

OF

THE HAVEN AT CHANDLER RANCH
HOMEOWNERS' ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION. The name of the corporation is THE HAVEN AT CHANDLER RANCH HOMEOWNERS' ASSOCIATION, INC., hereinafter referred to as the "Association." The principal office of the corporation shall be located at 5685 North Scottsdale Road, Suite E165, Scottsdale, Arizona 85253, but meetings of members and directors may be held at such places within the State of Arizona, County of Maricopa, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to The Haven at Chandler Ranch Homeowners' Association, Inc., its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions, and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

Section 4. "Lot" shall mean and refer to any piece of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 5. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 6. "Declarant" shall mean and refer to MIDEND DEVELOPMENT CORPORATION, a California corporation, qualified to do business in Arizona, its successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 7. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions, and Restrictions applicable to the Properties recorded in the Office of the Maricopa County Recorder at Recorder's No. 87-409057 on April 22, 1987, and including any Amendments thereto.

Section 8. "Member" shall mean and refer to the persons entitled to membership as provided in the Declaration.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. ~~The~~ first annual meeting of the members shall be held within one ~~year~~ year from the date of incorporation of the Association, and ~~each~~ subsequent regular annual meeting of the members shall be ~~held~~ held on the same day of the same month of each year thereafter, at ~~the~~ hour of seven o'clock, p.m. If the day for the annual meeting of the members is a legal holiday the meeting will be held at ~~the~~ same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. ~~SS~~Special meetings of the members may be called at any time by ~~the~~ president or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) ~~off~~ all of the votes of the Class Membership.

Section 3. 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~~ call the meeting, by mailing a copy of such notice, postage prepaid, not less than thirty (30) ~~more~~ than sixty (60) days ~~before~~ before such meeting to each member entitled to vote thereat, ~~addressed~~ 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 cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. 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. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot.

ARTICLE IV

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of not less than three (3) directors who need not be members of the Association.

Section 2. Term of Office. At the first annual meeting the members shall elect one director for a term of one year, one director for a term of two years and one director for a term of three years; and at each annual meeting thereafter the members shall elect one director for a term of three years.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. 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. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors may be made by petition from the floor at the annual meeting, or by such other manner as the Board of Directors may prescribe. Nominations may be made among members or non-members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many

votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETINGS 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, but the meetings may be deferred upon agreement by a majority of the directors. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

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 directors, after not less than three (3) days notice to each director, unless notice is waived by all Directors.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing the use of the Common Area and facilities, easement areas, 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 right to use of the recreational facilities of a member 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;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to:

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

(b) 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:

(1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(3) take appropriate action to enforce the lien against any property for which assessments are not paid within thirty (30) days after due date including, but not limited to, foreclosing the lien against the property or bringing an action at law against the owner personally obligated to pay the same;

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a

certificate ~~states~~ an assessment has been paid, such certificate shall be ~~conclusive~~ evidence of such payment;

(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 and Pecos Frontage Easement Area to be ~~maintained~~.

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, and ~~a~~ treasurer, 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 ~~electe~~d annually by the Board and each shall hold office for one year ~~unl~~ess he shall sooner resign, or shall be removed, or otherwise ~~dis~~qualified to serve.

Section 4. Special Appointments. The Board may elect such ~~oth~~er officers as the affairs of the Association may require, each ~~off~~ 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 office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

President:

(a) 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 shall cosign all checks and promissory notes.

Vice-President:

(b) The vice-president shall act in the place and stead of the president in 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:

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

Treasurer:

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

ARTICLE IX

COMMITTEES

The Association shall appoint an Architectural Control Committee as provided in the Declaration. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE X

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 Bylaws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI

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 assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum, and the Association may bring an

action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waiver or otherwise escape liability for the assessments provided for herein by nonuse of any Common Area or abandonment of his Lot.

ARTICLE XII

AMENDMENTS

Section 1. These Bylaws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy, except that the Declarant, Federal Housing Administration or the Veterans Administration shall have the right to veto amendments while there is Class B membership.

Section 2. 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.

ARTICLE XIII

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every

CERTIFICATION

I, the undersigned do hereby certify:

THAT I am the duly elected and acting secretary ~~of the~~
Haven at Chandler Ranch Homeowners' Association, Inc., an ~~Arizona~~
nonprofit corporation, and,

THAT the foregoing Bylaws constitute the original ~~Bylaws~~
of said Association, as duly acted at a meeting of the ~~Board~~ of
Directors thereof, held on the ____ day of _____, 19__.

IN WITNESS WHEREOF, I have hereunto subscribed ~~my name~~
this ____ day of _____, 19__.

Secretary

year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we, being all of the directors of The Haven at Chandler Ranch Homeowners' Association, Inc., have hereunto set our hands this ____ day of _____, 19__.

Carl J. Smith

Douglas Watson

Richard W. Oliver

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this ____ day of _____, 19__, by CARL J. SMITH, who acknowledged himself to be a Director of THE HAVEN AT CHANDLER RANCH HOMEOWNERS' ASSOCIATION, INC., an Arizona nonprofit corporation, for and on behalf of the corporation.

Notary Public

My Commission Expires:

STATE OF

ss.

County of

The foregoing instrument was acknowledged before me this ___ day of _____, 19__, by DOUGLAS WATSON, who acknowledged himself to be a Director of THE HAVEN AT CHANDLER RANCH HOMEOWNERS' ASSOCIATION, INC., an Arizona nonprofit corporation, for and on behalf of the corporation.

Notary Public

My Commission Expires:

STATE OF ARIZONA

ss.

County of Maricopa

The foregoing instrument was acknowledged before me this ___ day of _____, 19__, by RICHARD W. GILLIVER, who acknowledged himself to be a Director of THE HAVEN AT CHANDLER RANCH HOMEOWNERS ASSOCIATION, INC., an Arizona nonprofit corporation, for and on behalf of the corporation.

Notary Public

My Commission Expires:
