

Welcome to Green Valley Fairways

And to the Green Valley Fairways Property Owners Association, Green Valley's oldest and largest homeowners association. The Association was created in 1966 and consists of 759 homes.

This information packet contains your copies of the Association's Articles of Incorporation, By-Laws, Deed Restrictions (CC&Rs) as well other useful information to help you understand how we function. It describes your rights and responsibilities within the Association, as well as the Do's and Don'ts of G.V. Fairways properties.

As you are probably aware, GV Fairways is an age restricted community meaning that there must be a person fifty-five [55] years of age or older residing in each home, and no person under the age of eighteen [18] may permanently reside in any home.

Please be aware any homeowner's who rents his/her property is responsible to provide the tenant with a copy of the CC&Rs and to ensure that the tenant complies with their content.

This is an important document and should be retained for your reference. It has been printed on pre-punched paper to facilitate your placing it in a three ring binder.

TABLE OF CONTENTS

| | |
|---|-------------|
| Welcome to Fairways Table | 111 |
| of Contents Frequently asked | 1 |
| Questions CC&Rs | 3 |
| Articles of Incorporation | 11 |
| By-Laws | 19 |
| Board Members, Contacts and Meeting Dates | 27 |
| Request for Architectural Approval Forms | Attachments |

FREQUENTLY ASKED QUESTIONS

What is a homeowners association?

Many of you have come from areas of the country that, typically, do not have homeowner associations. Homeowners associations (HOAs) are allowed under Arizona law and in purchasing a home that has a deed restriction that requires membership in a HOA, you are contractually bound to abide by the provisions of such HOA. Generally, that means that you are required to comply with the Association's rules (CC&Rs) and to pay assessments levied by the Association.

The Green Valley Fairways Property Owners Association (GVFPOA) is such a HOA. Its CC&Rs are contained in this document and its annual dues are fifteen dollars (\$15) per year.

It is governed by a nine (9) member board of directors, each of which is elected for a three (3) year term. Any homeowner may run for board membership as part of our annual election. The board has open monthly meetings (see last page of this document for meeting information), which you can attend and at which you can participate. You can also volunteer to help us run the Association even if you are not elected to the board.

What does GVFPOA do for me?

The beauty of the Fairways with its mature trees and other vegetation as well as its attractive homes is maintained as a result of the actions of our members and the association. We routinely monitor that Fairways properties are in compliance with our CC&Rs and pursue corrective action with those that are not.

We also periodically publish a newsletter that keeps you up to date with community issues and also provides other useful information for our residents.

What are my obligations as a member as of GVPOA?

You are required, as a member, to abide by our CC&Rs. In general, this means that you must keep your property in good repair and must apply to the Association for permission to make external changes to your residence or your landscape. We have three (3) representatives that will help you through the approval process, which generally consists of filling out a one-page form that we keep on file. (See "How do I apply for architectural approval?"). You are also required to pay your annual dues and any fines levied by the board for non-compliance with the CC&Rs (see "What if I don't comply with the CC&Rs?").

How do I apply for architectural approval?

In order to make changes to the outside of your residence or engage in landscaping changes, you are required to get approval of the Fairways board. This is done by contacting one of the Fairways representatives (see last page of this document). Our representative will provide you with two copies of our request form (copy attached at the end of this document) and help you through the process. While the process is simple, and while we try to process requests as fast as possible, the Association has 30 days to act on your request. Please remember that we have 759 homes and only 3 volunteers to review and process any requests, so please give us adequate time. Requests for same day approval "because my contractor is coming tomorrow" cannot be honored. Changes made without our approval may have to be undone at your expense.

What if I don't comply with the CC&Rs?

If you do not comply with our CC&Rs (contained in this document), you will receive a letter from our Deed Adherence Officer giving you a specified time to correct the problem. Generally, if you do not fix the problem within the specified time, you will be assessed an initial fine of \$100. Further failure to fix the problem may result in additional fines and/or legal action. In the case of excessive weed growth, if you do not fix the problem we may, after notifying you, send in a contractor to perform the service and bill you for the cost of such clean up.

What if you owe the GVFPOA money?

Please be aware that under Arizona law, by accepting a deed to property in Fairways you are contractually bound to abide by our provisions including assessments and charges.

In the case of overdue annual dues, we assess an additional five-dollar (\$5) late fee.

If dues, fines or other costs are overdue, we may, after notifying you, put a lien on your property, or seek legal action. If the Association is forced to pursue either of these actions, you will also be liable for the costs associated with such actions including court costs and attorney fees.

COVENANTS, CONDITIONS AND RESTRICTIONS (CC&Rs)

Listed below (in quotes) you will find the provisions of our CC&Rs, as filed with Pima County in April 2000, including subsequent amendments approved by the membership of our Association. To the approved CC&Rs provisions we have added headings (*in bold Italics*) to make the CC&Rs more readable.

(Every effort has been made to ensure that the provisions listed below are a true and accurate restatement of the CC&Rs on file with Pima County. Should a discrepancy exist, the copy on file with Pima County shall govern.)

1. CC&Rs binding on present & future owners

"FPOA does hereby certify and declare that it has established a general plan for the improvement, ownership, use and sale of said property so owned by its membership and each and every part thereof, and does hereby establish the CC&Rs upon and subject to which said property and each and every lot shown on the Maps and Plats thereof shall be used, improved, owned, sold and conveyed subject to the CC&Rs herein set forth, all of which shall be binding upon the present and future owners of said lots and all therefore, and for all of which shall apply to and bind the respective successors in interest or present owners and future owners of said lots and all thereof, . and all of which CC&Rs are, and each of them is, imposed upon each and every other parcel thereof as the dominant tenements."

