

APR - 4 1997

LAW OFFICE OF  
TAMIS A. DUNCAN

RESTATED BY-LAWS OF  
SABINO VISTA HILLS NEIGHBORHOOD ASSOCIATION

WHEREAS, Section 16.0 of the Bylaws of Sabino Vista Hills Neighborhood Association, dated February 17, 1992, states:

"These By-Laws shall be adopted by the Directors and are subject to amendment by a majority of a quorum of Directors present and voting at any Board meeting or the majority of a quorum of Members present at a general or special meeting of the corporation, provided that notice of such amendment or amendments shall have been given to the Members of the corporation at least one month prior to the meeting.

WHEREAS, the undersigned constitute at least a majority of a quorum of the Directors voting at the Board meeting held on February 25, 1997, and by their signatures indicate that they have approved and adopted the following Restated By-Laws.

NOW THEREFORE, these Restated By-laws shall supersede the By-laws dated February 17, 1992 and recorded on February 28, 1992 at Docket 9236 at Page 689.

ARTICLE I  
NAME AND LOCATION

The name of the corporation is Sabino Vista Hills Neighborhood Association, referred to as the "Association". The principal office of the Association is located in care of Paul Ash Investments, 2026 E. Prince Road, Tucson, Arizona 85719, but meetings of Members and Directors may be held at such places within the State of Arizona, County of Pima, as may be designated by the Board of Directors.

ARTICLE II  
DEFINITIONS

Section 2.1. "Annual Assessments" refer to those assessments levied by the Association and used to promote the recreation, health, safety and welfare of the Members and their guests and family, for the improvement of the Common Areas and for all other purposes set forth in the Articles, Bylaws and Declarations for Sabino Vista Hills, Lots 1 through 224 and for Canyon Ranch Estates, Lots 1 through 19.

Section 2.2. "Architectural Committee" refers to the Committee established by the Board of Directors under Section 9.3 of these Bylaws.

Section 2.3. "Articles" refer to the Articles of Incorporation of the Association

and any amendments which have been filed in the Office of the Arizona Corporation Commission.

Section 2.4. "Association" refers to Sabino Vista Hills Neighborhood Association, its successors and assigns.

Section 2.5. "Association's Governing Documents" refers to any recorded Declaration of Covenants, Conditions and Restrictions which governs the properties in which the Members of the Association reside, the Articles of Incorporation of the Association, the By-laws and any Rules and Regulations adopted by the Association.

Section 2.6. "Board" refers to the Board of Directors of the Association.

Section 2.7. "Bylaws" refer to the Bylaws of the Association, as may be amended from time to time.

Section 2.8. "Common Areas" means all of the real property, whether improved or unimproved, which is designated as Common Area on the Plats and which is owned by the Association for the common use and enjoyment of the owners.

Section 2.9. "Dwelling Unit" means the real property and improvements placed within the boundaries of any Lot.

Section 2.10. "Lot" refers to any numbered plot of land shown on the recorded subdivision Plats, as amended from time to time, with the exception of the Common Areas.

Section 2.11. "Member" means the owner of a Lot whose Membership in the Association is appurtenant to his/her ownership of the Lot; who is entitled to use and enjoy the Common Areas; and who is obligated to pay assessments to the Association.

Section 2.12. "Mortgage" means any mortgage, deed of trust or other security instrument by which a Lot or any part thereof is encumbered.

Section 2.13. "Owner" refers to the record owner, whether one or more persons, of the fee simple title to any Lot which is part of the Properties, including a buyer under a contract for the sale of real estate, but excluding persons holding an interest merely as security for the performance of an obligation.

Section 2.14. "Person" includes a corporation, company, partnership, trust, firm, association or society, as well as a natural person.

Section 2.15. "Plats" and "Properties" refer to the following maps of record

recorded in the Office of the Pima County Recorder:

- a. Lots 1 through 65 and Common Natural area "A" and recreational area (Common Area "C") in Book 29 at Page 20 of Maps and Plats.
  - b. Lots 66 through 100 and Common Natural area "D" and private streets, Common area "E" in Book 29 at Page 40 of Maps and Plats.
  - c. Lots 101 through 158, Common Natural area "F" in Book 30 of Maps and Plats at Page 41 and previously recorded Common Natural area "A" and recreational area (Common Area "C") as recorded in Book 29 at Page 20 of maps and plats and Common Natural area "D" as recorded in Book 29 at Page 40 of Maps and plats and all common areas, common natural areas and recreational areas.
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- d. Lots 159 through 224 and Common Area "C": Book 31 of Maps and Plats at Page 15 and as previously recorded Common Natural Area "A" and recreation area (Common Area "C") as recorded in Book 29, Page 20 of Maps and Plats; and Common Natural Area "D" as recorded in Book 19 at Page 40 of Maps and Plats and previously recorded Common natural Area "F", as recorded in Book 30 at Page 41 of Maps and Plats and all common areas, common natural areas and recreational areas.
  - e. Canyon Ranch Estates, Lots 1 through 19 in Book 38 at Page 27 of Maps and Plats.

Section 2.16. "Rules and Regulations" means those policies and procedures adopted by the Board of Directors to govern the conduct and actions of owners, tenants, visitors, contractors, and guests on Lots and Common Areas not otherwise covered in this Declaration.

Section 2.17. "Special Assessment" refers to those assessments which the Association may levy under the provisions of these Bylaws.

