

**BY-LAWS OF
VILLAGE GREEN HOMEOWNERS ASSOCIATION**

AS ADOPTED BY THE
BOARD OF DIRECTORS

Date: March 11, 1997

Whereas the Association recorded the By-Laws of the Village Green Homeowners Association on January 30, 1980, in Docket 6292 and pages 963-971; and whereas the Association desires to amend the By-Laws by restating such By-Laws, now therefore pursuant to Article XIII of these By-Laws, the Board of Directors hereby restates such By-Laws and the By-Laws recorded in the Office of the Pima County Recorder, in Docket 6292 and pages 963-971 are superseded in their entirety by these By-Laws of the Village Green Homeowners Association.

ARTICLE I - NAME AND LOCATION

The name of the Corporation is the Village Green Homeowners Association, hereinafter referred to as the "Association". The principal office of the Corporation shall be located in the recreation center of Lot 112 of Village Green, but meetings of members and directors may be held and records/documents pertinent to the Association may be retained at such places within the State of Arizona, County of Pima, as may be designated by the Board of Directors.

ARTICLE II - DEFINITIONS

Section 1. The terms "Association", "Owner", "Properties", "Common Area", "Lot", and "Declarant" shall carry the same definitions as those delineated in the Declarations.

Section 2. "Declarations" shall mean and refer to the Declarations of Covenants, Conditions, and Restrictions applicable to the Village Green Properties recorded in the Office of the Pima County Recorder, State of Arizona.

The original Revised Declaration of Covenants, Conditions, and Restrictions applicable to Village Green Lots 1 through 113 was recorded on December 13, 1973 in Docket Book 4653, Pages 148-156, and on December 7, 1973 in Docket Book 4657, Pages 190-197. The original Declaration of Covenants, Conditions, and Restrictions applicable to the Village Green Lots 114 through 186 was recorded on June 21, 1974 in Docket Book 4793, Pages 478-485.

The date and location of recording of the existing Declarations, if other than the above, may be determined by contacting any member of the Association's Board of Directors.

Section 3. "Members" shall mean and refer to those persons entitled to membership as provided in the Declaration, Article III.

ARTICLE III - MEETINGS OF MEMBERS

Section 1. Annual Meetings. The regular annual meeting of the members shall be held on a day and time and at a place set by the Board of Directors. Normally, the meeting will be held on the second Sunday of November at the hour of 2:00PM in the Association clubhouse.

Section 2. Other Meetings. 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 representing one-fourth (1/4th) of the improved lots within the Village Green subdivision.

Additional meetings beyond the regular annual meeting, and any special meetings that may be called, may be held during the calendar year, if so desired by a majority of a quorum, as established In Section 4 below, of any annual or special meeting of the members of the Association. The interval of such meetings shall be determined by the members of such annual or special meeting. The specific date(s) on which such additional meeting(s) will occur and the agenda of such meeting(s) shall be determined by the Board of Directors.

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(s) authorized to call the meeting, by mailing a copy of such notice, postage prepaid, and at least seven (7) days before such meeting, to each member entitled to vote thereat. Such notice will be addressed to the member's address last appearing on the books of the Association, or last 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 an annual and/or special meeting of members entitled to cast, or of proxies representing members entitled to cast, one-tenth (1/10th) the maximum number of votes possible, as dictated by the Declarations, Article III, shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declarations, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the 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 represented.

Section 5. Proxies. At all meetings of the 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, unless an earlier expiration date is specified, upon conveyance by the member of his lot.

Section 6. Conduct of Meetings. Robert's Rules of Order shall be utilized to govern the conduct of any annual, special, or other meeting(s) of the members of the Association.

ARTICLE IV - BOARD OF DIRECTORS

Section 1. Number. The affairs of this Association shall be managed by a Board of nine (9) directors, each of whom at the time of election must be a member of the Association

without any outstanding delinquent debts due and payable to the Association. No two members of the same immediate family (spouse, natural or adopted children, parents or step-parents) residing on the same improved lot may simultaneously serve on the Board of Directors

Section 2. Term of Office. At each annual meeting, the members shall elect three (3) directors, each for a term of three (3) years, such terms to begin at the Board of Directors meeting in ~~January of the sequential year.~~ *to be held on the first Tuesday following the Annual Meeting.*

Section 3. Removal. Any director may be removed from the Board by a majority vote of the members of the Association. Such a vote shall take place at a special meeting of the members, as provided herein, with the director subject to removal invited to that meeting. In the event of death, resignation, or removal of a director, his/her successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his/her predecessor.

Section 4. Compensation. No director shall receive compensation for any service he/she may render to the Association while acting in the capacity of a Board member. However, any director may be reimbursed for his/her actual expenses incurred in the performance of his/her duties.

X **ARTICLE ~~IV~~ V - NOMINATION AND ELECTION OF DIRECTORS**

Section 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 at least a *Chairperson*, who shall be a member of the Board of Directors. Members of the Association *who* may serve on the committee need not be Board members. The annual meeting of the members, to serve from that moment until the close of the next annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall deem appropriate, but no less than the number of vacancies that are to be filled.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. 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.

