

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

AMENDED
BYLAWS
OF
GLENEAGLES GOLF ESTATES
HOMEOWNERS ASSOCIATION

WHEREAS, Gleneagles Golf Estates Homeowners Association (the "Association") was incorporated as a nonprofit corporation in the State of Arizona on or about May 2, 2003;

WHEREAS, A.R.S. § 10-3101, et sec. vests the authority to adopt initial bylaws in the Board of Directors; and

WHEREAS, at a meeting of the Board of Directors duly called and held on July 16, 2003, a majority of the Directors present voted in favor of adopting these Bylaws as set forth herein.

NOW THEREFORE, the Bylaws of the Association are hereby adopted in their entirety as follows:

ARTICLE I
NAME AND LOCATION OF ASSOCIATION

Section 1.1 Name. The name of the Association is Gleneagles Golf Estates Homeowners Association.

1 **Section 1.2 Principal Office.** The principal office
2 of the Association in the State of Arizona is currently located
3 at 911 N. Lake Havasu Avenue, #604, Lake Havasu City, Arizona
4 86405-1885. The Association may change the location of its
5 principal office as the Board of directors may determine or as
6 the affairs of the Association may require.

7
8
9
10
11
12 **ARTICLE II**
13 **REFERENCE TO DECLARATION**

14 **Section 2.1 Reference to Declaration.** Reference is
15 made to the certain Amended Declaration of Covenants,
16 Conditions and Restrictions for Gleneagles Golf Estates
17 recorded in the Official records of Mohave County, Arizona,
18 (the "Declaration"). Unless otherwise defined in these Bylaws,
19 all capitalized words and phrases shall have the meanings set
20 forth in the Declaration.

21
22
23 **ARTICLE III**
24 **PURPOSE**

25 **Section 3.1 Purpose.** The primary purpose of the
26 Association is to serve as the governing body for the Owners of
Building Envelopes (Lots) and to fulfill such obligations and
exercise such rights as are given by statute and the
Association's Governing Documents, as they may hereafter be
amended.

17 **ARTICLE IV**
18 **MEMBERSHIP**

19 **Section 4.1 Qualification.** Membership in the
20 Association shall be limited to Owners of Building Envelopes.

21 **Section 4.2 Voting Rights.** The Association shall
22 have two classes of voting membership.

23 **Class A.** Class A Members shall be all owners of Building
24 Envelopes, other than Declarant. Each Class A Member
25 shall be entitled to one (1) vote for each Building
26 Envelope owned, except that notwithstanding any other
provision hereof, no Class A Member shall have any votes
or be entitled to exercise any voting rights until the
Turnover Date, and no meetings of Class A Members shall be
required.

1 The vote attributable to each Class A Member must be
cast as a whole; fractional votes shall not be allowed.
2 In the event that a Building Envelope is owned by two (2)
or more Persons, the joint or common owners shall
3 designate to the Association in writing one of their
number who shall have the right to cast votes with respect
4 to such Building Envelope. If multiple Persons own a
Building Envelope and are unable to agree upon how their
5 vote shall be cast, they shall lose their right to vote on
the matter in question. If any Member casts a vote
6 representing a certain Building Envelope, it will
thereafter be conclusively presumed that he was acting
7 with the authority and consent of all other owners of the
same Building Envelope unless objection thereto is made at
8 the time the vote is cast. In the event that more than
one (1) vote is cast with respect to particular Building
Envelope, all such votes shall be deemed void.

9 **Class B.** The Class B Member shall be the Declarant, who
10 shall hold one Class B Membership for each Building
Envelope owned and shall be entitled to three (3) votes
11 for each such Class B Membership. The Declarant may cast
said votes in such proportions on any matter as Declarant
12 determines. Notwithstanding the occurrence of the
Turnover Date, Declarant shall continue to have three (3)
13 votes for each Building Envelope owned.

14 In addition, notwithstanding the occurrence of the
Turnover Date, so long as Declarant owns a single Building
15 Envelope or Building Envelope, Declarant shall have the right
to maintain absolute control over the Association by, without
16 limitation, appointing or removing the Board without the
necessity of a vote or meeting of members, appointing or
17 removing the officers of the Association, appointing or
removing the members of the Design Review Committee and
18 amending this Declaration subject to the provisions hereof.

19 **Section 4.3 Good Standing.** If a Member otherwise
entitled to vote is delinquent in the payment of Regular,
20 Special or Individual Assessments, fines, penalties, interest,
late charges, transfer fees, refinance fees, costs of
21 collection, lien fees, attorneys' fees or other monies owed to
the Association or is not in compliance with the terms of the
22 Association's Governing Documents, the Bylaws or the Rules and
Regulations of the Association, the Board of Directors may, in
23 its sole discretion, certify that such Member is not in good
standing and such Member's right to vote shall be suspended
24 until the delinquency, breach or violation is paid in full,
cured or corrected.

25 **Section 4.4 Transfer of Membership.** Membership in
26 the Association is inextricably and irrevocably connected with

1 ownership of a Building Envelope and may not be transferred
independently of such ownership.

2
3
4 **ARTICLE V**
MEETINGS OF MEMBERSHIP

5 **Section 5.1 Annual Meeting.** An annual meeting of
6 the Members of the Association shall be held at least once
every twelve (12) months at a date and time determined by the
7 Board of Directors for the propose of electing or announcing
the results of the election of Directors and transacting such
8 other business as may properly come before the meeting.

9 **Section 5.2 Special Meetings.** Special meetings of
the Members may be called by the President, the Board of
10 Directors, or by the written request signed by Members having
at least one-fourth (1/4th) of the total authorized votes in
11 the Association.