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ARTICLE III  
MEMBERSHIP IN THE ASSOCIATION  
AND VOTING

Section 3.1. Membership.

3.1.1. Qualification. Each Owner of a Lot, upon recordation of a deed to that Lot, is automatically a Member of the Association. No Owner shall have more than

one Membership for each Lot owned.

3.1.2. Transfer of Membership. Membership of each Owner in the Association is appurtenant to ownership of the Lot and shall not be transferred, pledged, or alienated in any way except upon the transfer of ownership to the Lot, and then only to the transferee. Any attempt to make a prohibited transfer shall be void. Any transfer of ownership of a Lot shall automatically transfer said Membership to the new Owner thereof.

Section 3.2. Voting Rights. Each Member is entitled to one vote for each Lot owned for which assessments are paid. When more than one person holds an interest in the Lot, all such persons shall be Members. The vote for such Lot shall be exercised as the Owners thereof determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Section 3.3. Suspension of Voting and other Rights.

3.3.1. The Association can suspend the right of an Owner, his/her family, or his/her lessees or tenants, to use the recreational facilities for any period during which any assessment against a Lot remains unpaid or for any violation of the By-laws or the Rules and Regulations of the Association.

3.3.2. The Association may also suspend the voting rights of any Owner for any period in which the assessment against the Lot remains unpaid or for any violation of the provisions of these Bylaws or the Rules and Regulations of the Association.

IV  
MEETINGS OF MEMBERS

Section 4.1. Annual Meetings. The annual meeting of the Members shall be held in the first quarter of the fiscal year.

Section 4.2. 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 the notice, postage prepaid, at least ten (10) days before the meeting to each Member entitled to vote, addressed to the Member's address which appears on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting.

Section 4.3. Agenda. The agenda for the annual meeting shall include the election of Board Members to fill the expired terms of the previous years' Directors; the presentation of the next fiscal year's operating budget and the previous fiscal year's financial report.

Section 4.4. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon the written request of twenty-five (25%) of the Members who are entitled to vote.

Section 4.5. Quorum. For a quorum to be present at any meeting, twenty-five percent (25%) of the Members entitled to vote, in person or by proxy, must be present. If a quorum is not present, in person or by proxy, the Members entitled to vote shall adjourn the meeting to another date and time, without providing any other notice to the Members other than making an announcement at the meeting of the new date and time. The Members may continue to adjourn the meeting and reset it to another date and time until a quorum is present.

Section 4.6. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary at least three business days prior to the time set for the meeting. Proxies shall expire when the meeting is adjourned.

## ARTICLE V BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 5.1. Number. The affairs of this Association shall be managed by a Board of not less than seven (7) nor more than fifteen (15) Directors, who must be Members of the Association. In the event that the number of Directors to be elected is changed, there shall always be an odd number of Directors. Each year at least sixty days prior to the date of the annual meeting, the Board of Directors shall vote to increase or decrease the number of Directorships.

Section 5.2. Qualifications of Directors. Only those Members who are in good standing which includes being current in the payment of any sums to the Association, are qualified to serve as Directors. Only one Member from each Lot may serve as a Director.

Section 5.3. Term of Office. The Directors shall be elected at the annual meeting of the Members for a term of office of two (2) years. The terms shall be staggered.

Section 5.4. Removal. Any Director may be removed from the Board by a majority vote of the Members of the Association, voting in person or by proxy at any special meeting of the Association held for that purpose. If the Members desire to remove a Director, they must submit a petition signed by the Owners of at least 25% of the Lots. The petition must be submitted to the Secretary, who shall be responsible for determining the date and time of the special meeting and sending notices of the meeting to the Members. Any Director whose removal has been proposed shall be entitled to address the Members prior to the vote on the removal. In the event of the removal of a Director, his/her

successor shall be selected by the vote of the Members at the meeting and such successor shall be elected to fill the unexpired term of the Director who was removed.

Section 5.5. Replacement of Directors. In the event of the death or resignation of a Director, his/her successor shall be appointed by the remaining Directors to serve for the unexpired term. In the event that any Director is absent from three (3) consecutive Board meetings, without being excused by the President, for good cause, shall be deemed to have resigned from office and his/her successor shall be appointed to fill the unexpired term.

Section 5.6. Compensation. No Director shall receive compensation for any service he/she may render to the Association. However, any Director may be reimbursed for his/her actual expense incurred in the performance of his/her duties. Directors will be reimbursed for any out-of-pocket funds used to pay for previously approved services or materials needed in conducting association business.

Section 5.7. Action Without a Meeting. The Directors may take any action in the absence of a meeting which could have been taken at a meeting by obtaining the written approval of all the Directors. Such action has the same effect as though taken at a meeting of the Directors.

Section 5.8. Successive Terms. No Member may serve more than two consecutive two-year terms.

## ARTICLE VI NOMINATION AND ELECTION OF DIRECTORS

Section 6.1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chair, who shall be a Member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members. The Nominating Committee shall accept or reject nominations for election to the Board of Directors. Nominations must be made from among Members.

Section 6.2. Election. Election to the Board of Directors shall be by secret written ballot. All ballots will be tabulated at the meeting by tellers appointed from among the Members. At the election, Members or their proxies may cast, one vote for each vacant position. Members receiving the most votes shall be elected. Cumulative voting is not permitted.

