the rights of a Member to vote and to use the Common Areas during any period in 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 promulgated by the Board;
- (d) Engage the services of an agent to manage the maintenance, repair, and replacement of the Common Areas, or any part thereof, for the Association, upon such terms and for such compensation as the Board may approve ("Agent"). Any agreement for the services of any such Agent shall provide for termination by the Association with or without cause, and without payment of a termination fee, upon thirty (30) days written notice, and no such agreement shall be for 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 Lots where such repairs are required for the welfare or safety of other Lot Owners or for the preservation or protection of the Common Areas;



- (f) Grant or relocate easements over, access to or through the Common Areas as the Board may determine to be beneficial to the Members;
- (g) Declare the office of a Director of the Board (unless such Director was elected or appointed by the Class B Member) to be vacant in the event such Director 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 this Association and not reserved to the Members by other provisions of the Bylaws, the Articles of Incorporation, or the Declaration.
- (i) Impose reasonable charges for the late payment of assessments, and, after notice and an opportunity to be heard, impose reasonable monetary penalties on members for violations of the Declaration, the Bylaws, the Articles or the Rules of the Association. Charges for late payments and penalties shall be enforceable in the same manner as unpaid assessments.

**Section 4: Duties.** It shall be the duty of the Board of Directors to:

- (a) Cause to be kept complete and correct books and records of account and records 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 at least twenty-five percent (25%) of the Class A Members who are entitled to vote;
- (b) Supervise all officers, agents and employees of the Association and see that their duties are properly performed.
- (c) As more fully provided in the Declaration:
  - (1) Administer, operate, maintain and repair the Common Areas;
  - (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) Bring an action at law against any Owner personally obligated to pay any delinquent assessment, and/or foreclose the lien for delinquent assessments against the subject Lot.
- (d) Issue, or cause an appropriate Officer or Agent to issue, within seven business days after receipt of written request by an Owner, an Owner's lienholder or other Person designated by an Owner, a statement complying with A.R.S. Section 33-1807.1., setting forth the amount of any unpaid assessment against the Owner's

Lot. A reasonable charge may be made by the Board or Agent for the issuance of such a statement;

- (e) Procure and maintain adequate casualty and liability insurance as more fully provided in the Declaration; and
- (f) Open bank accounts on behalf of the Association and designate the signatories thereon.

## ARTICLE VII OFFICERS AND THEIR DUTIES

**Section 1: Enumeration of Officers.** 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 provide for by resolution.

**Section 2: Election of Officers.** The election of Officers shall take place at the first meeting of the Board of Directors, held no later than sixty (60) days following each annual meeting of the Members.

**Section 3: Term.** The Officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless such Officer shall sooner resign, or shall be removed or otherwise be disqualified to serve.

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

**Section 5: Resignation and Removal.** The Board may remove any Officer from office with or without cause. 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.

**Section 6: Vacancies.** A vacancy in any office may be filled by appointment by a majority of the remaining Directors though less than a quorum. The Director or Officer appointed to such vacancy shall serve for the remainder of the term of the Director or Officer replaced.

**Section 7: Duties.** The duties of the Officers are as follows:

- (a) **President** - The President shall be the chief executive officer of the Association and shall supervise 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 of Directors. 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 Association 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 of 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.

- (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 powers of, and be subject to 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 all meetings and proceedings of the Board of Directors and the minutes of all meetings of the Members 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 see that the documents are properly executed when such is duly authorized; keep or cause to be kept under its general supervision by a registrar or Agent appointed by the Board, a register of the name and post office address of each Member as furnished by such Member; have general charge of the books of the Association; and in general perform all duties incident to the office of the Secretary and such other duties as may be assigned by the President or by the Board. The books and records of the Association may be stored by the Secretary or by the Agent employed by the Association in accordance with the provisions of A.R.S. § 10-11601.
- (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 Association 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 an Agent employed by the Association; shall keep proper books of account; shall cause an annual audit or review of the books of the Association 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 to be presented to the Members at the regular annual meeting of the Members, and shall deliver a copy of such to the Members; and shall perform such other duties incident to the office of Treasurer.

**Section 8: Committees.** The Board may appoint an Architectural Committee, or the Board may act in the capacity of the Architectural Committee, as provided in the Declaration. In addition, the Board shall appoint other committees, as the Board may deem appropriate to carry out the purposes of the Association.

**ARTICLE VIII  
ANNUAL REPORT**

Each year, an annual report shall be filed with the Arizona Corporation Commission pursuant to the rules and requirements set forth in A.R.S. § 10-11622.

**ARTICLE IX  
ASSESSMENTS**

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments that are secured by a continuing lien upon the property against which the assessment is made. Any assessments that are not paid as provided in the Declaration shall be delinquent. No Owner shall waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Lot.

**ARTICLE X  
AMENDMENTS**

**Section 1: Amendments.** The power to alter, amend or repeal these Bylaws is reserved to the Members except that the Board, without a vote of the Members, may amend these Bylaws in order to conform the 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 of any federal, state or local government agency whose approval of the Project, the Plat or the Declaration is required by law or requested by the Declarant. These Bylaws may not be amended if such Amendment would be inconsistent with the Declaration or the Articles.

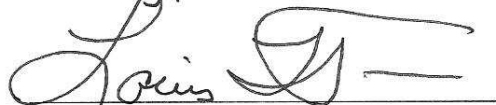
**Section 2:** Intentionally deleted.

**Section 3: 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.

Signatures on the following page.

IN WITNESS WHEREOF, the Directors of the Maryland Heights Community Association, Inc. have hereunto set their hands to evidence their adoption of these Bylaws as of this 25 day

of July, 2014

A handwritten signature in cursive script, appearing to read "Lou Turner", written over a horizontal line.

Lou Turner  
Director

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