12 **Section 5.3 Record Date.** For any meeting of the
Members, the Board of Directors may fix a date not more than
13 fifty (50) nor less than ten (10) days before the date of such
meeting, as a record date for the determination of the Members
14 of record entitled to vote at such meeting. If a record date
has not been fixed in advance of a meeting as provided herein,
15 the time of commencement of the meeting shall be deemed the
record date.

16 **Section 5.4 Place of Meeting.** Meetings of the
17 Members shall be held in Mohave County, Arizona, at a suitable
place designated by the Board of Directors.

18 **Section 5.5 Notice of Meetings.** Written notice
19 stating place, day and hour of the annual meeting of Members or
a special meeting of Members shall be hand delivered or
20 delivered by first-class U.S. Mail to all Members, not less
than ten (10) nor more than fifty (50) days before the date of
21 such meeting, by or at the direction of the Secretary. The
notice of the meeting shall be deemed to be delivered when left
22 with a person of suitable age and discretion at the address
that appears on the records of the Association or when
23 deposited, postage prepaid, in the United States Mail and
addressed to the Member at the address that appears on the
24 records of the Association. In the case of special meetings,
the purpose for which the special meeting is called shall be
25 stated in the notice and no business shall be transacted at
such special meeting except as stated in the notice.
26

jb

1 **Section 5.6 Quorum.** Those Members present in person
or by proxy at a properly noticed meeting of Members shall
constitute a quorum at all meetings of the Members.

2
3 **Section 5.7 Proxies.** At any meeting of Members, any
Member entitled to vote may vote by proxy executed in writing
by the Member or by his duly authorized attorney-in-fact.
4 Proxies may be granted in favor of only another Member, the
granting Member's attorney, the lessee of a granting Member's
5 Building Envelope, the Secretary of the Association or the
Board of Directors. Proxies shall be duly executed in writing
6 and shall be valid only for the particular meeting designated
therein or any adjournment thereof. All proxies must be filed
7 with the Secretary prior to the commencement of the meeting for
which they are given. Proxies shall be deemed revoked only
8 upon the appearance in person of the Member granting a proxy at
the meeting for which the proxy was granted or upon the actual
9 receipt by the person presiding over the meeting of a notice of
revocation signed by the Member who granted the proxy.

10 **Section 5.8 Manner of Acting.** A majority of the
11 votes entitled to be cast on a matter to be voted upon by the
Members present or represented by proxy at a meeting at which a
12 quorum is present and shall be necessary for the adoption
thereof unless a greater proportion is required by statute, the
13 Declaration or these Bylaws.

14 **Section 5.9 Minutes.** Minutes shall be taken at all
meetings of Members. Copies of the minutes shall be available
15 for inspection at the office of the Association by the Members
and Directors at all reasonable times.

16 **Section 5.10 Voting by Mail.** When Directors are to
17 be elected or any other matter is submitted to a vote of the
Members, such vote may be conducted by mail in such manner as
18 the Board of Directors shall determine. In the event that a
vote is taken by mail, the return of ballots by fifty-one
19 percent (51%) of Members entitled to vote shall validate the
vote and satisfy any quorum requirement. Unless otherwise
20 required by statute, the Declaration or these Bylaws, a
majority vote of those voting by mail shall be sufficient to
21 elect Directors or carry a matter put to such a vote.

22 **Section 5.11 Non-cumulative Voting.** All voting
shall be done on a non-cumulative basis.

23
24 **ARTICLE VI**
25 **BOARD OF DIRECTORS**

26 **SECTION 6.1 Powers and Duties.** The affairs of the
Association shall be managed by its Board of Directors. The

jb

1 Board shall have all of the powers and duties necessary for the
2 administration of the affairs of the Association and may do all
3 such acts and things that are not required by the Declaration,
4 statute or these Bylaws to be exercised or done by the Members.
5 In addition to the powers and duties granted and imposed by
6 statute and the Governing Documents, the powers and duties of
7 the Board of Directors shall include, but are not limited to,
8 the following:

9 (A) Open bank accounts on behalf of the Association
10 and designate the signatures thereon;

11 (B) To accept such properties, improvements, rights,
12 and interests as may be conveyed, leased, assigned, or
13 transferred to the Association;

14 (C) To own, maintain and otherwise manage all of the
15 Common Area and all facilities, Improvements, and landscaping
16 thereon; to pay all taxes and assessments, if any which may
17 properly be levied against the Common Area; and to insure the
18 Common Area against such risks as the Board of Directors shall
19 determine in accordance with the Governing Documents;

20 (D) To own, maintain, manage, lease, sell or
21 otherwise dispose of any personal and real property acquired by
22 the Association in lieu of foreclosure or trustee's sale or
23 through attachment, foreclosure, Sheriff's sale, trustee's
24 sale, tax sale, redemption or any other judicial, quasi-
25 judicial, bankruptcy or regulatory action and all facilities,
26 structures, buildings, fixtures, landscaping and other
improvements located thereon; to pay all taxes and assessments,
if any, which may properly be levied against such property; to
repair, rehabilitate, and restore such property; and to insure
such property against such risks as the Board of Directors
shall determine;

(E) To purchase, lease, acquire, own, maintain,
manage, sell or otherwise dispose of Association Property; to
pay all taxes and assessments, if any, which may properly be
levied against Association Property; and to insure Association
Property against such risks as the Board of Directors shall
determine;