## ARTICLE VII MEETINGS OF DIRECTORS

Section 7.1. Regular Meetings. Regular meetings of the Board of Directors shall be held at least six (6) times per year, at such date, place and hour as may be determined by the Board.

Section 7.2. Special Meetings. Special Meetings of the Board of Directors shall be held when called for by the President of the Association, or by any two (2) Directors, after not less than three (3) days notice to each Director. In the event of an emergency where the safety of personnel or property is in jeopardy, a same day meeting may be called by telephone by any one (1) Director of the Association.

Section 7.3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Any decision 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.

Section 7.4. Attendance of Members at Board Meetings. In accordance with the provisions of A.R.S. Section 33-1804, the meetings of the Board of Directors shall be open to the Members of the Association.

## ARTICLE VIII OFFICERS AND THEIR DUTIES

Section 8.1. Enumeration of Offices. The officers of this Association shall be a president and vice-president, a secretary, and a treasurer, who shall at all times be Members of the Board of Directors, and such other offices as the Board may from time to time by resolution, create.

Section 8.2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following the annual meeting of the Members.

Section 8.3. Term. The officers of this Association shall be elected annually by the Board and shall hold office for one (1) year unless he/she resigns or is removed or is otherwise disqualified to serve prior to the expiration of the term of office.

Section 8.4. 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.

Section 8.5. Resignation and Removal. Any officer may be removed from

office by a majority vote of 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 in the notice of resignation. Unless otherwise specified in the notice, the acceptance of a Board Member's resignation is not necessary to make it effective.

Section 8.6. 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/she replaces.

Section 8.7. Multiple Offices. No person shall simultaneously hold more than one office.

Section 8.8. Duties. The duties of the officers are as follows:

a. President: The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and agreements and shall co-sign all promissory notes.

b. Vice President: The vice-president shall act in the place and stead of the president in the event of his/her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

c. Secretary: The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; provide notice or direct that notice of meetings of the Board and of the Members be mailed in accordance with the provisions of these Bylaws; keep appropriate current records showing the Members of the Association together with their addresses, and perform such other duties as required by the Board.

d. Treasurer: The treasurer shall receive and deposit [or direct the receipt and deposit in the event that a manager has been appointed by the Board of Directors] in appropriate bank accounts all monies of the Association and disburse such funds as directed by resolution of the Board of Directors; shall co-sign with the President, all promissory notes of the Association; insure that all checks of the Association are signed by the Board Members; keep proper books of account, cause an annual review of the Association books to be made by an independent accountant at the completion of each fiscal year; and with the Finance Committee, prepare an annual operating budget and a statement of income and expenditures to be presented to the Members at its regular annual meeting, and deliver a copy of each to the Members. The Treasurer shall work with the management company and ensure that its performance is in accordance with the terms of the management contract.



## ARTICLE IX COMMITTEES

Section 9.1. Architectural Committee. The architectural committee shall be comprised of three (3) or more representatives appointed by the Board. The committee shall be responsible for reviewing and approving all plans and specifications for the construction, installation or fabrication, of any improvements on the Lot. Improvements includes any building, fence, wall, or other structures. It also includes any exterior addition to, or change in, or alteration of a Dwelling Unit or the exterior color scheme, roof or finish on the Dwelling Unit. Plans and specifications shall show the nature, kind, shape, height, materials, and location of the proposed addition or modification. In evaluating and approving such plans, the Committee shall consider the harmony of external design and location of the proposed addition or modification in relation to surrounding structures on that Lot and on adjacent lots and the topography of the Lot and adjacent lots.

Section 9.2. Appointment of Additional Committees and the Chairs of such Committees. The Board of Directors, at its option, has the right to form committees to assist it in the performance of its responsibilities. In the event that Board determines that such committees are necessary the President shall appoint the Chair to each such Committees. The Committees which the Board may form are as follows:

9.2.1. Finance Committee. The Treasurer shall chair the Finance Committee. The Finance Committee shall assist the Treasurer in collecting and investing funds, preparing the annual operating budget; evaluating the insurance obtained by the Association and advising the Board of Directors on insurance coverage and premiums.

Section 9.2.2. Maintenance Committee. The Maintenance Committee shall supervise the maintenance of the common areas and other property, except for the swimming pool, which shall be the responsibility of the Pool Committee. The Maintenance Committee may delegate all or any portion of its responsibilities to the Management Company. If the management contract provides that the management company is to undertake some of the maintenance responsibilities then the Maintenance Committee shall be responsible for ensuring that the management company satisfactorily performs such duties.

Section 9.2.3. Pool Committee. The Pool Committee shall supervise the swimming pool, including health and safety measures, selection of life guards, if any, and litter and pest control. This Committee shall evaluate the costs of maintaining the swimming pool and post schedules for the optimum use of the heating equipment. The Pool

Committee shall promulgate pool rules and distribute the rules to the Members as well as post such rules at the swimming pool. The Pool Committee shall make periodic inspections of the pool equipment and report the need for repairs to the Board of Directors. The Pool Committee may delegate all or any portion of its responsibilities to the Management Company. If the management contract provides that the management company is to undertake some of the Pool Committee's responsibilities then the Pool Committee shall be responsible for ensuring that the management company satisfactorily performs such duties.

Section 9.2.4. Recreation Center Committee. The Recreation Center Committee shall supervise the use and access to the recreation center and ensure its proper maintenance and cleanliness. This ~~Committee shall~~ promulgate the recreation center policies and procedures and distribute such procedures to the Members. The Committee shall also post the procedures at the recreation center. The Recreation Center Committee may delegate all or any portion of its responsibilities to the Management Company. If the management contract provides that the management company is to undertake some of the responsibilities of the Recreation Center Committee then that Committee shall be responsible for ensuring that the management company satisfactorily performs such duties.

Section 9.2.5. Tennis Committee. The Tennis Committee shall supervise the use of and access to the tennis courts, facilities. It shall also recommend repairs and improvement to those facilities, prepare and post the rules applicable to the use of the tennis facilities and distribute such rules to the Members at least one time per year.

Section 9.2.6. Bylaw Committee. The Bylaw Committee shall review the minutes of the Members' and Board of Directors' meetings as well as the Bylaws on an annual basis. Based on this review the Bylaw Committee shall make recommendations to the Board of Directors on proposed revisions to the Bylaws.

Section 9.3. Other Committees. The Board of Directors shall appoint any other committees which it deems appropriate in carrying out the purposes of this Association.

ARTICLE X  
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 10.1. Powers. The Board of Directors has all of the powers of a Board of Directors of an Arizona non-profit corporation, subject only to those limitations set forth in the Association's Articles of Incorporation and these By-Laws. The Board has the power to do any and all lawful acts which may be authorized by the Articles and these By-Laws and any acts which may be necessary or incidental to the exercise of any of the express powers of the Association. In addition to any other powers, the Board of Directors has the specific power to:

- a. employ a manager, an independent contractor, or any employees which the Board deems necessary, and to prescribe their duties.
- b. grant easements over, across or under the Common Areas for public utilities, ingress, egress and such other purposes as may be deemed advisable by the Board.

Section 10.2. Duties. The Board of Directors has the duty to:

- a. Prepare an annual operating budget at least thirty days prior to the date of the annual meeting. The budget shall include reserves for capital items and shall be presented to the Members at the annual meeting;
- b. Set the amount of the annual assessment against each Lot at least thirty (30) days prior to January 1 of each year, based upon each Lot's prorata share of the operating budget;
- c. Send written notice of the amount of the Annual Assessment to every Owner at least thirty (30) days prior to January 1 of each year;
- d. Record a lien against any Lot for which assessments are not paid within thirty (30) days after their due date and/or bring an action at law against the Owner personally obligated to pay the assessments provided such action is cost effective in the sole discretion of the Board of Directors;
- e. Provide, upon a request by any Lot Owner, or his/her agent, a certificate setting forth whether or not any assessment has been paid. The Board may charge a reasonable fee for the

issuance of the certificate.

- f. Procure and maintain insurance as follows:
  - 1) Fire and extended coverage insurance on all improvements in the common areas with the amount of such insurance being sufficient to cover the replacement costs of such improvements;
  - 2) Bodily injury insurance with limits of not less than one million dollars (\$1,000,000.00) per person and one million dollars (\$1,000,000.00) per occurrence, insuring against liability for bodily injury or death arising out of the activities of the Association or on the Common Areas;
  - 3) Property damage liability insurance of not less than five hundred thousand dollars (\$500,000.00), insuring against liability for property damage arising from the activities of the Association or on the Common Areas;
  - 4) Worker's compensation insurance to the extent necessary to comply with applicable laws;
  - 5) Officers and directors liability Insurance;
  - 6) Fidelity insurance;
  - 7) Any other insurance which the Board of Directors deems appropriate.
- g. Receive insurance proceeds for the benefit of the Members and use such proceeds to restore any damaged property;
- h. Maintain, manage, and repair the Common Areas, including the landscaping, lighting, and recreational areas and facilities, together with all furniture and equipment owned by the Association;
- i. Instruct and supervise the committees formed by the Board of Directors;
- j. Pay all taxes due on property owned by the Association;

- k. Pay all utilities which service the Common Areas.
- l. Establish and levy special assessments pursuant to Section 12.4.

Section 10.3. Rules and Regulations. The Board of Directors has the power to adopt and publish rules and regulations which govern the use of the Common Areas and the conduct of the Owners which affects the other Owners, and to impose sanctions for violations of such Rules and Regulations. Rules and Regulations adopted by the Association shall be binding on all the Members of the Association, including the Members of their family, their guests, tenants, licensees and invitees.

Section 10.4. Liability of Board Members. No Member of the Board of Directors shall be personally liable to any Member or his/her assigns for any damage, loss or prejudice suffered or claimed on account of any act or omission of the Association, its representatives or employees provided that such Board Member has, upon the basis of such information as may be possessed by him/her, acted in good faith.

#### ARTICLE XI BOOKS AND RECORDS

The books, records and papers of the Association are available for inspection by any Member. Any Member desiring to review such books and records must provide a written request setting forth the proper purpose for the inspection. Upon receipt of the request, the Member shall be entitled to inspect such records during reasonable business hours and to have copies made of any documents, at the Member's expense. The Articles of Incorporation and the Bylaws of the Association are available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

#### ARTICLE XII ASSESSMENTS

Section 12.1. Creation of the Lien and Personal Obligation to Pay Assessments. Each Owner, upon the recordation of a deed to any Lot, whether or not it is stated in the deed, covenants and agrees to pay to the Association: (1) Annual Assessments or charges, and (2) Special Assessments. All assessments, together with interest, late fees, costs, and reasonable attorneys' fees, shall be charged against the Lot and shall be a continuing lien upon the Lot. Delinquent assessments, together with interest, late fees, costs, and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of the Lot at the time when the assessment was levied. The personal obligation for delinquent assessments shall not pass to an Owner's successors in title unless assumed by them.