2. Purchaser shall become member of the Association

"Every purchaser of a lot within this division, by payment of purchase price and acceptance of a deed thereto, shall thereby become a member of the Association:"

3. Pay assessments levied by the Association

"Each purchaser of a lot, by the payment of the purchase price and acceptance of a deed thereto, further agrees for themselves, their heirs and assigns, to pay to the Association the assessments levied by the Association for the purpose and purposes for which it was organized. The amount of the assessment established by a majority of those voting at any legal meeting, or by mail shall be billed yearly to each property owner. This assessment shall be due January 1 of each year and past due March 1 of each year. A late fee may be established by the Board of Directors. In the event of default in payment of aforesaid assessment, each such purchaser further agrees, authorizes and empowers the said Association, its officers, successors and assigns to assert a lien against their lot and to file on behalf of the Association a Notice of Lien with the Office of the Recorder of Deeds of Pima County, Arizona, for the amount of such lien."

4. Each lot used for private residence purposes only

"Each and every lot shall be used for private residence purposes only, and no structure whatsoever other than one first class private one-family residence, not to exceed one story in height, together with a private garage or carport shall be placed or maintained on any lot."

5. No business of any nature that requires multiple traffic is permitted

"No business of any nature that requires multiple traffic of person[s] and or vehicle[s] shall be conducted on any lot and no building or structure intended for or adapted to business purposes, and no apartment house, double house, flat building, lodging house, rooming house, hotel, timeshare housing, hospital, sanitarium shall be erected, placed, permitted or maintained on any lot."

6. Limits on number of Patio/Garage Sales per quarter of each year

"Each property owner shall be limited to a one or two-day on-site [patio, garage, yard, moving, estate] sale per calendar quarter each year. Approval for more sales may be obtained in writing from the Board of Directors."

7. No rooms rented or leased

"No room or rooms in any residence may be rented or leased to others by the owner or owners of any lot. Nothing in this paragraph however shall be construed as preventing the renting or leasing of an entire lot, together with its improvements."

8. Age limit for residents

"No person under the age of fifty-five [55] shall reside on any lot unless there is also residing upon said lot, a person fifty-five [55] years of age or older. No person under the age of eighteen [18] years shall permanently reside on any lot with Green Valley Fairways."

9. Surviving spouse/co-habitant age limit

"Should an occupant fifty-five [55] years of age or older be removed to "assisted living" or die and leave the dwelling unit to a surviving spouse or other companion residing with the decedent, then provided such a surviving spouse or other co-habitant is at least forty-five [45] years of age, the Association shall allow the survivor to remain the occupant of the dwelling without violation of these CC&R's with the exception that the survivor not allow another spouse or companion under the age of fifty-five [55] to take up residence therein."

10. Storage sheds or other outbuildings

"No temporary house, house trailer, tent, garage or other outbuilding shall be placed or erected upon any part of said property, and no residence placed or erected on any lot shall be occupied in any manner at any time prior to its being fully completed in accordance with approved plan [as hereinafter provided], nor shall any residence, when completed, be in any manner occupied until made to comply with all CC&R's set forth herein, provided, however, that during the actual construction or alteration of a building on any lot, necessary temporary building for storage of material, etc., may be erected and maintained by the person doing such work. The work of constructing, altering or remodeling any building on any part of said property shall be pursued diligently from the commencement thereof until the completion thereof Storage sheds shall be allowed, with prior permission of the Board of Directors. The total square footage of such shed or sheds shall not exceed one hundred and twenty (120) square feet and sheds may not exceed eight (8) feet-in height."

11. No billboards or advertising signs except property for sale or rent

"No billboards or advertising signs" 'of any character shall be erected, placed, permitted or maintained on any lot or on, or in any building erected thereon, other than the nameplate of the occupant of any residence, and provided such nameplate shall be approved by the Architectural Committee; except that signs advertising the property for sale or rent by the owners, or their agent will be permitted. These signs shall be neatly prepared and shall be removed with 72 hours of the closing."

12. Coverings or wall to conceal

"Equipment, service yards, wood piles, storage piles and clotheslines shall be walled in or kept screened by adequate plantings or other means in such a manner to conceal them from view of neighboring lots, roads and streets."

13. No storage of anything that will affect occupants of surrounding properties

"No lot shall be used in whole or part for the storage of rubbish of any character whatsoever nor for the storage of any property or thing that will cause such lot to appear in an unclean or untidy condition or that will be obnoxious otherwise. No noxious or offensive activity shall be carried on upon any lot nor shall anything be done, placed or stored thereon which may be or become an annoyance or nuisance to the neighborhood or occasion any noise or odor which will or might disturb the peace, quiet, comfort or serenity of the occupants of the surrounding properties."

All equipment for the storage or disposal of garbage or other waste shall be kept in a clean and sanitary condition. No container shall be kept at any time in view of any other lot or street but shall be buried with its top flush with the established grade or enclosed by an approved wall, fence or other structure with the exception of curbside placement for removal by trash collectors, not to exceed placement earlier than sunset the night before said pickup."

14. Weeds and overgrowth & no storage in alleyways

"All lots and adjacent easements must be kept neat and clear of weeds. If the owner of the lot does not comply, the Association may remove or cause to be removed said weeds, in which event the owner shall be obligated to reimburse the Association for expenses thereof. Nothing of any nature may be stored in alleyways or easements."

15. Animals & Animal Control

"No bees, cattle, sheep, goats, pigs, rabbits, poultry or other non-domestic animals, or other livestock shall be kept or maintained, to include the feeding there, on any part of said property. This restriction shall not be construed, however to prohibiting the keeping of a reasonable number of ordinary domestic pets upon said property. All owners of domestic pets must control barking and keep their animals on a leash when off the owner's property [County Ordinance]. Owners must clean up all droppings [County Ordinance] so as not to be offensive to other owners. Property owners are responsible for notifying renters of these conditions either directly or through their realtor or rental agent."

16. R V storage regulations. Number of vehicles {amendment}

"No recreational vehicle, boat, trailer or travel trailer may be parked or stored within a carport or on any part of any lot. Recreational vehicles belonging to the owner or guest of the owner may be parked on the driveway of the owner's property for a period not to exceed 72 continuous hours for the purpose of loading and unloading.