(F) To do all things necessary to carry out and
enforce the terms and provisions of the Governing Documents and
to do all things and acts, including the payment of all
maintenance, operating and other costs, which in the sole
discretion of its Board of Directors shall be deemed to be in
the best interest of the Members of the Association or for the
peace, comfort, safety, or general welfare of the Members of
the Association, all in accordance with the Governing
Documents;

(G) To enter into agreements with third parties
authorizing such parties to carry on any activities which might
legally be carried on by the Association and delegated by the
Association to third parties;

(H) To engage the services of a manager or managing
agent who shall manage and operate the Property for all of the

jb

1 Members upon such terms, for such compensation and with such
2 authority as he Board of Directors may approve;

3 (I) To appoint committees of the Board of Directors
4 and to delegate to such committees the authority to carry out
5 certain duties of the Board of Directors, to the extent
6 permitted by statute and the Governing Documents law;

7 (J) To estimate the amount of the annual budget; to
8 provide the manner and time of assessing and collecting from
9 the owners the Assessments provided for in the Governing
10 Documents;

11 (K) To promulgate such rules and regulations
12 pertaining to the use and occupancy of the Property and the
13 personal conduct of the Members and their family members,
14 guests, lessees and invitees thereon as may be deemed proper
15 and which are consistent with the Declaration;

16 (L) To enforce, by suit or otherwise, the terms and
17 provisions of the Governing Documents;

18 (M) To establish and maintain working capital,
19 reserve and contingency accounts in an amount to be determined
20 by the Board of Directors;

21 (N) To lend or invest its working capital and
22 reserves with or without security;

23 (O) To fix and collect fees, rates, rentals and
24 other charges for the use of Common Areas, for the use of other
25 property owned by the Association, and for services rendered by
26 the Association;

(P) To grant easements when necessary for utilities,
sewer facilities and CATV over the Property;

(Q) To enter into agreements with the owners of
property not within the Project whereby such owners shall
contribute to the payment of construction, maintenance and
reconstruction expenses, taxes, insurance and other charges
attributable to portions of the Common Areas which may directly
or indirectly benefit such Parcels;

(R) Levy and collect Assessments as provided in the
Declaration;

(S) To establish, levy, collect and enforce by any
lawful means a schedule of fines, penalties, transfer fees,
refinance fees, administrative charges, late charges, interest,
and costs of collection;

(T) To do all other acts and things required by
applicable law or statute or authorized in the Declaration but
not explicitly set out above;

(U) In general to do and perform such acts and
things and to transact such business in connection with the
foregoing objects and purposes as may be necessary or
appropriate.

24
25 **Section 6.2 Number and Qualifications of Directors.**
26 The number of Directors of the Association shall be not less
than three (3) nor more than seven (7) as determined by the
Board of Directors. If the number of Directors is reduced, all

jb

1 Directors whose terms have not yet expired and who are in good
standing shall be allowed to serve the balance of their terms.

2 Prior to the Turnover Date, members of the Board do not
3 have to be Owners; however, all members of the board elected
4 after the Turnover Date shall be Owners (or the spouses of
5 Owners, or if an owner is a corporation, partnership or trust,
6 an officer, director, partner, agent, trustee or beneficiary)
7 unless a sufficient number of Owners (or related persons as
8 described in the foregoing parenthetical) are unable or
9 unwilling to serve as directors, in which event individuals who
are not Owners (or related persons) may be elected as
directors.

10 If a Director shall fail to meet the qualifications of
11 good standing or Membership at any time during his term, he or
12 she will thereupon cease to be a Director and his or her place
on the Board shall be deemed vacant.

13 Prior to the Turnover Date (and afterwards if Declarant
14 has reserved such right while the owner of at least one
15 Building Envelope), the Declarant may appoint the directors of
16 the Association without the necessity of a meeting of members
17 as hereinabove provided.

18 **Section 6.3 Terms and term Limitation.** Directors
shall be elected to and shall serve staggered two-year terms as
19 follows: One-half of the number of Directors (or as close to
20 one-half as is possible if there are an uneven number of
21 Directors) shall be elected at each annual meeting, or each
22 year if voting is conducted by mail, for two-year terms. All
23 elections and appointments of Directors under these Bylaws
24 shall be made in a manner to preserve the staggering terms
25 contemplated hereby. No Director shall serve more than three
26 (3) consecutive terms, or portions thereof.

19 **Section 6.4 Regular Meetings.** A regular annual
meeting of the Board of Directors shall be held without other
20 notice than this bylaw, immediately after, and at the same
21 place as, the annual meeting of Members. The Board of
Directors may provide by resolution the time and place for
additional regular meetings of the Board.

22 **Section 6.5 Special Meetings.** Special meetings of
23 the Board of Directors may be called by or at the request of
24 the President or any two (2) Directors. The person or persons
25 authorized to call special meetings of the Board of Directors
may fix any convenient place and time as the place and time for
holding any special meeting of the Board of Directors called by
them.

1 **Section 6.6 Teleconference Meetings.** Meetings of
2 the Board of Directors may be held by conference telephone or
3 other similar communications equipment by means of which all
4 persons participating in the meeting can hear each other, and
5 participation at such meeting shall constitute presence in
6 person at the meeting.

7 **Section 6.7 Notice.** Notice of any special meeting
8 of the Board of Directors shall be given to Directors at least
9 three (3) days prior thereto by written notice delivered
10 personally or sent by mail or facsimile to each Director at his
11 address or facsimile number as shown on the records of the
12 Association. If mailed, such notice shall be deemed to be
13 delivered when deposited, postage prepaid, in the United States
14 Mail in a sealed envelope so addressed. If notice is given by
15 facsimile, such notice shall be deemed to be delivered when the
16 notice is transmitted to a telecopier to which the sender has
17 reason to believe the Director has access. Any Director may
18 waive notice of any meeting. The attendance of a Director at
19 any meeting shall constitute a waiver of notice of such
20 meeting, except where a Director attends a meeting for the
21 express purpose of objecting to the transaction of any business
22 because the meeting is not lawfully called or convened.
23 Neither the business to be transacted at, nor the purpose of,
24 any regular or special meeting of the Board need be specified
25 in the notice or waiver of notice of such meeting, unless
26 specifically required by statute or by these Bylaws.

