

BYLAWS
OF
SUNRISE TERRITORY VILLAGE
HOMEOWNERS ASSOCIATION

ARTICLE I

NAME AND LOCATION

The name of the corporation is SUNRISE TERRITORY VILLAGE HOMEOWNERS ASSOCIATION, hereinafter referred to as the "ASSOCIATION." The principle office of the corporation shall be located at Tucson, Pima County, Arizona, 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 1. "Association" shall mean and refer to SUNRISE TERRITORY VILLAGE HOMEOWNERS ASSOCIATION, its successors and assigns.

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

Section 3. "Common Areas" and "Common Local Areas" shall mean all real property owned by the Association as provided in the Declaration.

Section 4. "Lot" shall mean and refer to any plot of land shown upon a recorded subdivision map of the properties, with the exception of the Private Open Space.

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 SUNRISE TERRITORY VILLAGE HOMEOWNERS ASSOCIATION, and 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 Recorder of Pima County, Arizona.

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

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. The annual meeting of the members shall be held on a date in January at such time and place specified by the Board of Directors. The meeting shall not be scheduled to be held on a legal holiday.

Section 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 such notice, postage prepaid, at least 30 days before such meeting, to each member entitled to vote thereat, 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 3. Special Meetings. Special meetings of the members may be called at any time by the President or the Board of Directors, or upon written request of one-fourth (1/4) of the members who are entitled to vote.

Section 4. Quorum. The presence at the meeting in person or by proxy of one-tenth (1/10) of the members who are entitled to vote 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 the 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 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 his lot.

Section 6. Voting Rights. Voting rights shall be determined as provided in Article IV of the Declaration.

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 seven (7) Directors and not more than twelve (12) Directors who shall be members of the Association in good standing.

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 Directors 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 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 rendered to the Association, however, any Director may be reimbursed for actual expenses incurred in the performance of 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 Directors. Any action 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 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 Chairman, 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, to serve from the close of such annual meeting until the close of the next annual meeting, and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its determine, but not less than the number of vacancies that are to be filled. Such nominations will be made from among 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. No meeting shall be scheduled to be held on 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. Notice may be waived at any time by the person entitled to such notice.

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 Directors present at a duly held meeting at which a quorum is present shall be regarded as an 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 Areas and Common Local Areas, and the personal conduct of members and their guests thereon, and to establish penalties for 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 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, except that an attorney or other representative may not be hired to bring action on behalf of the Association against an_ person or organization in any court or administrative hearing or before any governmental body, unless at a special meeting of the members said action is approve by more than fifty percent (50%) of all disinterested members not involved in the proceedings personally.

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 members at the annual meeting of the members, or at such special meeting when such 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 provide in the Declaration, to:

(1) Fix the amount of the assessment against each lot;

(2) Send written notice of the assessment to every owner subject thereto

(3) Foreclose the lien against any property for which assessments are no paid, or bring an action at law against the owner personally obligated to pay same;

(d) Issue, or 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, 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 officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) Cause the Common Areas and Common Local Areas to be maintained;

(h) Maintain all commonly used equipment.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be President and Vice-President, a Secretary and a Treasurer, and such other officers as the Board may from time-to-time by resolution create. At the discretion of the Board, the Secretary and/or Treasurer need not be an elected Board member, but instead, may be an employee of the Association. If the Secretary and/or Treasurer is an employee of the Association, the employee(s) shall have no vote(s) as a Board member.

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 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 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:

(a) President. The President shall preside at all meetings of the Board of Directors;

shall see that order and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall be an authorized signatory for all negotiable instruments of withdrawal.

(b) Vice-President. The Vice-President shall act in the place of the President in the event of his absence, inability or refusal to act, shall exercise and discharge such duties as may be required of him by the Board, and shall be an authorized signatory for all negotiable instruments of withdrawal.

(c) 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 members of the Association, together with their addresses, and shall perform such other duties as required by the Board.

(d) Treasurer. The Treasurer shall receive and deposit in appropriate bank or other financial institution accounts all monies of the Association, and shall disburse such funds and investments as directed by resolution of the Board of Directors; shall be an authorized signatory for all negotiable instruments of withdrawal; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant or Association Audit Committee 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 annual meeting, and deliver a copy of each to the members.

ARTICLE IX

COMMITTEES

The Board of Directors shall appoint a Nominating Committee and other committees as deemed appropriate in carrying out its purpose as provided in these Bylaws.

ARTICLE X

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times during regular 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 principle office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XIV

MISCELLANEOUS

Section 1. The fiscal year of the Association shall begin on the first day of January and end on thirty-first day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

Section 2. All proceedings of the Association shall be governed by Robert's Rules of Order, on all points not specifically provided for in these Bylaws.

As amended and approved by
The membership January 5, 1999