One additional passenger vehicle per vehicle space of a carport or garage may be parked without a time limit on the driveway outside said carport or garage. Under this condition a van will be considered a passenger vehicle if the van can enter and fit completely within the covered carport or garage. One additional passenger vehicle may be parked in an area approved by the Board of Directors.

17. Architectural approval of structures, etc

"No future resident building shall be erected, permitted or maintained on any of said residential sites, which shall have an interior ground floor area less than 1,000 square feet of living space. Interior precludes porches, patios, carports or garages.

All building plans for any building, wall, fence, coping or other structure whatsoever to be erected on or moved upon or to any part of said property, and the proposed location thereof on any lot thereof, and any remodeling, reconstruction, alteration or additions to any building or other structure on any lot on said property shall be subject to approval of the Architectural Committee. Awnings, sunshades, and major landscaping shall require approval of the Architectural Committee.

- a. Before any property owner shall commence with building, remodeling, landscaping, painting/repainting or erecting any wall, fence or coping he shall submit plans and specifications, along with locations noted, to the Architectural Committee. The Architectural Committee shall either approve or disapprove said plans and specifications within 30 days of receipt thereof. One set of plans and specifications along with approval or disapproval endorsement shall be delivered to said owner, and another copy filed with the Architectural Committee. If the Architectural Committee shall fail to respond with its approval or disapproval within said 30 day, this paragraph shall be deemed waived.
- b. The Architectural Committee shall have the right to disapprove any plans and specifications submitted to them as aforesaid if said plans and specifications are not in accordance with these CC&Rs or if designs or color schemes are not in harmony with the general surrounding area, buildings or structures. The decision of the Committee shall be final.
- c. The Architectural Review Committee reserves the right to require the homeowner to halt any and all work being performed either by the homeowner and/or his contractor for which an application has not been approved and which is deemed unsuitable, undesirable, or in violation of the CC&Rs.
- d. The Architectural Committee shall not be held responsible in any way for any defects in any plans or specifications submitted in accordance with the foregoing, not for any structural defects in any building or structure erected in accordance with such plans and specifications.
- e. In the event of death or resignation of any member of the Committee, the FPOA Board of Directors shall have full authority to designate a successor. Neither the member of the Committee nor its representatives shall be entitled to any compensation for services performed."

18. Location of structures according to lot lines. Lighting restrictions amendments

"No buildings, carports, or other structure, other than walls or fences, shall be located on any lot nearer to the front lot line than 20 feet, the exception being a lot on a cul-de-sac on which the set back shall be no less than 10 feet. Other set-backs shall be 8 feet to all side lot lines and 15 feet to the rear lot line with the exception of walls and fencing. On Lot 128 a building may be located within a minimum of 4 feet from the side lot line."

No wall shall be higher than 6 feet above the finished ground line at any point

No variances granted by the Pima County Zoning Department will be permitted unless the Architectural Committee has previously approved them.

For the purposes of these CC&Rs, original eaves, steps and open porches shall not be considered as part of a building, provided, however that this shall not be construed as to permit any portion of a building on a lot to encroach upon another lot.

Landscape and security lighting must be so located and directed as not to infringe on a neighbor's house or yard. The light must be directed down and must not disrupt the view or comfort of a neighbor. A light, for the purpose of general illumination, must be installed in the front of each residence. Such a light must function during all hours of darkness."

19. Architectural rules concerning plantings. walls. fence. etc.

"No wall, coping, fence or landscaping may be erected except upon specific approval by the Architectural Committee. No fence, wall, hedge or shrub planting which obstructs vehicle sight lines shall be placed or permitted to remain on any corner. No trees or shrubs may obstruct sidewalk use. Planting of the following trees shall not be permitted because of their eventual size: Pine, Eucalyptus, Mulberry, Poplar, Cottonwood and Sycamore. Olive trees are discouraged because of the pollen they produce."

20. Alley & Easements concerning limiting water drainage

"Easements for installation and maintenance of drainage facilities are reserved as shown on the recorded plat and over the rear side five feet of each lot. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may change direction of flow of drainage channels in the easement, or which may obstruct or retard the flow of water through drainage channels or swales in the easements. The easement area of each lot and all improvements in it shall be maintained continuously by the owner of the lot."

21. Amateur radio antenna

"No amateur radio antenna shall be erected and maintained on any lot without the written approval of the Architectural Committee.

22. Mailboxes

"No mailboxes shall be erected or maintained on any lot or any other dedicated or public areas."

23. CC&Rs shall be binding

"All CC&Rs herein shall be binding on all lots and parcels of real estate and the owners thereof, regardless of the source of title of such owners. Any breach of the CC&Rs if continued for a period of thirty days after the date that the property owner shall have been notified in writing, shall warrant the FPOA to apply to any court of law having jurisdiction for relief.

It is the obligation of the seller of any property to disclose to the purchaser any alterations or improvements that may be in violation of the CC&Rs. The FPOA has the right to take action against the purchaser for violations apparent at the time of purchase. "

24. No rights or waivers against GV FPOA

"No delay or omission on the part of the FPOA or the owner of any parcel in the said property in exercising any right, power or remedy herein provided for in the event of any breach of any of the CC&Rs herein contained, shall be construed as a waiver thereof and no right of action shall accrue nor shall any action be brought or maintained by anyone whomsoever against FPOA for or on account of its failure to exercise any right, power, or remedy herein."

25. CC& Rs to run with the land until January 1, 2010

"The aforesaid CC&Rs, and each and all thereof, shall run with the land and continue and remain in full force and effect at all times and against persons until January 1, 2010, at which time said CC&Rs shall be automatically extended for successive periods of ten years unless by a majority vote of the owners' ballots returned by mail, it is agreed to change the said CC& Rs in whole or part."

