

Gilbert Heights Owners Association  
3400 N. Arizona Ave. # 114  
Chandler, AZ 85224

Proposed By-Law Amendment

It is proposed that Article III, Board of Directors, Section 3.1 of the By-Laws be amended to read as follows:

“TERM OF OFFICE. The initial members of the Board shall hold office as follows: three (3) shall serve for one (1) year and two (2) shall serve for two (2) years. The Directors shall serve staggered terms as follows: The two directors receiving the most votes shall serve a two-year term and the remaining Directors shall serve a one-year term. Thereafter, all Directors shall be elected to a two-year term to replace the outgoing Directors. At the Annual Meeting of the Membership, the Board members' successors are elected and qualified. The eligible Members, in person or by proxy, may cast as many votes as they are entitled to exercise under the provisions of the Declaration. All elections and appointments of Directors under these By-Laws shall be for such terms as will preserve the staggering of terms as provided herein. There shall be no limit to the number of terms to which a member of the Board may be re-elected.”

Amendment approved at a meeting held October 18, 1995.

## ARTICLE 4

### PERMITTED USES AND RESTRICTIONS

4.1. Residential Use. All Lots shall be used, improved and devoted exclusively to Single Family Residential Use. No gainful occupation, profession, trade or other nonresidential use shall be conducted on any Lot.

#### 4.2. Animals.

(A) Except as provided in Subsections (B) and (C) of this Section, no animals, birds, fowl, poultry, or livestock, other than a reasonable number of generally recognized house or yard pets, shall be maintained on any Lot and then only if they are kept, bred or raised thereon solely as domestic pets and not for commercial purposes. No animal shall be allowed to make an unreasonable amount of noise, or to become a nuisance. No structure for the care, housing or confinement of any animal shall be maintained so as to be Visible from Neighboring Property. No Owner or any lessee or guest of an Owner shall permit any dog or other pet being kept on a Lot to relieve itself on another Owners' Lot. It shall be the responsibility of such Owner, lessee or guest to remove immediately any droppings from pets. No dog, cat or other pet shall be permitted to run at large, and each dog, cat or other pet shall be confined entirely to an owners' Lot except that a dog, cat or other pet shall be permitted to leave an owner's Lot if such dog, cat or other pet is at all times kept on a leash not to exceed six (6) feet in length and is under the direct control of the Owner.

(B) Subject to all applicable laws, ordinances, health codes and rules and regulations of all governmental entities and agencies having jurisdiction over the Project, not more than three horses may be kept on Lots 3, 4 or 5 or on Lots 8 through 15, inclusive. The horses shall be for personal use only, and there shall be no commercial breeding, raising or boarding of horses. All structures, buildings and other improvements with respect to the care and housing of horses must be approved in writing by the Architectural Committee. Any Owner who maintains horses on his Lot must care for the horses and maintain the facilities for the care and housing of the horses in a clean, neat and orderly fashion and in accordance with prevailing customs and methods so that the horses do not become a nuisance to other Owners and occupants of Lots in the Project.

(C) Horses and other animals except swine may be kept on Lot 1 of the Project if such horses and other animals are permitted under the applicable zoning ordinances of the municipality in which the Project is located. The horses and other animals must be kept in accordance with all applicable laws, ordinances, health codes and rules and regulations of all governmental entities and agencies having jurisdiction over Lot 1. The horses and other animals shall be for personal use only, and there shall be no commercial breeding, raising or boarding of horses or other animals. All structures, buildings and other improvements with respect to the care and housing of horses and other animals on Lot 1 must be approved in writing by the Architectural Committee. The owner of Lot 1 must care for the horses and other animals and maintain the facilities for the care and housing of the horses and other animals in a clean, neat and orderly fashion and in accordance with prevailing customs and methods so that the horses and other animals do not become a nuisance to other owners and occupants of Lots in the Project.

