

BY-LAWS OF
SCOTTSDALE PARK VILLAS ASSOCIATION, INC.

ARTICLE I
NAME AND LOCATION

The name of the corporation is SCOTTSDALE PARK VILLAS ASSOCIATION, INC., hereinafter referred to as the "Association". The principal office of the corporation shall be located in Scottsdale, Arizona, but meetings of members and directors may be held at such places within the State of Arizona, County of Maricopa, may be designated by the Board of Directors,

ARTICLE II
DEFINITIONS

The words and terms used herein shall be deemed to have the same meanings as are given those words and terms in the Declaration of Covenants, Conditions and Restrictions of SCOTTSDALE PARK VILLAS, hereinafter termed the "Declaration", which was recorded in the Office of the County Recorder of Maricopa County, Arizona, on September 4, 1973, in Docket 1002296, commencing at page 105.

ARTICLE III
MEETING OF MEMBERS

SECTION 1: ANNUAL MEETINGS

The annual meeting of the members shall be held after January 1st, at a date and time arranged by the Board of Directors.

The Board of Directors will meet once each month on the 4th Monday at a time arranged by the Board unless otherwise determined.

SECTION 2: SPECIAL MEETINGS

Special meeting of the members may be called at any time by the President or by the Board of Directors, or upon written request of twenty-five percent (25%) of the members who are entitled to vote.

SECTION 3: NOTICE OF MEETING

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 mail, delivery and/or posting of such notice at least fifteen (10) days before each meeting, addressed to the member's address last appearing on the books of the Association or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

SECTION 4: QUORUM

The presence at the meeting of members entitled to vote, one-fourth (1/4) of the membership shall constitute a quorum for any action. 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 announcement at the meeting, until a quorum as aforesaid shall be present. Attendance to be taken at each meeting

ARTICLE IV BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

SECTION 1: NUMBER

The affairs of the Association shall be managed by a Board of 3 to 7 Directors as determined by the board. The number of directors shall remain odd at all times.

SECTION 2: TERM OF OFFICE

At each annual meeting the members shall elect three (3) Directors for a term of three years (3) years.

SECTION 3: REMOVAL

Any Director may be removed from the Board, with or without cause, by a two-thirds (2/3) vote of the members of the Association. 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.

SECTION 4: COMPENSATION

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

SECTION 5: ACTIONS TAKEN WITHOUT A MEETING

The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written or oral approval of a majority of the Directors.

ARTICLE V NOMINATION AND ELECTION OF DIRECTORS

SECTION 1: NOMINATION

Nomination for election to the Board of Directors shall be made by a Nominating Committee. The 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 shall be appointed by the Board of Directors prior to each annual meeting of the members. 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. Such nominations may be made from among members.

SECTION 2: ELECTION

Election to the Board of Directors shall be by secret written ballot. The nominating list would be sent out with the notice of the annual meeting and the voting ballots returned by the annual meeting.

ARTICLE VI MEETING OF DIRECTORS

SECTION 1: REGULAR MEETINGS

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.

SECTION 2: SPECIAL MEETINGS

Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two (2) Directors, after not less than three (3) days notice to each Director.

SECTION 3: QUORUM

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

ARTICLE VII POWERS AND DUTIES OF THE BOARD OF DIRECTORS

SECTION 1: POWERS

The Board of Directors shall have the power to:

- a) Adopt and publish Rules and Regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;
- b) Suspend the voting rights and/or the right to use the recreational facilities of a member as set forth in the Declaration of Covenants, Conditions and Restrictions;
- c) Exercise for the Association the powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;
- d) Employ a manager, and independent contractor, or such other employees as they deem necessary, and to describe their duties;
- e) To amend these By-Laws at a regular or special meeting of the Board of Directors by a majority of the Board members present.

SECTION 2: DUTIES

It should be the duty of the Board of Directors to:

- a) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such a statement is requested in writing by one-fourth (1/4) of the members who are entitled to vote;

- 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:
 - a. Fix the amount of the annual assessment against each Lot at least (30) thirty days in advance of each annual assessment period;
 - b. Send written notice of any change in assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period;
 - c. Foreclose the lien against any property for which assessments are not paid.
- d) Provide adequate insurance for all Officers and Directors as to personal liability occurring in their duties for the Association;
- e) Procure and maintain adequate liability and hazard insurance on property owned by the association;
- 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.

SECTION 3: CONTRACTS

The Board of Directors may authorize any officer or officers, agent or agents, of the Association to enter into any contract or execute and deliver any instrument in the name of the Association and on behalf of the Association. Such authority may be general or confined to specific instances.

SECTION 4: 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 signed resolution of the Board of Directors. Such authority may be general or confined to specific instances.

SECTION 5: CHECKS, DRAFTS, ETC

All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be co-signed by such officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors.