ARTICLES OF INCORPORATION OF
GREEN VALLEY FAIRWAYS PROPERTY OWNERS ASSOCIATION

Adopted June 2, 1966

Filed with the Arizona Corporation Commission June 24, 1966

Amended November 27, 1967; March 4, 1968; January 6, 1971; November 8, 1976;
November 7, 1977, November 8, 1982; November 29, 1988; and November 10, 1997

KNOW ALL MEN BY THESE PRESENTS: That we, the undersigned, residents of the State of Arizona, members of the Green Valley Property Owners Association, an unincorporated association established under the provisions of the recorded Declaration of Establishment of Conditions and Restrictions applicable to Green Valley Fairways Subdivisions Units #1, #2, and #3 respectively, pursuant to the provisions of Article XVI, Title 10, Arizona Revised Statutes Annotated, do hereby adopt the following Articles of Incorporation.

ARTICLE I
NAME

The NAME of the Corporation shall be:

GREEN VALLEY FAIRWAYS PROPERTY OWNERS ASSOCIATION

ARTICLE II
INCORPORATORS

The names and addresses of the incorporators are:

G. W. Breiel, 388 Santa Cruz, Green Valley, Arizona Forrest M.
Bucher, 393 Los Rincones, Green Valley, Arizona John W. Dunn, 347
Santa Cruz, Green Valley, Arizona Don M. Finch, 193 Los Arcos,
Green Valley, Arizona Charles F. Grey, 103 La Soledad, Green
Valley, Arizona Albert J. Parker, 415 Vista Del Rio, Green Valley,
Arizona Harold E. Pinches, 133 Los Arcos, Green Valley, Arizona H.
L. Sandin, 181 Los Arcos, Green Valley, Arizona Thomas D. Welch,
288 Los Rincones, Green Valley, Arizona

ARTICLE III PLACE
OF BUSINESS

The principal office for the transaction of business of the Corporation shall be Green
Valley, Pima County, Arizona.

ARTICLE IV
TIME OF COMMENCEMENT

The time of commencement of this Corporation shall be the date on which the Certificate of
Incorporation is issued by the Arizona Corporation Commission and it shall have perpetual
existence.

ARTICLE V OF CORPORATION

The objects of the Corporation are to promote the recreation, health, safety and welfare of the residents of Green Valley Fairways, Unit No.1, as recorded in the Book of Maps and Plats, Book 16, Page 94, in the office of the County Recorder, Pima County, Arizona, and Green Valley Fairways, Unit No.2, as recorded in the Book of Maps and Plats, Book 17, Page 97, in the office of the County Recorder, Pima County, Arizona, and Green Valley Fairways, Unit No. 3, as recorded in the Book of Maps and Plats, Book 18, Page 51, in the office of the County Recorder, Pima County, Arizona, and the residents of other properties as may hereafter be made legally subject to the jurisdiction of the Corporation as provided in Article VI hereof, all of which property is hereafter referred to as "The Properties". In support of, and to aid in the accomplishment of the objects for which this Corporation is organized, The Corporation may do any or all of the following:

1. Enforce any and all covenants, restrictions and agreements applicable to any or all lots within the Properties.
2. Own, acquire, build, operate and maintain real and personal property including but not limited to recreation parks, swimming pools, golf courses, commons, streets, footways, including buildings, structures; personal properties incident thereto, hereinafter referred to as the common properties and facilities.
3. Provide general services, such as fire and police protection and garbage and trash collection.
4. Fix assessments against the properties of the members.
5. Pay taxes, if any, on the common properties and facilities.
6. Do any other thing that, in the opinion of the Board of Directors, will promote the common benefit, welfare and enjoyment of the residents of The Properties.
7. The Corporation shall have the power to do all things necessary for the accomplishment of any of the objectives herein enumerated, and is to have the same power in such respect as any ordinary individual might have; and the enumeration of anyone or more of the powers set forth in these Articles shall not be construed as a limitation upon other powers which might be reasonably implied from the language used herein.

ARTICLE VI ADDITIONS TO THE PROPERTIES

Other Green Valley units, as may hereafter be developed in Green Valley, Arizona, pursuant to the terms and conditions of the Declaration of Establishment of Conditions and Restrictions, hereinafter referred to as "Deed Restrictions," applicable to each such future Green Valley Subdivision and recorded prior to the sale of any lot therein, may be added to the Properties and made legally subject to the jurisdiction of this Corporation, provided that each such addition and extension of jurisdiction shall receive the assent of two-thirds (2/3) of the votes of the members

present in person or by proxy at a special meeting or annual meeting duly called for this purpose in accordance with the By-Laws of this Corporation and subject to the provisions of Article XIX hereof.

ARTICLE VII MEMBERSHIP

SECTION 1. There shall be no capital stock of the Corporation; participation shall be limited to membership in the Corporation as provided for in Section 2 hereof.

SECTION 2. Every person of legal entity, except the developers, who is a record owner of any lot, in fee simple, to any Green Valley Subdivision subject to the jurisdiction of this Corporation, shall be a member.

SECTION 3. Each member in good standing shall be entitled to one vote for each lot owned in fee simple title; provided that if more than one member is the owner of a single lot, said joint owners shall be entitled to one vote. Fractional votes shall not be recognized.

SECTION 4. The rights and privileges of membership are subject to the payment of annual and special assessments levied by the Corporation, the obligation of which assessments is imposed against each owner of, and becomes a lien upon the property against which such assessments are made as provided by the Deed Restrictions to which the Properties are subject.

SECTION 5. The rights and privileges of a member shall be suspended when any assessment of his is delinquent for more than thirty (30) days; however, upon payment of such assessments, he shall become a member in good standing and his rights and privileges shall be automatically restored.

ARTICLE VIII ASSESSMENTS

SECTION 1. Membership in the Corporation shall pay an assessment of ONE DOLLAR (\$1.00) per calendar year, per lot, unless said amount is changed by a majority vote of the members present, in person and by proxy, at annual or special meetings of the membership.

SECTION 2. The Board of Directors may assess a special assessment for the purpose of defraying in whole or part the cost of any construction or reconstruction, repair or replacement of the common properties, subject to approval of a two-thirds (2/3) vote of the members present or by proxy at a special meeting or annual meeting called for this purpose, subject, however, to the provisions of Article XIX hereof.