4.3. Antennas. No antenna, satellite television dish antenna or other device for the transmission or reception of television or radio signals or any other form of electromagnetic radiation, including, but without limitation, Citizen's Band or Ham Radio signals shall be erected, used or maintained outdoors on any Lot without the prior written approval of the Architectural Committee. The Architectural Committee shall not have the authority to approve (i) any antenna unless the antenna is adequately screened so that it is not visible from neighboring property or (ii) any ham radio tower or antenna unless it is of the electrically or automatically raised type which shall be raised only when in use and lowered when not in use so as to not be visible from neighboring property.

4.4. Utility Service. No lines, wires, or other devices for the communication or transmission of electric current or power, including telephone, television, and radio signals, shall be erected, placed or maintained anywhere in or upon any Lot unless the same shall be contained in conduits or cables installed and maintained underground or concealed in, under or on buildings or other structures. No structure, landscaping or other improvement shall be placed, erected or maintained upon any area designated on the Plat as a public utility easement which may damage or interfere with the installation and maintenance of utilities or which may change the direction or flow of drainage channels in such easement areas or which may obstruct or retard the flow of water through drainage channels in such easement areas. Such public utility easement areas, and all improvements thereon, shall be

maintained by the Owner of the Lot on which the easement area is located unless such easement area is to be maintained by the utility company or a county, municipality or other public authority.

4.5. Temporary Occupancy. No trailer, basement of any incomplete building, tent, shack, garage or barn, and no temporary buildings or structure of any kind shall be used at any time for a residence on any Lot, either temporary or permanent. Temporary buildings or structures used during the construction of a residence or other structure on a Lot shall be removed immediately after the completion of construction.

4.6. Trucks, Trailers, Campers and Boats. No truck, mobile home, travel trailer, tent trailer, trailer, camper shell, detached camper, recreational vehicle, boat, boat trailer, or other similar equipment or vehicle may be parked, maintained, constructed, reconstructed or repaired on any Lot or Common Area so as to be Visible From Neighboring Property or from any street; except for (i) pickup trucks of less than 3/4 ton capacity with camper shells not exceeding seven (7) feet in height measured from ground level or to mini-motor homes not exceeding seven (7) feet in height and eighteen (18) feet in length which are parked as provided in this Declaration and the Association Rules and are used on a regular and recurring basis for basic transportation and (ii) temporary parking of vehicles by the guests and invitees of the Owner or tenant of a Lot subject to the Association Rules.

4.7. Motor Vehicles. Except for emergency vehicle repairs or temporary construction shelters or facilities maintained during, and used exclusively in connection with, the construction of any improvement approved by the Architectural Committee, no automobile, motorcycle, motorbike or other motor vehicle shall be constructed, reconstructed or repaired upon any Lot, Common Area or street, and no inoperable vehicle may be stored or parked on any Lot, Common Area or street, so as to be Visible From Neighboring Property or to be visible from any street. Except for the parking of motor vehicles by guests and invitees of the Owner or tenant of a Lot during such time as the guest or invitee is visiting the Owner or tenant, no automobile, motorcycle, motorbike, truck, camper, recreational vehicle or other motor vehicle and no mobile home, travel trailer, tent trailer, trailer, camper shell, detached camper, boat, boat trailer or other similar equipment or vehicle may be parked, kept or maintained on any street in the Project.

4.8. Nuisances. No nuisance shall be permitted to exist or operate upon any Lot so as to be offensive or detrimental to any other property in the vicinity thereof or to its occupant. Without limiting the generality of the foregoing provisions, no exterior speakers, horns, whistles, bells or other sound devices, except fire detection and security devices used exclusively for such purposes, shall be located, used or placed on any property.

4.9. Sight Distances at Intersection. No fence, wall hedge or shrub planting or other structure shall be placed or planted on corner Lots which obstructs sight lines at elevations between two and one half (2-1/2) feet and eight (8) feet above the top of the street edge within the triangular area formed by the junction of street edge lines and a line connecting such street edge lines at points thirty-five (35) feet from the junction of such street edge lines.

4.10. Landscaping and Ground Maintenance.

(A) All grass, hedges, shrubs, vines and plants of any type on each Lot shall be irrigated, mowed, trimmed and cut at regular intervals so as to be maintained in a neat and attractive manner. Trees, shrubs, vines, plants and grass which die shall be promptly removed and replaced with living foliage of like kind.