SECTION 6: DEPOSITS

All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositaries that the Board of Directors may select.

SECTION 7: BILLS

All expenditures over the amount of five-hundred (\$500.00) dollars per month are to be voted on in a meeting by the Board of Directors. In case of emergency approval should be obtained by oral approval by majority of Board.

ARTICLE VIII OFFICERS AND THEIR DUTIES

SECTION 1: ENUMERATION OF OFFICES

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, a Treasures and such other officers as the Board may from time to time by resolution create.

SECTION 2: ELECTION OF OFFICERS

The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

SECTION 3: TERM

The officers of this Association shall be elected annually by the Board and each shall hold office for three (3) years unless he or she shall sooner resign or be removed or otherwise disqualified to serve.

SECTION 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 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.

SECTION 6: VACANCIES

A vacancy in any statutory office shall be filled by appointment by the Board. The officer appointed to each vacancy shall serve for the remainder of the term of the officer he replaces.

SECTION 7: MULTIPLE OFFICES

The office of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one (1) of any of the other officers except in the case of special offices created pursuant to Section 4 of this Article.

SECTION 8: DUTIES

The duties of the officers are as follows:

PRESIDENT

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

VICE-PRESIDENT

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

SECRETARY

The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall co-sign all leases, mortgages, deeds and other written instruments.

TREASURER

The 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; keep proper books of account; and shall have an annual review of the Association books 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 membership at its regular annual meeting, and deliver a copy of each of the members.

ARTICLE IX COMMITTEES

The Board shall appoint an Architectural Control Committee as provided in the Declaration. The Architectural Control 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.

SECTION 1: TILED ROOFS

- a) No roof may be replaced on any unit without prior approval of the Architectural Control Committee;
- b) Any replacement roof must match, as closely as possible, the existing roofs in the complex as to style and color of the tile to be used as a replacement;
- c) Details of the roof replacement must be submitted, in writing, to the Architectural Control Committee at least sixty (60) days prior to the commencement of work. If the Architectural Control Committee has not responded to the request in forty-five (45) days, then the request shall be deemed to have been approved.

SECTION 2: BUILDING COLOR CRITERIA

Pursuant to the Declaration and the McCormick Ranch POA Architectural Control Criteria.

- a) Principal colors shall be subdued earth tones, generally muted (browns, beiges, tans and off-whites);
- b) Trim colors will be subordinate to principal color (quantity and intensity);
- c) Two (2) principal colors, or values of the same color, may be used if they do not differentiate themselves, and neither color appears dominant;
- d) Colors shall be compatible with the immediate neighborhood and same as their cluster and not draw attention to itself;
- e) Two (2) trim colors shall be not used;
- f) Prior to touching up any existing painted surfaces or painting any Additions, as approved by the Board, homeowners must contact the Board to obtain the current hue and manufacturer's name of the paint used in the complex.

SECTION 3: OTHER COMMITTEES

The Board of Directors shall appoint committees as deemed appropriate in carrying out its purpose.

ARTICLE X
RENTAL PROPERTIES

Rentals are to be used as a single family unit only. Rentals should have leases for six (6) months to one (1) year and beyond. Weekly and monthly rentals are NOT allowed. Landlords must notify the Board of Directors of the name and time limit of the renters. Landlords must also give the renters all the rules and regulations of the community.

ARTICLE XI
BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association. Further:

- a) Copies of the By-Laws will be sent to all homeowners of record, and the date sent shall become a part of the permanent record, and;
- b) Copies of the By-Laws shall be sent to any homeowner or record within (30) days of the effective date of that change.

ARTICLE XII
ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any annual assessments which are not paid when due shall be considered delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment should bear interest from the date of delinquency at the rate of ten percent (10%) per annum. Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property. Interest, other costs, filing fees and attorney's fees of any such action shall be added to the amount of each assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or by abandonment of his lot.

ARTICLE XIII
CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words:
SCOTTSDALE PARK VILLAS ASSOCIATION, INC.

ARTICLE XIV
AMENDMENTS

These By-Laws may be amended at a regular or special meeting of the Board of Directors by a majority of the Board present.

ARTICLE V
INTERPRETATION

In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE VI
FISCAL YEAR

The fiscal year of the Association shall begin on the First Day of January, and end on the Thirty-first Day of December, of every year, except that the first fiscal year shall begin on the day of incorporation.

ARTICLE VII
POOL AND CLUBHOUSE

The following rules have been adopted by the Board of Directors in accordance with State, County and City laws. Please adhere to them. Failure to abide by these rules could result in being denied the use of these facilities.