ARTICLE IX OFFICERS

SECTION 1. The officers of the Corporation shall consist of a President, a Vice-President, a Secretary and a Treasurer, and such other officers as may be determined from time to time by the Board of Directors of the Corporation. Such officers shall be elected at the first meeting of the Board of Directors. Officers shall serve for one year but may be re-elected.

3/25/2004

SECTION 2. If an officer is either unable or unwilling to act as an officer, the remaining Board of Directors shall elect a replacement to serve the balance of the term of office.

ARTICLE X BOARD OF DIRECTORS

SECTION 1. The affairs of this Corporation shall be conducted by the Board of Directors consisting of nine (9) persons, three (3) persons shall be elected for a term three (3) years, three (3) persons to be elected for a term of two (2) years, and three (3) persons to be elected to a term of one (1) year. At the first annual election by the members from among their number, and at each annual election thereafter, three (3) persons shall be elected to the Board of Directors for a term of three (3) years. Such Directors shall serve for the term for which they are elected or until their successors are elected and qualified.

SECTION 2. At a pre-organization election held the 16th day of April, 1966, the first Board of Directors was elected to serve until the first annual election to be held on the first Monday of March 1967, to wit: G. W. Breiel, Forrest M. Bucher, John W. Dunn, Don M. Finch, Charles F. Grey, Albert J. Parker, Harold E. Pinchas, H. L. Sandin and Thomas D. Welch.

SECTION 3. The first annual election shall be held during the first annual meeting. Thereafter each annual election shall be held as described in Article III of the by-laws. If the day of the annual meeting of the members shall fall upon a holiday, the meeting may be held at the same hour on the first day following which is not a holiday.

Notwithstanding the foregoing, should the Board of Directors determine that due to scheduling conflicts or other significant impracticality, the annual meeting cannot be held on the date provided above, then the Board of Directors shall give written notice of the cancellation of said scheduled meeting date and the new date established for the annual meeting for the year in question. Notice of the cancellation and rescheduling of the annual meeting shall be given as required pursuant to Arizona law, with notice mailed or delivered not less than 10 nor more than 50 days before the date of the meeting.

SECTION 4. If a Director is either unable or unwilling to act as a director, the remaining members of the Board of Directors shall elect a replacement to serve for the balance of the unexpired term of office.

ARTICLE XI LIABILITY

The maximum liability of the Corporation, including the principal amount of mortgages outstanding at any time, shall not exceed One Hundred Dollars (\$100.00) multiplied by the number of lots under the jurisdiction of this Corporation. Said maximum liability may be exceeded if approved by a two-thirds (2/3) vote of the members present or by proxy at a special or annual meeting called for this purpose, subject, however, to the provisions of Article XIX hereof.

ARTICLE XII
ORGANIZED NOT FOR PROFIT

This Corporation is not organized with pecuniary profit as its objective and the members thereof shall have no individual or separate interests in any of the property, assets or profits of the Corporation.

ARTICLE XIII
LIABILITY OF MEMBERS

The private property of the members of the Corporation shall forever be exempt from corporate debts and no member or officer shall be individually liable or responsible for any debts or liabilities of the Corporation.

ARTICLE XIV
AMENDMENTS OF BY-LAWS

The By-Laws of this Corporation may be amended only in accordance with the By-Laws and no amendment of the By-Laws shall be in direct conflict with the Article of Incorporation or with the Deed Restrictions applicable to The Properties.

ARTICLE XV
AMENDMENTS TO THE ARTICLES OF INCORPORATION

The Articles may' be amended in accordance with the law of Arizona, provided that no amendment shall impair or dilute any right of members that are granted by the recorded Deed Restrictions applicable to The Properties.

ARTICLE XVI
MERGER

Subject to the provisions and conditions of Deed Restrictions recorded as to Green Valley Subdivisions and to the extent permitted by law, this Corporation may participate in mergers and consolidations with other non-profit corporations organized for the. Same or similar purposes provided that any such merger or consolidation shall have the assent of two-thirds (2/3) of the votes of the members. in person or by proxy at a special meeting or annual meeting duly called for this purpose, and subject to the provisions of Article XIX hereof.

ARTICLE XVII
DEDICATION OF PROPERTIES OR TRANSFER OF FUNCTION TO PUBLIC AGENCY OR
UTILITY

The Corporation shall have power to dispose of its real property, subject to provisions of the recorded Deed Restrictions, by dedication or transfer to all or any part of said real property to any public agency or utility for such purposes and, subject to such conditions as may be agreed to by members, provided that no such dedication, transfer, purpose or condition thereof, shall be effective unless approved by two-thirds (2/3) of the members present or by proxy at a special or annual meeting called for this purpose, subject, however, to the provisions of Article XIX thereof.

ARTICLE XVIII

RULES AND REGULATIONS

SECTION 1. The Corporation may, insofar as permitted by law, establish, modify, alter and enforce such rules and regulations as may be necessary to promote and sustain the stated objects. and purposes for which this Corporation is organized, provided that any such rule may not abrogate any easement, covenant or restriction imposed on any property by Deed Restriction of record.

SECTION 2. Where the conditions imposed on members of the Corporation by any rule or regulation properly adopted by the Corporation, under procedures and voting requirements set forth in the By-Laws of the Corporation, upon the design, character or use of land, buildings or structures, are more restrictive than comparable conditions imposed by Deed Restrictions of record, the rule or regulation which is more restrictive or which imposes higher standard or requirement shall prevail provided that such rule or regulation shall not be retroactive.

SECTION 3. Amendments to the Deed Restrictions, in keeping with the above restrictions, must be approved by a majority of members present in person or by proxy at a special meeting or annual meeting duly called for this purpose.