ARTICLE VI - MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly at such place and hour that may be fixed from time to time by resolution of the Board. Should said meetings fall upon a legal holiday, then that meeting shall be held as may be determined by the Board. Publication of the place, date, and time of the regular meetings is notice to both members and directors.

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 three directors, after not less than

three days notice to each director and member of the Association.

OK to number

³
***Section 2A, Emergency Meetings and Actions.** When there is an emergency which requires immediate action by the Board of Directors, an emergency meeting may be called with no less than one days notice to individual directors and no notice to members of the Association. Only the subject of the emergency can be acted upon at this meeting and any actions authorized must be reauthorized at the next meeting, regular or special, of the Board of Directors. The Board of Directors may also act in an emergency by obtaining written approval of their action by at least five members of the Board of Directors. Only the subject of the emergency can be acted upon in this manner and any actions authorized must be reauthorized at the next meeting, regular or special, of the Board of Directors.

⁴
Section 3, Quorum. A majority of the number of directors, either in person or represented by proxy, shall constitute a quorum for the transaction of business. Every act done or decision made by a majority of the directors at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

⁵
Section 4, Proxies. At all meetings of the Board of Directors, each director may vote in person or by proxy. All proxies shall be in writing and filed with the President of the Board. Every proxy shall be revocable and shall automatically cease, unless an earlier expiration date is specified, upon conveyance by the director of his/her lot.

⁶
Section 5, Conduct of Meetings. Robert's Rules of Order shall be utilized to govern the conduct of any regular or special meeting of the Board of Directors.

ARTICLE VII - POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1, Powers. The Board of Directors shall have the power to exercise for the Association all the powers, duties, and authority vested in or delegated to this Association and not reserved to the membership by other provisions of the Articles of Incorporation, the Declarations, these By-Laws, or Arizona Statutes, especially those for Non-Profit Corporations and Planned Communities. Specifically then, but not in any way limiting, the Board of Directors shall:

(A) Possess the powers specified in Article V of the Articles of Incorporation to fulfill the purposes of the Association as stated therein.

(B) Maintain the power to enforce the payment of assessments and all restrictions, conditions, covenants, reservations, liens, and charges as further specified in Articles II, V, and VIII of the Declarations. To the end of enforcement of payment of assessments, the following provisions relative to collection of assessments shall apply, and be enforced by the Board in and pursuant to its discretion:

(1) The annual assessment respecting each lot, as fixed by the Board, shall be due and payable in twelve (12) reasonably equal monthly installments (monthly

amount to be set by the Board), payable commencing on the first day of the first month of the annual assessment period and thereafter on the first day of each month during the period.

the date

*⁽²⁾ In the event any assessment installment is not paid by the ~~end of the month~~ ^{*thirtieth day following*} ^{*in*} in which it ^{*is*} due, the installment will be deemed "delinquent", and a late charge (an administrative fee to offset minimal foreseeable cost of accounting and other cost of collection to be incurred on account of the delinquency) will be due and payable together with (and as part of) the delinquent installment.

(3) Upon the sale or conveyance of ownership of any lot in Village Green, the Treasurer will prepare a statement covering any assessments, penalties or fees due the Association for that lot. This statement, plus a copy of the Association's governing documents, and a copy of any liens by the Association on the lot, will be issued to the escrow agent for the transfer; or if none, then to the transferee and transferor or their agents. The new owner will be entered into the records and mailing list of the Association. A fifty dollar (\$50.00) administrative transfer fee (to offset costs) shall be charged for these services by the Association. The buyer (transferee) is responsible for the payment of the transfer fee and, if not paid, becomes an additional assessment against the lot. In the case of foreclosure by a financial institute or government agency, no transfer fee will be charged for the change in ownership resulting from the foreclosure.

(C) Adopt and publish rules and regulations:

(1) governing standards of conduct and behavior of all residents within the Village Green subdivision, the use of the Common Area and its facilities, and the personal conduct of the members and their guests thereon.

(2) establishing penalties for the infraction thereof.

(D) Employ a manager, an independent contractor, and/or such other employees as it deems necessary and to prescribe their duties and responsibilities.

(E) Determine whether or not the office of a member of the Board shall be declared vacant in the event of excessive absenteeism from regular meetings of the Board of Directors. A minimum criteria for this declaration shall be at least three (3) missed meetings within a six (6) month period of time.

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

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

- (B) Pay all expenses incident to the conduct of the business of the Association as further provided by Article V of the Articles of Incorporation.
- (C) Provide for the exterior maintenance of the resident lots as provided by Article IV of the Declarations.
- (D) Provide for the maintenance of the Common Area.
- (E) After the annual assessment has been established, following Article V of the Declarations and Article XI of these By-Laws, and after the assessment has been established, the Board shall establish and provide each member with a written schedule of monthly payments within fifteen (15) days after Board approval and after any necessary approval by the Association members.
- (F) Supervise all officers, agents, and employees of this Association and see that their duties are properly performed.
- (G) Procure and maintain adequate liability and hazard insurance on property owned by the Association.
- (H) Procure and maintain adequate liability insurance for the officers of the Association and the members of the Board of Directors.
- (I) Issue, upon demand by any member, a certificate setting forth whether or not a specified assessment has been paid by that member. Such certificates for which a reasonable issuance charge may be made, shall be conclusive evidence of the payment of that assessment.