Section 12.2. Purpose of Annual Assessments. The Annual Assessments levied by the Association shall be used exclusively to promote the health, safety and welfare of the Members and their guests; for the improvement and maintenance of the Common Areas; for the payment of all expenses and charges which are the responsibility of the Association; and for all other purposes set forth in the Articles of Incorporation and Bylaws of the Association.

Section 12.3. Annual Assessment.

12.3.1. Annual Assessment. The Board of Directors shall determine the amount of the annual assessments, based upon the operating budget of the Association, including appropriate reserves.

12.3.2. Notification to Owners of Annual Assessments. The Board shall provide notice to the Owners of any change in the amount of the Annual Assessment at least thirty (30) days prior to January 1 of each year. The Board of Directors may determine that the Annual Assessment is payable in equal monthly installments, or on any other periodic basis.

Section 12.4. Special Assessments. Special Assessments may be levied in addition to Regular Assessments for (1) constructing capital improvements; (2) correcting an inadequacy in the current operating account; (3) defraying, in whole or in part, the cost of any construction, reconstruction, unexpected repair or replacement of improvements in the Common Areas; or (4) paying for such other matters as the Board may deem appropriate.

Section 12.5. Rates of Assessment. All Assessments shall be set at a uniform rate for all Lots.

Section 12.6. Effect of Nonpayment of Assessments; Remedies of the Association. In addition to all other remedies provided by law, the Association, or its authorized representative, may enforce the obligations of any Owner to pay assessments in any manner provided by law or by either or both of the following procedures:

a. By Suit. The Association may commence and maintain a suit at law against any Owner personally obligated to pay assessments. The suit shall be maintained in the name of the Association. Any judgment rendered in such action shall include the amount of the delinquency, additional charges and any other amounts as the court may award, including reasonable attorneys' fees. A proceeding to recover a judgment for unpaid assessments may be maintained without the necessity of foreclosing or waiving the lien established herein.

b. By Lien. To perfect its lien, the Association shall record a Notice

of Lien in the Office of the Pima County Recorder. The lien provided for in this Section shall be in favor of the Association and shall be for the benefit of all the Owners. The Association may commence and maintain proceedings to foreclose its lien in the same manner as the foreclosure of mortgages. The lien for assessments shall constitute a lien on each respective Lot prior and superior to all other liens, except (1) all taxes, bonds, assessments and other levies which, by law, would be superior thereto, and (2) the lien or charge of any first mortgage or deed of trust.

Section 12.7. Additional Charges. In addition to any other amounts due or any other relief or remedy obtained against an Owner who is delinquent in the payment of any assessments, each Owner agrees to pay such additional costs, fees, charges and expenditures ("Additional Charges") as the Association may incur or levy in the process of collecting monies due and delinquent from the Owner. All additional charges shall be included in any judgment in any suit or action brought to enforce collection of delinquent assessments or may be levied against a Lot as a reimbursement assessment. Additional charges shall include, but not be limited to, the following:

a. Attorneys' Fees. Reasonable attorneys' fees and costs incurred in the event an attorney is employed to collect any assessment or sum due, including the placement of the lien, or the filing of a suit or otherwise;

b. Late Charges. A late charge, in an amount to be determined by the Board, to compensate the Association for additional collection costs incurred in the event any assessment or other sum is not paid when due; provided, however, that such late charge shall not exceed ten percent (10%) of the delinquent assessment or Fifteen and No/100 Dollars (\$15.00) per month, whichever is greater;

c. Costs of Suit. Costs of suit and court costs incurred as are allowed by the Court;

d. Interest. Interest on all sums due from the Owner including the delinquent assessment, reasonable costs of collection, reasonable attorneys' fees and late charges, at an annual percentage rate to be established by the Board, commencing thirty (30) days after the assessment becomes due. The interest rate shall be determined, from time to time, by the Board of Directors.

e. Other. Any such other additional costs that the Association may incur in the process of collecting delinquent assessments or sums.

Section 12.10. Application of Payments. All payments received by the Association shall first be applied to delinquent assessments and late charges, then to any collection costs and attorneys' fees incurred and then to any accrued interest.

Section 12.11. Release of Lien. Upon payment of delinquent assessments and any other charges imposed by the Association, the Association shall record a release of any recorded lien.

Section 12.13. Exemptions.

12.13.1. Assessments on Unimproved Lots. In the event that any Owner has constructed a residence on more than one lot, that Owner shall only be charged an assessment on one of the Lots and shall only be entitled to one vote. In the event that any Owner owns a Lot on which no residence has been constructed, that Owner shall not be obligated to pay assessments until a residence has been constructed on the Lot. That Owner shall also not be entitled to vote until the residence is completed.

12.13.2. No Exemption for any Other Reason. No Owner is exempt from liability for the payment of assessments because he/she does not use or enjoy the Common Areas, or has abandoned his/her Lot, or for any other reason, including any allegation that the Board of Directors is not performing its obligations and duties.