1 **Section 6.8 Quorum.** A majority of the Board of
2 Directors shall constitute a quorum for the transaction of
3 business at any meeting of the Board of Directors; but if less
4 than a majority of the Directors are present at said meeting, a
5 majority of the Directors present may adjourn the meeting from
6 time to time without further notice.

7 **Section 6.9 Manner of Acting.** The act of a majority
8 of the Directors present at a meeting at which a quorum is
9 present shall be the act of the Board of Directors, unless a
10 greater number is required by law or by the Declaration, the
11 Articles of Incorporation or these Bylaws.

12 **Section 6.10 Attendance at Meetings.** If any
13 Director fails to attend three (3) or more successive meetings
14 of the Board, including special meetings of which such Director
15 has been given notice as provided in Section 6.7, or misses
16 four (4) or more meetings out of six (6) successive meetings of
17 the Board, including special meetings of which such Director
18 has been given notice as provided in Section 6.7, such Director
19 shall, unless otherwise determined by two-thirds (2/3rds) of
20 the Directors present at a meeting which a quorum is present,
21 be automatically removed as a Director.

1 **Section 6.11 Removal.** At any annual or special
2 meeting of the Members duly called, any one or more of the
3 Directors may be removed from the Board with or without cause
4 by Members having more than two-thirds (2/3rds) of the votes
5 entitled to be cast by the Members present in person or by
6 proxy at the meeting, and a successor may then and there be
7 elected to fill the vacancy thereby created by a majority of
8 the Members in attendance at the meeting. A Director so
9 elected shall be elected for the full unexpired term of the
10 Director removed. Any Director whose removal has been proposed
11 by the Members shall be given an opportunity to be heard at the
12 meeting prior to the vote for removal.

13 **Section 6.12 Vacancies.** Except as provided in
14 Section 6.11, any vacancy occurring in the Board of Directors
15 and any directorship shall be filled by the affirmative vote of
16 a majority of the remaining Directors, though less than a
17 quorum, at the next regular or special meeting of the Board. A
18 Director appointed to fill a vacancy shall be appointed for the
19 full unexpired term of his predecessor in office.

20 **Section 6.13 Compensation.** Directors shall not
21 receive any compensation for their services as such. However,
22 any Director may be reimbursed for his or her actual expenses
23 incurred in the performance of his or her duties. Nothing
24 herein contained shall be construed to preclude any Director
25 from serving the Association in any other capacity and
26 receiving compensation therefor.

1 **Section 6.14 Open Meetings.** Notice of the time and
2 place of all meetings of the Directors shall be given to all
3 Members by mail, hand delivery, posting in a conspicuous place,
4 publishing in a newsletter of general circulation to all
5 Members, or by any other reasonable means as provided herein or
6 by statute, all meetings of the Directors shall be permitted to
7 attend and listen to the deliberations and proceedings;
8 provided, however, that Members who are not Directors may not
9 participate in any deliberation or discussion unless expressly
10 authorized to do so by a vote of the majority of the Directors
11 present. The foregoing notwithstanding, any meeting or portion
12 of a meeting of the Board of Directors may be closed if, and
13 only if, the closed meeting or portion thereof is limited to
14 consideration of the following:

- 15 (A) Employment or personnel matters for employees of
16 the Boards of Directors or the Association;
17 (B) Legal advice from an attorney for the Board of
18 Directors or the Association;
19 (C) Pending or contemplated litigation; or
20 (D) Pending or contemplated matters relating to
21 enforcement of the Association's Governing Documents.

22

jb

ARTICLE VII
OFFICERS AND EXECUTIVE DIRECTOR OR MANAGING

1
2 **Section 7.1 Officers.** The officers of the
3 Association shall be a President, one (1) or more Vice
4 Presidents (the number thereof to be determined by the Board of
5 Directors), a Secretary, a Treasurer and such other officers as
6 may be elected in accordance with the provisions of this
7 Article. The Board of Directors may elect or appoint such
8 other officers, including one or more Assistant Secretaries and
9 one or more Assistant Treasurers, as it shall deem desirable,
10 such officers to have the authority to perform the duties
11 prescribed, from time to time, by the Board of Directors. All
12 officers of the Association must be Members in good standing of
13 the Association. Any two (2) or more offices may be held by
14 the same person, except the offices of President and Secretary.

9 **Section 7.2 Election and Term of Office.** The
10 officers of the Association shall be elected annually by the
11 Board of Directors at the regular annual meeting of the Board
12 of Directors. If the election of officers shall not be held at
13 such meeting, such election shall be held as soon thereafter as
14 convenient. New offices may be created and filled at any
15 meeting of the Board of Directors. Each officer shall hold
16 office until his successor shall have been duly elected and
17 qualified.

14 **Section 7.3 Removal or Disqualification.** Any
15 officers elected or appointed by the Board of Directors may be
16 removed by the Board of Directors whenever in its judgment the
17 best interests of the Association would be served thereby. Any
18 officer who ceases to be a Member of the Association or who
19 ceases to be in good standing shall be automatically removed
20 from office.