ARTICLE VIII - OFFICERS AND THEIR DUTIES

Section 1, Enumeration of Offices. The offices of the Association shall be a President, a Vice-President, both of whom shall at all times be members of the Board of Directors, a Secretary, a Treasurer, and such other officers as the Board may from time to time by resolution create. No single individual may simultaneously hold more than one of the following three offices: President, Vice-President, and Secretary/Treasurer.

Section 2, Election of Officers. After the election of the directors at the annual meeting, the new Board of Directors shall meet on the first Tuesday following the annual meeting. Notice for this meeting shall be given in the notice for the annual meeting. At this Tuesday meeting, the election of new officers shall take place. Such elections shall be conducted in a manner agreeable to those Board members present. The old directors and officers shall serve until the new Board meets and elects new officers.

Section 3, Terms of Office. Each officer of the Association shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise be disqualified to

serve.

Section 4, Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of 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 cause by the Board. Any officer may resign at any time by giving written notice to the Board, the Board President, or the Board 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/she replaces.

Section 7, Duties of Officers. The duties of the officers of the Association are as delineated below. Those duties specified as those belonging to the Secretary and Treasurer may be modified and performed in such a manner as may be deemed appropriate by the Board of Directors. Such provision however does not permit those duties specified to be eliminated.

(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 shall co-sign all promissory notes. The President shall also appoint the chairperson of all standing and special committees.

(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 by him/her 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, shall keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of the meetings of the Board and of the members; shall keep appropriate current records showing the members of the Association and their addresses; and shall perform such other duties as required by the Board.

(D) **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; shall sign all checks and promissory notes of the Association; shall keep proper books of accounts; shall cause an annual review of the Association books to be made by a public accountant at completion of each fiscal year to determine if a full audit is warranted, and, if warranted, the Board of Directors may direct a full audit; shall prepare an annual budget and a statement of income and expenditures to

be represented to the membership at its regular annual meeting; shall deliver a copy of said budget and income statement to the membership at its regular annual meeting; and shall perform such other duties as required by the Board.

ARTICLE IX - COMMITTEES

The Association, through the President of the Board of Directors, shall appoint an Architectural Control Committee, as provided in the Declaration, a Nominating Committee, as provided in these By-Laws, and a Maintenance Committee. All committees shall be chaired by a member of the Board of Directors.

The Maintenance Committee shall aid the Board, in a manner deemed appropriate to the Board, in its duties of providing for the exterior maintenance of the residence lots as provided by Article IV of the Declarations and of providing for the maintenance of the Common Area.

In addition, the President of the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purposes, such committees to remain in existence for whatever duration is established by the Board.

ARTICLE X - BOOKS AND RECORDS

All financial and other records of the Association, except those withheld from disclosure as allowed by Arizona Statutes, shall be made reasonably available for examination by any member or his authorized agents. Copies of Association records and documents which may be examined by members or their authorized agents will be furnished them for reasonable handling and copying charges. If requested, a copy (one per year) of the Articles of Incorporation, the Declaration, the By-Laws, and the Rules and Regulations will be provided at no charge to any member.

ARTICLE XI - ASSESSMENTS

As more fully provided in Article V of the Declarations, each member is obligated to pay the Association monthly and such special assessments as may exist. Such assessments are secured by a continuing lien upon the property against which the assessments are made. Any assessments which are not paid when due shall be considered delinquent and shall be handled as specified in Article V of the Declarations.

ARTICLE XII - AMENDMENTS

Section 1. The power to alter, amend, or repeal these By-laws, or to adopt new By-Laws, subject to repeal or change by action of the members of the Association, shall be vested in the Board of Directors.

Section 2. 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 Declarations and

these By-Laws, the Declarations shall control.

ARTICLE XIV - MISCELLANEOUS

Section 1. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year.

IN WITNESS WHEREOF, we, as members of the Board of Directors of the Village Green Homeowners Association, have hereunto set our hands this _____ day of _____, 1997.

President

Director

Vice-President

Director

Treasurer

Director

Secretary

Director

Director

* By-Law Revision approved at the monthly Board of Directors meeting held on March 11, 1997.

IN WITNESS WHEREOF, we, as members of the Board of Directors of the Village Green Homeowners Association, have hereunto set our hands this 13th day of February, 1996.

[Signature]
President

Jay L. Carey
Director

[Signature]
Vice President

[Signature]
Director

Pete Sworden
Treasurer

Thomas D. Crockett
Director

Richard W. Kebler
Secretary

[Signature]
Director

Vacant
Director

*By-Law Revision approved at the monthly Board of Directors meeting held on February 13, 1996. MARCH 11, 1997

CPS/LMC