Section 12.14. Subordination of the Lien to Mortgages. The lien for assessments is subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to a mortgage foreclosure, or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer of any Lot shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 12.16. Reserves. The reserves which are collected as part of the Regular Assessments shall be deposited by the Association in a separate bank account to be held in trust for the purposes for which they are collected. Such reserves shall be deemed a contribution to the capital account of the Association by the Owners and once paid, no Owner shall be entitled to any reimbursement for funds paid. The responsibility of the Board shall be only to provide for such reserves as the Board in good faith deems reasonable, and no Member of the Board is liable to any Owner or to the Association if the amount in the reserve account proves to be inadequate.

ARTICLE XIII  
AMENDMENTS

These By-Laws may be amended by a vote of a majority of the Board of Directors. To be effective, the amendment must be signed by the President and Secretary of the Association. All Amendments must be consistent with any recorded Declaration and Articles of Incorporation of the Association. These Bylaws may also be amended by the majority of a quorum of Members present at a general or special meeting of the



Association, provided that notice of such amendment or amendments is given to the Members of the corporation at least fifteen days prior to the meeting.

ARTICLE XV  
MISCELLANEOUS

Section 15.1. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on December 31 of every year.

Section 15.2. Notices.

a. Any notice required by these Bylaws to be given, shall be in compliance with these Bylaws if in writing and delivered to the person intended by hand or deposited in the U.S. Mail.

b. When any notice is required to be given under the provisions of the Articles of Incorporation or these Bylaws, a waiver of that notice, in writing, signed by the person or persons entitled to that notice, whether before or after the time stated therein, shall be the equivalent of delivering timely notice to such person.

DATED: March 28, 1997

SABINO VISTA HILLS NEIGHBORHOOD ASSOCIATION

By: Roger T. Margolis

Its: President

IN WITNESS WHEREOF, the undersigned parties, being the President and Secretary of the Association, by executing this Restatement of the By-Laws of the Sabino Vista Hills Neighborhood Association this 28 day of March, 1997, certify that such Restated By-laws were approved by the vote of a majority of a quorum of Directors, at the meeting held on \_\_\_\_\_, 1997.

By [Signature]  
President

By Margaret Cambridge  
Secretary

STATE OF ARIZONA     ]  
  ] ss.  
COUNTY OF PIMA     ]

The Amended By-laws were acknowledged before me this 28 day of March, 1997, by Roger J. Margolis and Margaret (Peggy) Cambridge, President and Secretary respectively, of Sabino Vista Hills Neighborhood Association, an Arizona corporation, for and on behalf of the corporation.

*Heida Denton*  
Notary Public

My Commission Expires:

4-17-99

March 10, 1997

F. ANN RODRIGUEZ, RECORDER  
RECORDED BY: KLK  
DEPUTY RECORDER  
0681 R00C  
REZMS  
EZ-TANIS DUNCAN



DOCKET: 10551  
PAGE: 1952  
NO. OF PAGES: 4  
SEQUENCE: 97079450  
05/22/97  
NOTICE 16:31:00

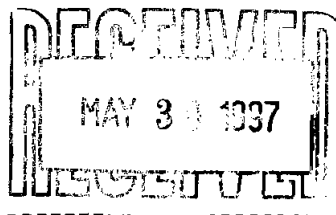
TUCSON AZ 85701

PICKUP  
AMOUNT PAID \$ 9.00

COPY TO: Sabino Vista Hills

BY: \_\_\_\_\_  
MAIL DELIVERED PICK-UP

DOCUMENT TITLE: NOTICE OF RIGHT TO  
ASSESS AND REVOCATION  
OF RECORDED BYLAWS  
FOR SABINO VISTA HILLS  
NEIGHBORHOOD ASSOCIATION



When Recorded Mail to:  
LAW OFFICE OF TANIS A. DUNCAN  
548 E. Speedway  
Tucson, AZ 85705

NOTICE OF RIGHT TO ASSESS  
AND REVOCATION OF RECORDED BYLAWS  
FOR SABINO VISTA HILLS NEIGHBORHOOD ASSOCIATION

Please take notice that the Bylaws of Sabino Vista Hills Neighborhood Association which were recorded on February 28, 1992 at Docket 9236 at Page 689 *et seq.*, have been superseded by the adoption of the Restated Bylaws of Sabino Vista Hills Neighborhood Association on February 25, 1997. The Restated Bylaws are part of the books and records of the Association and may be found at the principal office of such corporation. The Bylaws recorded in Docket 9236 at Page 689 were revoked by the adoption of the Restated Bylaws and thus, are no longer of any force and effect.

As more fully set forth in the Bylaws, each Owner, upon the recordation of a deed to any Lot, whether or not it is stated in the deed, covenants and agrees to pay to the Association: (1) Annual Assessments or charges, and (2) Special Assessments. All assessments, together with interest, late fees, costs, and reasonable attorneys' fees, are charged against the Lot and constitute a continuing lien upon the Lot. Delinquent assessments, together with interest, late fees, costs, and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of the Lot at the time when the assessment was levied. The personal obligation for delinquent assessments

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REVOCATION OF RECORDED BYLAWS  
AND NOTICE OF RIGHT TO ASSESS  
SABINO VISTA HILLS NEIGHBORHOOD ASSOCIATION  
Page 2

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does not pass to an Owner's successors in title unless assumed by them.