18 **Section 7.4 Vacancies.** A vacancy in any office
19 because of death, resignation, removal, disqualification or
20 otherwise, may be filled by the Board of Directors for the
21 unexpired portion of the term.

21 **Section 7.5 President.** The President shall be the
22 principal executive officer of the Association and shall, in
23 general, supervise and control all of the business and affairs
24 of the Association. The President shall preside at all
25 meetings of the Members and of the Board of Directors. The
26 President may sign, with the Secretary or any other proper
officer of the association authorized by the Board of
Directors, any deeds, leases, mortgages, bonds, contracts, or
other instruments that the Board of Directors has authorized to
be executed, except in cases where the signing and execution
thereof shall be expressly delegated by the Board of Directors

jb

1 or by the Declaration, these Bylaws or by statute to some other
officer or agent of the Association.

2 **Section 7.6 Vice President.** In the absence of the
3 President or in the event of the President's inability or
4 refusal to act, the Vice President (or in the event there be
5 more than one (1) Vice President, the Vice Presidents in order
6 of their election) shall perform the duties of the President,
and when so acting, shall have all the powers of and be subject
7 to all the restrictions upon the President. Any Vice President
shall perform such other duties as from time to time may be
delegated or assigned by the President or by the Board of
Directors.

8 **Section 7.7 Treasurer.** The Treasurer shall have
9 charge and custody of and be responsible for all funds and
10 securities of the Association; receive and give receipts for
11 moneys due and payable to the Association from any source
12 whatsoever, and deposit all such moneys in the name of the
13 Association in such banks, trust companies or other
14 depositories as shall be selected in accordance with the
provisions of these Bylaws; and, in general, perform all the
duties as from time to time may be delegated or assigned by the
President or by the Board of Directors. If required by the
Board of Directors, the treasurer shall give, at the
Association's expense, a bond for the faithful discharge of
his/her duties in such sum and with such surety or sureties as
the Board of Directors shall determine.

15 **Section 7.8 Secretary.** The Secretary shall keep the
16 minutes of the meetings of the Members and of the Board of
17 Directors in one (1) or more books provided for that purpose;
18 see that all notices are duly given in accordance with the
19 provisions of these Bylaws or as required by law; be custodian
20 of the Association records; keep a register of the post-office
addresses of each Member which shall be furnished to the
Secretary by such Member; and, in general, perform all duties
incident to the office of Secretary and such other duties as
from time to time may be delegated or assigned by the President
or by the Board of Directors.

21 **Section 7.9 Assistant Treasurers and Secretaries.**
22 The Assistant Treasurers and Secretaries, in general, shall
23 perform such duties as shall be assigned to them by the
24 Treasurer or the Secretary or by the President or Board of
25 Directors. If required by the Board of Directors, the
Assistant Treasurers shall give, at the Association's expense,
bonds for the faithful discharge of their duties in such sums
and with such sureties as the Board of Directors shall
determine.

26

jb

1 **Section 7.10 Compensation.** No officer shall receive
2 any compensation from the corporation for acting as such.
3 However, any officer may be reimbursed for his or her actual
4 expenses incurred in the performance of his or her duties.
5 Nothing contained herein shall be construed to preclude an
6 officer from serving the corporation in any other capacity, and
7 receiving compensation therefor.

8 **Section 7.11 Managing Agent.** The Board of Directors
9 may hire a Managing Agent at a compensation established by the
10 Board of Directors. The Managing Agent may either be an
11 employee of the Association, an independent professional
12 management company, or an independent contractor. The Managing
13 Agent shall perform such duties and services as the Board of
14 Directors shall authorize. The Board of Directors may, but is
15 not obligated to, delegate to the Managing Agent all of the
16 powers granted to the Board of Directors or the officers of the
17 Association by these Bylaws; provided, however, that the
18 following powers may not be delegated to the Managing Agent:

- 19 (A) To adopt the annual budget, any amendment
20 thereto or to levy Assessments;
21 (B) To adopt, repeal or amend Association Rules;
22 (C) To designate signatories on Association bank
23 accounts;
24 (D) To borrow or lend money on behalf of the
25 Association.

26 **Section 7.2 Management Agreement.** Any contract with
the Managing Agent must provide that it may be terminated with
or without cause and without payment of any penalty or
termination fee on no more than thirty (30) days written
notice. The term of any such contract may not exceed one (1)
year.

ARTICLE VIII DESIGN REVIEW COMMITTEE

27 **Section 8.1 Committee Composition.** The Association
28 shall establish a Design Review Committee to perform the
29 functions set forth in this Declaration with respect to
30 architectural control and other controls contained in the
31 Gleneagles Golf Estates Design Guidelines. The Design Review
32 Committee shall consist of three (3) members and two (2)
33 alternate members. No such members shall be required to be an
34 architect or to meet any other particular qualifications for
35 membership. The Design Review Committee may employ a
36 consulting architect initially designated by Declarant. A
member need not be, but may be, a member of the Board or an
officer of the Association. In the event one or two of the
regular members are absent or disabled, the remaining Design

1 Review Committee member or members, even though less than a
2 quorum, may designate either or both of the alternate members
3 to act as substitutes and such alternates shall then assume the
4 full authority of regular members for that meeting. The
5 consulting architect shall have no voting rights on the
6 committee, and the members of the committee (but not the
7 consulting architect) shall serve without compensation. An
8 alternative consulting architect may be appointed by Declarant
9 (or by the Design Review Committee after Declarant no longer
10 possesses its right of appointment of the members of the
11 committee) in the event the consulting architect is unavailable
12 or should have a conflict of interest.