ARTICLE XIX QUORUM REQUIREMENTS

The quorum required for any action of the Corporation governed by the Articles of Incorporation, with specific reference to this particular Article shall be as follows:

At special or annual meetings, the presence of members, or of proxies, entitled to cast twenty-five percent (25%) of the votes of membership shall constitute a quorum. If the required quorum is not forthcoming at said first meeting, another meeting may be called within sixty (60) days, subject to the same notice requirements as for the preceding meeting, and the required quorum at any subsequent meeting shall be one-half (1/2) of the quorum required at the preceding meeting.

ARTICLE XX REGISTERED AGENT

Robert Royal, 705 Arizona Land Title Building, Tucson, Pima County, Arizona, who has been a bona fide resident of the State of Arizona for at least three (3) years immediately prior to the date of the signing of these Articles, is hereby appointed the lawful agent of this Corporation, for and on behalf of this Corporation to accept and acknowledge services of and upon whom may be served all necessary process in action, suit or proceeding that may be had or brought against the said Corporation in any of the courts in the State of Arizona, and for all other purposes as may be required by law. The Board of Directors of this Corporation may revoke this appointment at any time and shall have full power to fill the vacancy in such position.

ARTICLE XXI
VOTING BY MAIL

Any business which may be conducted at an annual or special meeting of the Corporation, with the exception of Amendments to the Articles of Incorporation and amendments to the Deed Restrictions, may be submitted to the membership by the Board of Directors allowing at least twenty (20), but not more than thirty (30) days, for the return of ballots. A simple majority of the return be necessary for any such business to be adopted except for business affected by Article XVIII of these Articles of Incorporation.

Notice shall be given to the membership by sending a copy of the notice through the mail; mailing may be by third class mail

ARTICLE XXII
LIMITATION OF DIRECTORS' LIABILITY

The directors of the Corporation shall be eliminated from liability to the Corporation or its members for monetary damages for breach of fiduciary duty as a Director, except upon the occurrence of any of the following:

- (a) Any breach of the Directors' duty or loyalty to the Corporation or its members.
- (b) Act or omissions which are not in good faith or which involve intentional misconduct or knowing violation of law.
- (c) A violation of A.R.S. 10-1026
- (d) Any transaction from which the Director derived an improper personal benefit. (e)
A violation of A.R.S. 10-1097

BY-LAWS
GREEN VALLEY FAIRWAYS PROPERTY OWNERS ASSOCIATION
ADOPTED JUNE 2, 1966 AMENDED JANUARY 6, 1971, NOVEMBER 10, 1997.

ARTICLE I
DEFINITIONS

SECTION 1. "Corporation" shall mean and refer to the Green Valley Fairways Property Owners Association, a non-profit corporation organized and existing under the laws of the State of Arizona.

SECTION 2. "The Properties" shall mean and refer to the Green Valley Fairways Unit No.1, as recorded on the Book of Maps and Plats, Book 16, Page 94, in the office of the County Recorder, Pima County, Arizona and Green Valley Fairways Unit No.2, as recorded on the Book of Maps and Plats, Book 17, Page 97, in the office of the County Recorder, Pima County, Arizona and Green Valley Fairways Unit No.3, as recorded on the Book of Maps and Plats, Book 18, Page 51, in the office of the County Recorder, Pima County, Arizona and such other Green Valley Subdivisions as may hereafter be developed at Green Valley Arizona, and made legally subject to the jurisdiction of this Corporation pursuant to the provisions of Article VI of the Articles of Incorporation of the Corporation.

SECTION 3. "Common Properties" shall mean and refer to parks, playgrounds, swimming pools, golf courses, commons, streets, footways, including buildings, structures, personal properties incident thereto, and any other properties owned and maintained by the Corporation for the common benefit and enjoyment of the members of the Corporation.

SECTION 4. "Deed Restrictions" shall mean and refer to the Declaration of Establishment of Conditions and Restrictions, hereto recorded as to Green Valley Fairways Unit No.1, Unit No.2, and Unit No.3 and to be recorded hereafter as to such other Green Valley Subdivisions as may be brought under the jurisdiction of this Corporation.

ARTICLE II
PROPERTY RIGHTS AND RIGHTS OF ENJOYMENT OF COMMON PROPERTY

SECTION 1. Each member shall be entitled to the use and enjoyment of the common properties and facilities as provided by the Deed Restrictions applicable to The Properties, the Articles and the By-Laws of the Corporation.

SECTION 2. Any member may delegate his rights of enjoyment in the common properties and facilities to the members of his family who reside upon the Properties or to any of his tenants who reside therein under a leasehold interest. Such member shall notify the Secretary in writing of the name of any such person and of the relationship of the member to such person. The rights and privileges of such person are subject to suspension to the same extent as those of the member.

SECTION 3. If the Directors have adopted and published rules and regulations governing the use of the common properties and facilities, and the personal conduct of any person thereon, as provided in Article IV, Section 1, (d), they may, in their discretion, suspend the rights of any such person for violation of such rules and regulations for a period not to exceed thirty (30) days.

ARTICLE III
ELECTION OF DIRECTORS; NOMINATION COMMITTEE; ELECTION COMMITTEE

SECTION 1. Election to the Board of Directors shall be by written ballot. At such election the members or their proxies may cast the number of votes equal to the number of offices to be filled multiplied by the number of lots and/or home sites owned in fee simple title. The persons receiving the largest number of votes for each office shall be elected.

SECTION 2. Nominations for election to the Board of Directors shall be made by a Nominating Committee which shall be one of the Standing Committees of the Corporation.

SECTION 3. The Nominating Committee shall consist of a Chainman, who shall be a member of the Board of Directors, and two or more members of the Corporation.

SECTION 4. The Nominating Committee shall make as many nominations for the election to the Board of Directors as it shall in its discretion determine; but not less than the number of offices to be filled. Such nomination shall be made from among the members of the Corporation. Nominations shall close 37 days before the Annual Meeting.

SECTION 5. All elections to the Board of Directors shall be made on a written ballot, which shall be prepared in advance and contain:

- a. A description of the office to be filled.
- b. The name and detailed biography of those nominated by the Nominating Committee for such offices.
- c. Contain spaces for a write-in vote for members not nominated by the Nominating Committee. Such ballots shall be prepared and mailed by the Secretary to the members at least twenty five (25) days in advance of the date. Set forth therein for a return, which shall be a date not later than five (5) days before the annual meeting.