POOL:

- a) It is posted that you swim at your own risk. Please do not swim alone. The Association is not responsible for any accidents or injuries;
- b) Children under 14 years of age are not permitted in the pool area unless accompanied by an adult;
- c) No pets are permitted in the pool area at any time;
- d) No food, absolutely no alcoholic beverage, drugs, or glass containers are permitted in the pool area. Canned sodas, juices and plastic contained beverages are allowed. All waste must be disposed of properly in the containers proved for the same;

- e) No smoking while in the pool. Ash trays are provided for your convenience, so please use them;
- f) No lotions, oils or other foreign matter may be allowed in the pool;
- g) Appropriate swim wear is required. Cut-offs or "street" clothes are not permitted in the pool;
- h) No running, yelling, rough-housing, diving or any other hazardous activity is permitted within the pool area;
- i) The pool area is for the use of homeowners and their guest only. Homeowners are solely responsible for their guest (or renters) conduct;
- j) The posted pool hours are 6:00 am to 11:00 pm daily;
- k) The Association reserves the right to deny access to the pool to anyone not abiding by the By-Laws and CC&R's.

CLUBHOUSE:

- a) Our clubhouse and facilities are available to homeowners only;
- b) If you desire to use the clubhouse for special occasion, it is necessary to request permission from the Board in writing at least two (2) weeks in advance. If there are no conflicts, permission will be granted;
- c) It is the responsibility of the homeowner to return the clubhouse to a neat and orderly condition. An advance security deposit of fifty (\$50.00) dollars shall be obtained and shall be returned after inspection. Any breakage or clean-up will be charged to the homeowner;
- d) Alcoholic beverage are permitted in the clubhouse only with advance Board approval;
- e) Failure to abide by these rules may result in a homeowner being denied use of the clubhouse and he facilities.

ARTICLE XVIII PARKING

The following rules have been adopted by the Board of Directors in accordance with the Declaration of our Association and McCormick Ranch:

- a) No vehicle may be parked overnight or stored on any driveway or common area, except in the areas specifically provided by Association for such purpose or unless otherwise authorized by the Association in writing.
- b) Such an area is provided for the overnight parking of a homeowner's personal vehicle, or that of a resident or a guest, is designated in sections to be on the eastern side of Via De La Luna running parallel to Pima Road and the designated section of painted parking stalls along the southern side of Via Taz Norte.
- c) To ensure sufficient available parking for all homeowners and guests, homeowners and residents are required to utilize both of their two car garage spaces for currently registered vehicles before being permitted to use designated outdoor overnight parking spaces.

- d) Daytime parking, defined as parking from 7:00 am through 11:00 pm, is permitted for residents and guest in all areas except common driveways and where otherwise specifically prohibited (e.g. fire zone).
- e) The overnight parking of boats, campers, trailers, motor homes, fifth wheels or similar vehicles is not permitted within the complex.
- f) The overnight parking of commercial vehicles is to be permitted on a case by case basis as approved by the Board.
- g) No vehicle may be placed on jacks or block on any driveways or common area.
- h) Vehicles with current registration plates may not be parked on any driveways or common area.
- i) There will be no storage of vehicles on driveways or common areas. For purposes of this specific section, storage is defined as the presence of a non-operational vehicle; the failure to move a vehicle for over 10 days; or the covering or tarping of a vehicle.
- j) Commercial auto repair and/or auto sales venture are not permitted within the complex.
- k) All outdoor parking shall be on a first-come-first-serve basis and there shall be no reserving or saving of spaces.

Parking Violation and Enforcement Procedures:

- a) A violation notice shall be posted on the vehicle and issued to the property owner of record, providing ten (10) days to permanently correct the violation. The violation notice will also give the owner an opportunity to write a dispute letter regarding the violation to the Board of the Association to the extent he/she so chooses. To be considered by the Board, the dispute letter must be received by the Association within ten (10) days of the date on the violation notice.
- b) Board of Directors will review each violation with the homeowner and determine if there will be an exception or a fine levied against homeowner based on criteria from the By-Laws.
- c) Continued non-compliance or the failure to correct the violation shall result in a fifty (\$50.00) dollars fine to be levied against the property owner of record and must be paid within ten (10) days of notification.
- d) Non-payment of fines will be referred to the Association's legal counsel for appropriate action. Legal fees as a result of this action will be the responsibility of the property owner.
- e) To the extent that the violation remains unresolved, SPVA facilities such as the clubhouse and pool area will not be available for use by the property owner of record, his tenant and guests.

ARTICLE XIX
NUISAINCE

The owner shall not commit or permit any nuisance on the premises which will obstruct or interfere with right of other owners or annoy them by unreasonable noise or otherwise, nor; will he commit or permit any nuisance on the premise. Homeowner in violation will be responsible for legal fees to correct this action.

APPROVED BY: BOARD OF DIRECTORS

President: Jean Steiner

Date: 5-10-12

Vice President: Karen Stafford

Date: 5-10-12.

Treasurer / Sec: [Signature]

Date: 5/16/12

Board Member: Byron Berger

Date: 5/10/12

Board Member: _____

Date: _____