13 **Section 8.2 Initial Members.** The initial members and
14 alternates of the Design Review Committee shall be appointed by
15 the Declarant.

16 **Section 8.3 Terms of office.** The term of office for each
17 Design Review Committee
18 member shall be two (2) years or until the appointment of a
19 successor. Any new member appointed to replace a member who
20 has resigned or been removed shall serve such member's un-
21 expired term. Any member who has resigned, been removed or
22 whose term has expired may be reappointed if such member
23 accepts reappointment.

24 **Section 8.4 Appointment and Removal.** The right to
25 appoint and remove members of the Design Review Committee at any
26 time so long as Declarant owns a single Building Envelope shall
be and is hereby vested solely in the Declarant or its nominee.
Notwithstanding the foregoing, Declarant may at any time
relinquish the right to appoint and remove members of the
Design Review Committee by so notifying the Association in
writing. Upon such early relinquishment by Declarant of its
right to appoint the members of the Design Review Committee,
the Board shall then have the power to appoint and remove
Design Review Committee members; provided, however, that no
member may be removed from the Design Review Committee by the
Board except by a majority vote of all members of the Board.
Appointments or removals of members of the Design Review
Committee, as set forth herein, shall be evidenced on the books
and records of the Association.

It is understood that Declarant reserves the exclusive
right to appoint or remove
the members of the Design Review Committee until Declarant no
longer owns a single Building Envelope within the Properties.

Section 8.5 Resignations. Any member of the Design
Review Committee may at anytime resign from said committee by
giving written notice to Declarant or to the Board, whichever
then has the right to appoint Design Review Committee members.

jb

1 **Section 8.6 Duties.** It shall be the right and duty of
2 the Design Review Committee (and not the Board) to consider and
3 act upon any and all proposals or plans submitted to it
4 pursuant to the terms hereof and of the Gleneagles Golf Estates
5 Design Guidelines, to adopt Design Review Committee Rules, to
6 perform other duties delegated to it by the Board and to carry
7 out all other duties imposed upon it by this Declaration.
Without in any way limiting the generality of the foregoing
8 provisions of this Section, the Design Review Committee or any
9 member thereof may, but is not required to, consult with or
10 hear the view of the Association or any Owner with respect to
11 any plans, drawings, specifications or other proposals
12 submitted to the Design Review Committee.

13 **Section 8.7 Meetings.** The Design Review Committee shall
14 meet from time to time as necessary to perform its duties
15 hereunder, shall appoint a committee chairman, and shall
16 prepare Minutes of Meetings for inclusion in the Association
17 Minute Book. The vote of any two members at a meeting shall
18 constitute the act of the Design Review Committee unless the
19 unanimous decision of the Design Review Committee is otherwise
20 required.

21 **Section 8.8 Design Review Committee Rules.** The Design
22 Review Committee may, from time to time, adopt, amend and
23 repeal rules and regulations (as amended from time to time, the
24 "Gleneagles Golf Estates Design Guidelines" or Design
25 Guidelines"). The Design Review Committee shall interpret and
26 implement this Declaration by setting forth the standards and
procedures for design review and the guidelines for
architectural design, landscaping, color schemes, exterior
window coverings, exterior finishes and materials and similar
features which are recommended or required for use within the
Property (the Gleneagles Golf Estates Design Guidelines). The
Gleneagles Golf Estates Design Guidelines may, without
limitation, establish minimum square footage requirements for
Dwelling Units, requirements for the establishment of parking
spaces for residents and guests, as well as driveway
construction standards, the fencing or other protection of
landscaping, standards for roofs, chimneys and lighting
equipment, standards for natural area or open spaces within
each Building Envelope, the imposition of fines, builder and
contractor regulations and guidelines, height regulations,
excavation, grading and clearing limitations, and other
requirements or standards designed to protect and enhance the
Properties.