SECTION 6. At least thirty (30) days in advance of the Annual Meeting, each member of record in good standing shall separately be sent as many ballots as he has lots and/or home sites to vote. Notwithstanding that a member may be entitle to several votes, he shall exercise on anyone ballot only, the number of votes equal to the number of offices to be filled.

The completed ballot or ballots shall be returned as follows: Each ballot shall be placed in a sealable envelope marked "Ballot", but not marked in any other way. Each such "Ballot" envelope shall contain only one ballot and the members shall be advised that because of the verification procedures of Section VII, the inclusion of more than one ballot in anyone "Ballot" envelope shall disqualify the return. Such "Ballot" envelope of envelopes (if a member or his proxy is exercising more than one vote) shall be placed in another sealable envelope addressed to the Secretary, which shall bear on its face a prefixed label showing the name of the owner or owners, address and lot number. The mailing envelope shall be returned to the following address: Secretary, Fairways Property Owners Association, P.O. Box 28, Green Valley, AZ 85622-0028.

SECTION 7. Upon the receipt of each completed ballot, the Secretary shall immediately place it in a safe or other locked place until the day set for the counting of ballots. On that day, the external envelopes containing the "Ballot" envelopes shall be given, unopened, to an Election Committee which shall consist of five members appointed by the Board of Directors. The Election Committee shall then adopt a procedure, which shall:

- a. Establish that the number of envelopes marked "Ballot" corresponds to the number of votes allowed to the member or his proxy identified on the outside envelope containing them, and
- b. If the vote is by proxy and the proxy has been filed with the Secretary as provided in Article IX, Section 21, and that such proxy is valid. Such procedure shall be taken in such manner that the vote of any member or his proxy shall not be disclosed.
- c. The outside envelopes shall thereupon be placed in a safe or other locked place and the Election Committee shall proceed to the opening of the "Ballot" envelopes and the counting of votes.

If any "Ballot" envelope is found to contain more than one ballot, all ballots contained in such envelope shall be disqualified and shall not be counted. The results of the election shall be announced at the Annual Meeting and unless a review of the procedure is demanded by the members present, the ballots and the outside envelopes shall be destroyed.

ARTICLE IV POWERS AND DUTIES OF THE BOARD OF DIRECTORS

SECTION 1. The Board of Directors shall have power:

- a. To call special meetings of the Corporation whenever it deems necessary or upon written request of one-tenth ($11/10$) of the voting membership, as provided in Article VIII, Section 2, to appoint or remove at pleasure all officers, agents and employees of the Corporation, prescribe their duties, fix their compensation, and require of them such security or fidelity bond as it may deem expedient. Nothing contained in these By-Laws shall be construed to prohibit the employment of any Member, Officer or Director of the Corporation in any Manner whatsoever,
- b. To establish, assess and collect assessments or charges,
- c. To adopt and publish rules and regulations governing the use of common properties and facilities and the personal conduct of the members and their guests thereon,
- d. To exercise for the corporation, all powers, duties and authority vested in or delegated to this corporation except those reserved to the members.
- e. In the event that any member of the Board of Directors of this Corporation shall be absent from five (5) consecutive regular meetings of the Board of Directors, the Board may by action taken at the meeting during which a fifth consecutive absence occurs, declare the office of said absent director to be vacant.

SECTION 2. It shall be the duty of the Board of Directors:

- a. To cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to members at the Annual Meeting of the Corporation.
- b. To supervise all officers, agents and employees of this Corporation and to see that their duties are properly performed,
- c. In relation to assessments:
 - (1) Prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the Corporation and shall be open to inspection by any member,
 - (2) Send written notice of each assessment to every owners subject thereto.
- d. To issue upon demand by any member a certificate setting forth whether any assessment has been paid. Such certificate shall be conclusive evidence of any assessment therein stated to have been paid.

ARTICLE V DIRECTORS' MEETINGS

SECTION 1. A regular meeting of the Board of Directors shall be held at least once a calendar month. Regular meetings in June, July and August may be suspended by a 2/3 vote of the Board of Directors.

SECTION 2. Notice of such regular meeting is hereby dispensed with. If the day for the regular meeting shall fall upon a holiday, the meeting may be held at the same hour on the first day following which is not a holiday and no notice thereof need be given.

SECTION 3. Special meeting of the Board of Directors shall be held when called by the President, the Vice-President or by any two Directors after three (3) days notice to each Director.

SECTION 4. The transaction of any business at any meeting of the Board of Directors, however called and noticed, or wherever held, shall be as valid as though made at a meeting duly held after regular call and notice if a quorum is present, and if either before or after the meeting, each of the Directors not present signs a written waiver of notice, or a consent to the holding of such a meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with corporate records and made part of the minutes of the meeting.

SECTION 5. The majority of the Board of Directors shall constitute a quorum thereof.

ARTICLE VI
. OFFICERS

SECTION 1. The Officers shall be a President, a Vice-President~ a Secretary, and a Treasurer elected from the members of the Board of Directors.

SECTION 2. The Officers shall be elected by a majority vote of the Directors.

SECTION 3. All Officers shall hold office at the pleasure of the Board of Directors.

SECTION 4. The President shall preside at all meetings of the Board of Directors, shall see that orders and resolutions of the Board of Directors are carried out and sign all notes, checks, leases, mortgages, deeds and all other written instruments.

SECTION 5. The Vice-President shall perform all the duties of the President in his absence.

SECTION 6. The Secretary shall be ex-officio the Secretary of the Board of Directors, shall record the votes and keep the minutes of all proceedings in a book to be kept for the purpose. He/she shall sign all certificates of membership. He/she shall keep the records of the Corporation. He/she shall record in a book kept for that purpose the names of all members of the Corporation together with their addresses as registered by such members.