(B) All Residential Units shall be kept at all times in good condition and repair and in a sanitary, healthful, attractive and safe condition. All yard equipment or storage piles shall be kept screened by a walled service yard or similar facility, so as not to be Visible From Neighboring Property and streets. Woodpiles shall be stacked and neatly maintained.

4.11. Trash Containers and Collection. No garbage, rubbish or trash shall be placed or kept on any Lot except in covered containers. In no event shall such containers be maintained so as to be Visible From Neighboring Property except to make the same available for collection and then only for the shortest time reasonably necessary to effect such collection. No rubbish or debris of any kind shall be placed or permitted to accumulate upon or adjacent to any Lot, and no odors shall be permitted to arise therefrom so as to render any such property or any portion thereof unsanitary, unsightly, offensive or detrimental to any other property in the vicinity thereof or to its occupants. No incinerators shall be kept or maintained on any Lot.

4.12. Clothes Drying Facilities. Outside clothes-lines or other outside facilities for drying or airing clothes shall not be erected, placed or maintained on any Lot unless they are erected, placed or maintained in such a manner as to not be visible from Neighboring Property.

4.13. Encroachments. No tree, shrub, or planting of any kind on any Lot shall be allowed to overhang or otherwise to encroach upon any sidewalk, street, pedestrian way, or other area from ground level to a height of twelve (12) feet.

4.14. Machinery and Equipment. No machinery or equipment of any kind shall be placed, operated or maintained upon or adjacent to any Lot or Common Area except such machinery or equipment as is usual and customary in connection with the use, maintenance or repair of a Residential Unit, appurtenant structures, or other Improvements constructed by the Declarant or approved by the Architectural Committee.

4.15. Restriction on Further Subdivision. No Lot shall be further subdivided or separated into smaller lots or parcels by any Owner other than the Declarant, and no portion less than all of any such Lot shall be conveyed or transferred by any Owner other than the Declarant, but adjoining or contiguous Lots, or parts thereof, may be conveyed in such a manner as to create parcels of land in common ownership as long as each parcel created has the same or greater street frontage as the Lot, or part thereof, which had the least street frontage of the Lots, or parts thereof, conveyed to create the new parcels.

4.16. Signs.

(A) At such time as a Residential Unit on a Lot has been substantially completed, an address identification sign must be erected and continuously maintained on the Lot. The size, style, color and location of the address identification sign must be approved in writing by the Architectural Committee.

(B) No signs whatsoever (including, but without limitation, commercial, "for sale" and "for rent" signs) shall be erected or maintained on any Lot except for (i) the address identification sign required by Section (A) of this Section, (ii) such signs as may be required by legal proceedings, and (iii) one "for sale", "for rent" or political sign with a total face area of five (5) square feet or less, which sign must be approved as to style, color, content, duration of posting and location by the Architectural Committee.

4.17. Mineral Exploration. No Lot shall be used in any manner to explore for or to remove any water, oil or other hydrocarbons, minerals or any kind, gravel, earth, or any earth substance of any kind and no derrick or other equipment designed or intended for any such activity shall be erected, placed, constructed or maintained on any Lot.

4.18. Diseases and Insects. No Owner shall permit any thing or condition to exist upon any property which could induce, breed or harbor infectious plant diseases or noxious insects, but this Section shall not prohibit the keeping of horses or other animals permitted under Section 4.2(B) or 4.2(C) of this Declaration so long as the horses and other animals and the Lot on which they are kept are maintained as provided in Section 4.2(B) or 4.2(C).

4.19. Improvements and Alterations.

(A) All Residential Units, buildings, structures and other Improvements constructed on Lots within the Project shall be of new construction, and no Residential Units, buildings, structures or other improvements shall be removed from other locations on to any Lot.