27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100
101
102
103
104
105
106
107
108
109
110
111
112
113
114
115
116
117
118
119
120
121
122
123
124
125
126
127
128
129
130
131
132
133
134
135
136
137
138
139
140
141
142
143
144
145
146
147
148
149
150
151
152
153
154
155
156
157
158
159
160
161
162
163
164
165
166
167
168
169
170
171
172
173
174
175
176
177
178
179
180
181
182
183
184
185
186
187
188
189
190
191
192
193
194
195
196
197
198
199
200
201
202
203
204
205
206
207
208
209
210
211
212
213
214
215
216
217
218
219
220
221
222
223
224
225
226
227
228
229
230
231
232
233
234
235
236
237
238
239
240
241
242
243
244
245
246
247
248
249
250
251
252
253
254
255
256
257
258
259
260
261
262
263
264
265
266
267
268
269
270
271
272
273
274
275
276
277
278
279
280
281
282
283
284
285
286
287
288
289
290
291
292
293
294
295
296
297
298
299
300
301
302
303
304
305
306
307
308
309
310
311
312
313
314
315
316
317
318
319
320
321
322
323
324
325
326
327
328
329
330
331
332
333
334
335
336
337
338
339
340
341
342
343
344
345
346
347
348
349
350
351
352
353
354
355
356
357
358
359
360
361
362
363
364
365
366
367
368
369
370
371
372
373
374
375
376
377
378
379
380
381
382
383
384
385
386
387
388
389
390
391
392
393
394
395
396
397
398
399
400
401
402
403
404
405
406
407
408
409
410
411
412
413
414
415
416
417
418
419
420
421
422
423
424
425
426
427
428
429
430
431
432
433
434
435
436
437
438
439
440
441
442
443
444
445
446
447
448
449
450
451
452
453
454
455
456
457
458
459
460
461
462
463
464
465
466
467
468
469
470
471
472
473
474
475
476
477
478
479
480
481
482
483
484
485
486
487
488
489
490
491
492
493
494
495
496
497
498
499
500
501
502
503
504
505
506
507
508
509
510
511
512
513
514
515
516
517
518
519
520
521
522
523
524
525
526
527
528
529
530
531
532
533
534
535
536
537
538
539
540
541
542
543
544
545
546
547
548
549
550
551
552
553
554
555
556
557
558
559
560
561
562
563
564
565
566
567
568
569
570
571
572
573
574
575
576
577
578
579
580
581
582
583
584
585
586
587
588
589
590
591
592
593
594
595
596
597
598
599
600
601
602
603
604
605
606
607
608
609
610
611
612
613
614
615
616
617
618
619
620
621
622
623
624
625
626
627
628
629
630
631
632
633
634
635
636
637
638
639
640
641
642
643
644
645
646
647
648
649
650
651
652
653
654
655
656
657
658
659
660
661
662
663
664
665
666
667
668
669
670
671
672
673
674
675
676
677
678
679
680
681
682
683
684
685
686
687
688
689
690
691
692
693
694
695
696
697
698
699
700
701
702
703
704
705
706
707
708
709
710
711
712
713
714
715
716
717
718
719
720
721
722
723
724
725
726
727
728
729
730
731
732
733
734
735
736
737
738
739
740
741
742
743
744
745
746
747
748
749
750
751
752
753
754
755
756
757
758
759
760
761
762
763
764
765
766
767
768
769
770
771
772
773
774
775
776
777
778
779
780
781
782
783
784
785
786
787
788
789
790
791
792
793
794
795
796
797
798
799
800
801
802
803
804
805
806
807
808
809
810
811
812
813
814
815
816
817
818
819
820
821
822
823
824
825
826
827
828
829
830
831
832
833
834
835
836
837
838
839
840
841
842
843
844
845
846
847
848
849
850
851
852
853
854
855
856
857
858
859
860
861
862
863
864
865
866
867
868
869
870
871
872
873
874
875
876
877
878
879
880
881
882
883
884
885
886
887
888
889
890
891
892
893
894
895
896
897
898
899
900
901
902
903
904
905
906
907
908
909
910
911
912
913
914
915
916
917
918
919
920
921
922
923
924
925
926
927
928
929
930
931
932
933
934
935
936
937
938
939
940
941
942
943
944
945
946
947
948
949
950
951
952
953
954
955
956
957
958
959
960
961
962
963
964
965
966
967
968
969
970
971
972
973
974
975
976
977
978
979
980
981
982
983
984
985
986
987
988
989
990
991
992
993
994
995
996
997
998
999
1000

ARTICLE IX
BUDGET AND ASSESSMENTS

1 reserves, if any, shall be in the sole discretion of the Board.
2 Written notice of the Regular Assessments shall be sent to
3 every Owner. Each Owner shall thereafter pay to the
4 Association his Regular Assessment in such manner and such
5 times or installments as are established by the Board. In the
6 event the Board determines that the estimate of total charges
7 for the current year is, or will become, inadequate to meet all
8 Common Expenses for any reason, it shall immediately determine
9 the approximate amount of such inadequacy, issue a supplemental
10 estimate of the total Common Expenses and the revised Regular
11 Assessments, and give written notice thereof to every Owner.
12 If the Board determines that the amount collected or to be
13 collected through Regular Assessments is in excess of the
14 Association's needs for the current year and reserves
15 appropriate for future needs, the Board, in its sole
16 discretion, may refund to the owners who paid such Assessments
17 all or a portion of such excess, reduce the amount of the
18 regular Assessments or abate collection of Regular Assessments
19 as it deems appropriate. In no event shall a reduction in the
20 amount of or abatement in the collection of Regular Assessments
21 pursuant to this Section result in a quality of services
22 diminished from those upon which the Common Expense budget was
23 based.

24 With the exception of such increase in the Regular
25 Assessment as may be necessary to pay real property taxes,
26 insurance and utilities, the Board shall not increase the
27 Regular Assessment by more than twenty percent (20%) above the
28 amount of the Regular Assessment levied for the previous fiscal
29 year of the Association; provided, however, that the Board may
30 so increase the Regular Assessment without regard to said
31 limitation should the Owners of greater than 67 percent (67%)
32 of the Building Envelopes agree to such increase in writing or
33 vote to approve such increase at a regular or special meeting
34 of Members called for such purpose.

35 **Section 9.3 Special and Individual Assessments.** The
36 Association, by and through the Board, shall have the right and
37 power to levy and collect Special and Individual Assessments as
38 provided for in the Declaration and Amendments thereto.

39 **Section 9.4 Collection of Assessments and Other**
40 **Charges.** The Association shall collect Assessments, fees,
41 charges, fines and penalties, together with interest, late
42 charges and all costs, including but not limited to reasonable
43 attorneys' fees, incurred by the Association in collecting or
44 attempting to collect delinquent Assessments, fees, charges,
45 fines or penalties, whether or not suit is filed, as provided
46 in the Declaration.

ARTICLE X

NEGOTIABLE INSTRUMENTS AND SECURITIES

1
2 **Section 10.1 Signatures on Checks, Etc.** All checks,
3 drafts, orders for payment of money, and negotiable instruments
4 shall be signed by an officer or officers, employee or
5 employees, or the Managing Agent of the Association as the
6 Board of Directors may from time to time, by standing
7 resolution or special order, prescribe.