SECTION 7. The Treasurer shall receive and deposit in bank accounts all monies of the Corporation and shall disburse such funds as directed by resolution of the Board of Directors, provided however, that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of the budget adopted by the board. The Treasurer or, in his absence, an Assistant Treasurer appointed by the Board, shall sign all checks and notes of the Corporation, provided that such checks and notes shall also be signed by the President or the Vice-President.

SECTION 8. The Treasurer shall keep proper books of account and submit the Corporation books to an audit .at the completion of each calendar year. He shall prepare an annual budget and an annual balance sheet statement and the budget and balance sheet statement shall be presented to the membership at its regular meeting.

ARTICLE VII
COMMITTEES

SECTION 1. The standing committees of the Corporation shall be:

The Nominating Committee

The Architectural Control/Deed Adherence / Maintenance Committee

The Policy/Publicity Records Review Committee

Unless otherwise provided herein, each Committee shall consist of a Chairperson and at least two members, all of whom are currently members of the Board of Directors. Fairways Property Owners in good standing may be appointed by the Board. Committees shall be appointed by the Board of Directors within thirty (30) days following the annual meeting. Committee members serve until successors are appointed.

SECTION 2. The Nominating Committee shall have the duties and functions described in Article III of the By-Laws.

SECTION 3. The Architectural Control/Deed Adherence/Maintenance Committee shall be chaired by the President of the Board. The Architectural Control officers, Deed Adherence officer and Maintenance officer and at least one other Director shall be members of this committee.

- a. Approval or disapproval of plans and specifications for the first residence and any other associated structures to be erected on any lot, and any action relative thereto, shall be the function and duty of the Developer's Architectural Committee established pursuant to the recorded Deed residence has been taken over Restrictions. When said by a bona-fide purchaser, the duties and functions of said Architectural Committee with respect to such lot and any structure thereon shall pass automatically, by assignment and delegation pursuant to the Deed Restrictions, to this Corporation.
- b. Thereafter, on any such lot, no building, fence, wall or other structure shall be commenced, erected or maintained, nor shall any exterior addition to or a change be made until the plans and specifications showing the nature, kind, shape, height, materials and location in relation to surrounding structures and topography by the Architectural Control/Deed Adherence Maintenance Committee and/or the Board of Directors. In the event said Board, or its designated Committee, fail to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, or in any event, if no action to enjoin an addition, alteration or change has been instituted prior to the completion thereof, this Article will be deemed to have been fully complied with.
- c. The architectural Control/Deed Adherence/Maintenance Committee shall watch for any proposals, programs and activities which may adversely affect the residential value of the properties or which may be in violation of any provisions in the recorded Deed Restrictions and shall advise the Board of Directors regarding such matters.
- d. The Committee shall advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the properties and facilities available to members of the Corporation and shall perform such other functions as the Board, in its discretion, determines ..

SECTION 4. The Policy/Publicity/Records Review Committee shall be chaired by the Vice-President

- a. The Policy/Publicity/Records Review Committee shall inform the members of all activities and functions of the Corporation and shall make public releases and announcements as are in the interest of the Corporation. It shall publish "News & Views", the official publication of the Corporation.
- b. The Committee shall examine all the files, records and documents of the Corporation, list those which should be kept and destroy obsolete and useless material with the concurrence of the Board. It shall maintain this review and report periodically to the Board.
- c. The Committee shall review past minutes of the Board for policy decision and create and maintain a reference list of such policies. It shall maintain this review and report periodically to the Board.

SECTION 5. With the exception of the Nominating Committee, each committee shall have the power to appoint a sub-committee from among its membership and may delegate to any said sub-committee any of its duties, powers and functions.

SECTION 6. It shall be the duty of each committee to receive complaints from members involving Corporation functions, duties and activities within the field of its responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other committee, Director or Officer of the Corporation who would be further concerned with the matter presented. A report shall be submitted to the Board on all complaints and actions taken thereon.

ARTICLE VIII MEETINGS OF MEMBERS

SECTION 1. The regular annual meeting of the members shall be held in February of each year. Notwithstanding the foregoing, should the Board of Directors determine that due to scheduling conflicts or other significant impracticality, the annual meeting cannot be held on the date provided above, then the Board of Directors shall give written notice of the cancellation of said scheduled meeting date and of the new date established for the annual meeting for the year in question. Notice of the cancellation and rescheduling of the annual meeting shall be given as required pursuant to Arizona law, with notice mailed or delivered not less than 10 not more than 50 days before the date of the meeting.

SECTION 2. Special meetings of the members for any purpose may be called at any time by either the President, the Vice-President or by a majority of the Board of Directors, or upon written request of the members who have a right to vote one-tenth (1/10) of all of the votes of the entire membership.

SECTION 3. Members shall be informed of meetings by sending a copy of the notice through the mail; Mailing may be by third class mail.

SECTION 4. At annual meetings, and any special meetings held to act on matters governed by the Articles of Incorporation, quorum requirements shall be as provided in Article XIX of said Articles. At all other meetings, the presence of not less than one tenth (1/10) of the then current membership, in person and by proxy, shall constitute a quorum.

ARTICLE IX PROXIES

SECTION 1. At all corporate meetings of members, each member may vote in person or by proxy.

SECTION 2. All proxies shall be in writing and filed with the Secretary. No proxy shall extend beyond a period of twelve (12) months, and every proxy shall automatically cease upon sale by the member of his home or other interest in the Properties.

ARTICLE X BOOKS AND PAPERS

The books, records and papers of the Corporation, shall at all times, during reasonable business hours, be subject to inspection by any member.

ARTICLE XI
AMENDMENTS

SECTION 1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of the members present or by proxy, provided that all amendments are consistent with the Articles of Incorporation and the recorded Deed Restrictions.

SECTION 2. In the case of any conflict of the Articles of Incorporation and these B-Laws, the Articles shall control: and in the case of any conflict between the Deed Restrictions applicable to the Properties and these By-Laws, the Deed Restrictions shall control.