The lots subject to the jurisdiction of the Association are:

- a. Lots 1 through 65 and Common Natural area "A" and recreational area (Common Area "C") in Book 29 at Page 20 of Maps and Plats.
- b. Lots 66 through 100 and Common Natural area "D" and private streets, Common area "E" in Book 29 at Page 40 of Maps and Plats.
- c. Lots 101 through 158, Common Natural area "F" in Book 30 of Maps and Plats at Page 41 and previously recorded Common Natural area "A" and recreational area (Common Area "C") as recorded in Book 29 at Page 20 of maps and plats and Common Natural area "D" as recorded in Book 29 at Page 40 of Maps and plats and all common areas, common natural areas and recreational areas.
- d. Lots 159 through 224 and Common Area "C": Book 31 of Maps and Plats at Page 15 and as previously recorded Common Natural Area "A" and recreation area (Common Area "C") as recorded in Book 29, Page 20 of Maps and Plats; and Common Natural Area "D" as recorded in Book 19 at Page 40 of Maps and Plats and previously recorded Common natural Area "F", as recorded in Book 30 at Page 41 of Maps and Plats and all common areas, common natural areas and recreational areas.
- e. Canyon Ranch Estates, Lots 1 through 19 in Book 38 at Page 27 of Maps

REVOCATION OF RECORDED BYLAWS  
AND NOTICE OF RIGHT TO ASSESS  
SABINO VISTA HILLS NEIGHBORHOOD ASSOCIATION  
Page 3

and Plats.

DATED: 5/21/97

SABINO VISTA HILLS NEIGHBORHOOD ASSOCIATION  
an Arizona non-profit Corporation

By: [Signature]  
President

By: Margaret A. Cambridge  
Secretary

STATE OF ARIZONA     )  
  ) ss.  
County of Pima         )

On this the 21<sup>st</sup> day of May, 1997,  
Roger Macerolis, the President and Margaret  
Cambridge, the Secretary of Sabino Vista Hills Neighborhood Association, Inc.,  
personally appeared before me and executed this Revocation of Recorded Bylaws  
recorded on February 28, 1992 at Docket 9236 at Page 689.

IN WITNESS WHEREOF, I have set my hand and official seal.

[Signature]  
Notary Public

My Commission Expires:



9-27-05

AMENDMENTS TO RESTATED BYLAWS OF  
SABINO VISTA HILLS NEIGHBORHOOD ASSOCIATION

WHEREAS, Article XIII of the Bylaws of Sabino Vista Hills Neighborhood Association, adopted on February 15, 1997, states:

These By-Laws may be amended by a vote of a majority of the Board of Directors. To be effective, the amendment must be signed by the President and Secretary of the Association.

WHEREAS, the undersigned President and Secretary of Sabino Vista Hills Neighborhood Association, attest that a majority of a quorum of the Board of Directors voting at the Board meeting held on Sept 27, 2005 have approved the following Amendments to the Restated Bylaws for Sabino Vista Hills Neighborhood Association.

NOW THEREFORE, the Restated Bylaws adopted on February 15, 1997 are amended as follows:

1. Section 4.6 states:

Section 4.6. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary at least three business days prior to the time set for the meeting. Proxies shall expire when the meeting is adjourned.

Section 4.6 is deleted in its entirety and the following new Section 4.6 is substituted in its place:

Section 4.6. Voting.

- A. Votes cannot be cast pursuant to a proxy. The Association will provide for votes to be cast in person and by absentee ballot and may provide for voting by some other form of delivery. Any action taken at an annual, regular or special meeting of the members must comply with all of the following if absentee ballots are used:
  - 1. The absentee ballot must set forth each proposed action.
  - 2. The absentee ballot must give the Member the opportunity to vote for or against each proposed action.
  - 3. The absentee ballot is valid for only one specified election or meeting of the members and expires automatically after the

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completion of the election or meeting.

4. The absentee ballot must specify the time and date by which the ballot must be delivered to the board of directors in order to be counted, which must be at least seven days after the date that the board delivers the absentee ballot to the member.
5. The absentee ballot cannot authorize another person to cast votes on behalf of the member.

B. Votes cast by absentee ballot or other form of delivery are valid for the purpose of establishing a quorum.

2. Section 5.8 states:

Section 5.8. Successive Terms. No Member may serve more than two consecutive two-year terms.

Section 5.8 is deleted and the following is substituted in its place:

Section 5.8. Successive Terms. There are no limitations on the number of terms which a director may serve, so long as that director is validly elected according to the procedures set forth in these Bylaw.

3. Section 6.1 states:

Section 6.1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chair, who shall be a Member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members. The Nominating Committee shall accept or reject nominations for election to the Board of Directors. Nominations must be made from among Members.

Section 6.1 is deleted and the following new Section 6.1 is substituted in its place:

Section 6.1. Nomination. Nomination for election to the Board of Directors will be made by a Nominating Committee appointed by the Board at least six months prior to the annual meeting of the members. The Nominating Committee will consist of three persons, one of whom is a Board member and the other two who are Members of the Association.



The Nominating Committee will prepare a slate of candidates to be on the ballot and present the slate to the Board at least 60 days before the annual meeting of the Members and the Board will provide notice of the candidates at least 30 days before such annual meeting.