8 **Section 10.2 Signatures on Certificates and**
9 **Securities.** Endorsements or transfers of bonds or other
10 securities will be signed by the president or any vice
11 president and by the treasurer or an assistant treasurer or the
12 secretary or an assistant secretary of the Association unless
13 the Board of Directors prescribes otherwise.

14 **Section 10.3 Securities.** An officer or officers of
15 the Association will from time to time be designated by the
16 Board of Directors to have power to control and direct the
17 disposition of any bonds or other securities or property of the
18 Association deposited in the custody of any trust company,
19 bank, or custodian.

ARTICLE XI RECORDS

20 **Section 11.1 Records.** The manager, managing agent,
21 and Board of Directors will keep records of all actions of the
22 manager, managing agent, and Board of Directors, as well as
23 minutes of the meetings of the Board of Directors, minutes of
24 the meetings of the Members, and financial records and books of
25 account for the Association, including a record of all receipts
26 and disbursements. A separate account will also be kept for
each Member containing, among other things, the amount of each
Assessment, the date when due, amounts paid thereon, the
balance remaining due, and any other fees, charges, fines and
penalties, together with interest, late charges and all costs,
including but not limited to reasonable attorneys' fees,
incurred by the Association in collecting or attempting to
collect delinquent Assessments, fees, charges, fines or
penalties, whether or not suit is filed.

27 **Section 11.2 Access to Records.** The Association
28 shall make the financial and other records of the Association
29 reasonably available for examination and copying by a Member
30 and his authorized agents. The Association may charge a
31 reasonable fee for the time and costs of copying Association
32 records. Association records may be withheld from disclosure
33 to the extent that the portion withheld relates to any of the
34 following:

- 35 (A) Personnel matters or medical records;

- 1 Association (B) Communication between attorney for the
and the Association;
2 (C) Pending or contemplated litigation;
(D) Pending or contemplated matters relating to
3 enforcement of the Association's governing
Documents; or
4 a (E) Meeting minutes or other records of a session of
meeting of the Board of Directors that is not
required to be open to all
5 Members pursuant to statute or Section 6.14
of these Bylaws.

7 **ARTICLE XII**
8 **FISCAL YEAR**

9 **Section 12.1 Fiscal Year.** The fiscal year of the
corporation shall be from the first day of March through the
10 last day of the succeeding February.

11
12
13 **ARTICLE XIII**
14 **MISCELLANEOUS**

15 **Section 13.1 Notices.** All notices required or
permitted to be sent to the Board of Directors will be sent by
16 first-class mail, postage prepaid, in care of the manager or
managing agent, or if there is no manager or managing agent, to
17 the office of the Association as set forth herein, or to such
other address as the Board may, from time to time, designate.
18 All notices required or permitted to be sent to any Member will
be sent first-class U.S. mail, postage prepaid, to such
19 address as the Member may have designated in writing to the
Board of Directors. All notices will be deemed to have been
20 given when mailed, except notices of change of address which
will be deemed to have been given when received.
21

22 **Section 13.2 Waiver.** No restriction, condition,
obligation, or provision contained in these Bylaws will be
23 deemed to have been abrogated or waived by reason of any
failure to enforce it, irrespective of the number of violations
24 and failures to enforce that may occur.

25 **Section 13.3 Invalidity.** If any provisions or
provisions of these Bylaws is or are declared invalid, the
26 invalidity will in no way impair or affect the validity,

jb

1 enforceability, or effect of the remaining provisions of these
2 Bylaws.

3 **Section 13.4 Captions.** Captions are inserted in
4 these Bylaws for convenience and reference only, and will not
5 be taken in any way to limit or describe the scope of these
6 Bylaws or any provision thereof.

7 **ARTICLE XIV**
8 **CONFLICTS**

9 **Section 14.1 Conflicts.** In case of a conflict
10 between these Bylaws and the Articles of Incorporation, the
11 Articles shall control. In case of a conflict with these
12 Bylaws and the Declaration, the Declaration shall control. If
13 any provision of these Bylaws is less restrictive than the
14 Declaration or the Article of Incorporation when dealing with
15 the same subject, the more restrictive provisions of the
16 Declaration and Articles of Incorporation shall be applicable
17 in the same manner as if included in the provisions of these
18 Bylaws.

19 **ARTICLES XV**
20 **DISSOLUTION**

21 **Section 15.1 Dissolution.** If there are Members
22 entitled to vote on dissolution, the Board of Directors shall
23 adopt a resolution recommending that the corporation be
24 dissolved and directing of such dissolution be submitted to a
25 vote at a meeting of those Members, which may be either an
26 annual or a special meeting. Written notice stating that the
purpose, or one of the purposes, of such meeting is to consider
the advisability of dissolving the corporation shall be given
to each Member entitled to vote at such meeting of Members. A
resolution to dissolve the corporation may be adopted only by
act of the Members. If there are no Members, or no Members
entitled to vote on dissolution, the dissolution of the
corporation may be authorized by act of the Board of Directors.
Voluntary dissolution shall comply in all respects with A.R.S.
§ 10-11401 et seq.

27 IN WITNESS WHEREOF, these Bylaws of the Gleneagles
28 Golf Estates Homeowners Association are adopted as set forth
29 above.

30 _____, President

31 **SECRETARY'S CERTIFICATE**

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

The undersigned does hereby certify that:

He/She is duly elected Secretary of the Glencagles Golf Estates Homeowners Association, an Arizona nonprofit corporation; and

The foregoing Bylaws constitute the Bylaws of the Glencagles Golf Estates H.O.A. as adopted by a majority of the Directors present at a meeting duly called and held on 1/18/05.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand as of this 18 day of January, 2005.

Judith Williams, Secretary 

jb