4. Section 6.2 states:

Section 6.2. Election. Election to the Board of Directors shall be by secret written ballot. All ballots will be tabulated at the meeting by tellers appointed from among the Members. At the election, Members or their proxies may cast, one vote for each vacant position. Members receiving the most votes shall be elected. Cumulative voting is not permitted.

Section 6.2 is amended to state:

Section 6.2. Election. Election to the Board of Directors will be by secret written ballot. Tellers appointed from among the Members will tabulate the ballots at the meeting. At the election, Members may cast one vote for each vacant position. Cumulative voting is not permitted. Members receiving the most votes will be elected to the Board. The Board will notify the Members of the results of the election within 30 days after the meeting to enable the tellers to certify the votes.

5. Where there are provisions in the Bylaws permitting votes to be cast by a proxy, the right to vote in such manner is deleted and all votes previously permitted to be cast by proxy will be cast in person or by an absentee ballot.

All other terms and conditions of the Restated Bylaws will remain in full force and effect.

Approved by the Directors on Sept. 27, 2005.

SABINO VISTA HILLS NEIGHBORHOOD ASSOCIATION

By: Les Smith

Its: President

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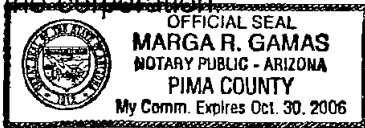
IN WITNESS WHEREOF, the undersigned parties, being the President and Secretary of the Association, by executing this Restatement of the Bylaws of the Sabino Vista Hills Neighborhood Association this 3 day of Oct, 2005, certify that such Restated Bylaws were approved by the vote of a majority of a quorum of Directors, at the meeting held on 9/27/, 2005.

By [Signature]  
President

By Margaret A Cambridge  
Secretary

STATE OF ARIZONA     ]  
  ] ss.  
COUNTY OF PIMA     ]

3 These Amendments to the Restated Bylaws were acknowledged before me this 3 day of October 2005, by \_\_\_\_\_ and Margaret A. Cambridge, President and Secretary respectively, of Sabino Vista Hills Neighborhood Association, an Arizona corporation, for and on behalf of the corporation.



Marga R. Gammas  
Notary Public

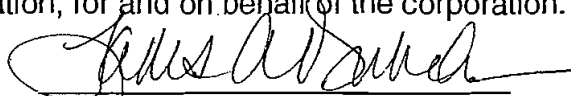
*Only notarized Margaret A. Cambridge's signature.*

My Commission Expires:  
Oct 30, 2006

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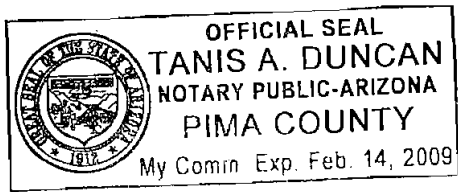
STATE OF ARIZONA     ]  
  ] ss.  
COUNTY OF PIMA     ]

These Amendments to the Restated Bylaws were acknowledged before me this 2<sup>nd</sup> day of March, 2006, by Les Smith, President of Sabino Vista Hills Neighborhood Association, an Arizona corporation, for and on behalf of the corporation.



Notary Public

My Commission Expires:



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**AMENDMENT TO RESTATED BY-LAWS OF  
SABINO VISTA HILLS NEIGHBORHOOD ASSOCIATION**

WHEREAS, Article XIII of the By-laws of Sabino Vista Hills Neighborhood Association, adopted on February 15, 1997, states:

These By-Laws may be amended by a vote of the majority of the Board of Directors. To be effective, they must be signed by the President and Secretary of the Association.

WHEREAS, the undersigned President and Secretary of Sabino Vista Hills Neighborhood Association, attest that a majority of a quorum of the Board of Directors voting at a Board meeting held on February 23, 2010 have approved the following amendment to the Restated By-Laws for Sabino Vista Hills Neighborhood Association.

NOW THEREFORE, the Restated By-Laws adopted on February 15, 1997 are amended as follows:

Section 5.8 (amended September 27, 2005) states:

Section 5.8. Successive Terms. There are no limitations on the number of terms which a director may serve, so long as that director is validly elected according to the procedures set forth in these By-Laws.

Section 5.8 as previously amended is deleted and the following is substituted in its place:

Section 5.8 Successive Terms. No member may serve more than two consecutive two-year terms

All other terms and conditions of the Restated By-Laws will remain in force and effect.

Approved by the Directors on February 23, 2010.

SABINO VISTA HILLS NEIGHBORHOOD ASSOCIATION

By: Lloyd B. Sydney

Its: President

IN WITNESS THEREOF, the undersigned parties, being the President and Secretary of the Association, by executing this amendment to the Restatement of the Sabino Vista Hills Neighborhood Association this 16 day of July 2010 certify that this amendment was approved by a majority of a quorum of Directors at the meeting held on February 27, 2010.

AMENDMENT TO RESTATED BY-LAWS OF  
SABINO VISTA HILLS NEIGHBORHOOD ASSOCIATION

By: [Signature]  
President

By: Margaret Cambridge  
Secretary

STATE OF ARIZONA

COUNTY OF PIMA

This amendment to the Restated By-laws were acknowledged before this 16 day of July, 2010 by Lloyd Sydney, President and Margaret Cambridge, Secretary of Sabino Vista Hills Neighborhood Association, an Arizona Corporation, for and on behalf of the corporation.

[Signature]  
Notary Public

My Commission Expires: April 27, 2014