(B) Except for work performed by the Declarant or its employees, contractors or agents and except for Residential Units, buildings, structures, landscaping or other improvements existing on Lots as of the date this Declaration is recorded, no Residential Unit, building, structure, fence, wall, landscaping or other Improvement shall be constructed, erected or maintained on any Lot and no addition, alteration, repair, change or other work which alters the exterior appearance of the Lot or any Residential Unit, building, structure, fence, wall or other Improvement located thereon shall be made or performed without the prior written approval of the Architectural Committee.

(C) An Owner or other person desiring approval of the Architectural Committee for the construction, addition, alteration or repair of a Residential Unit, building, structure, fence, wall, landscaping or other Improvement shall submit to the Architectural Committee a written request for approval specifying in detail the nature and extent of the work for which approval is requested together with three sets of working drawings with respect to the work for which approval is requested. Any Owner or other person requesting the approval of the Architectural Committee shall also submit to the Architectural Committee any additional information, plans and specifications which the Architectural Committee may request.

(D) If the Architectural Committee fails to approve or disapprove an application for the construction, alteration, addition, repair, change or other work within sixty (60) days after the application for the construction, alteration, addition, repair, change or other work with all supporting information, plans and specifications requested by the Architectural Committee have been submitted to it and the Architectural Committee has signed a receipt therefor, approval will be deemed to have been denied by the Architectural Committee.

(E) The approval by the Architectural Committee of any construction, addition, alteration, repair, change or other work pursuant to this Section shall not be deemed a waiver of the Architectural Committee's right to withhold approval of any similar construction, addition, alteration, repair, change or other work subsequently submitted for approval and shall not relieve the Owner from obtaining any necessary building permits or other approvals or permits required by the county or municipality having jurisdiction over the Project. No person shall obtain a building permit for any construction, addition, alteration, repair, change or other work until such time as the construction, addition, alteration, repair, change or other work has been approved by the Architectural Committee in accordance with this Section.

(F) Upon receipt of approval from the Architectural Committee for any construction, addition, alteration, repair, change or other work, the Owner or other person receiving such approval shall proceed to perform, construct or make the addition, alteration, repair, change or other work approved by the Architectural Committee as soon as practicable and shall diligently pursue such work so that it is completed as soon as reasonably practicable and within such time as may be prescribed by the Architectural Committee.

(G) Any change, deletion or addition to the plans and specifications approved by the Architectural Committee must be approved in writing by the Architectural Committee.

(H) The Architectural Committee shall have the right to charge a fee for reviewing requests for approval of any construction, alteration, addition, repair, change or other work pursuant to this Section which fee shall be payable at the time the application for approval is submitted to the Architectural Committee.

#### 4.20. Party Walls.

(A) The rights and duties of Owners with respect to party walls or fences between Lots shall be as follows:



(i) The Owner of contiguous Lots who have a party wall or fence shall both equally have the right to use such wall or fence, provided that such use by one Owner does not interfere with the use and enjoyment of same by the other Owner.

(ii) In the event that any party wall or fence is damaged or destroyed through the act of an Owner or any of his tenants, Lessees, agents, guests, or members of his family (whether or not such act is negligent or otherwise culpable), it shall be the obligation of such Owner to rebuild and repair the party wall or fence without cost to the Owner of the adjoining Lot. Any dispute over an Owner's liability for such damage shall be resolved as provided in Subsection (v) of this Subsection, but any liability imposed on an Owner hereunder shall not prevent the Owner from seeking indemnity therefor from the persons causing such damage.

(iii) In the event any party wall or fence is destroyed or damaged (including deterioration from ordinary wear and tear and lapse of time), other than by the act of an adjoining Owner, his tenants, Lessees, agents, guests or family, it shall be the obligation of all Owners whose Lots adjoin such party wall or fence to rebuild and repair such wall or fence at their joint expense, such expense to be allocated among the Owners in accordance with the frontage of their Lots on the party wall or fence.

(iv) Notwithstanding anything to the contrary herein contained, there shall be no impairment of the structural integrity of any party wall or fence without the prior consent of all Owners of any interest therein, whether by way of easement or in fee.

(v) In the event of a dispute between Owners with respect to the construction, repair or rebuilding of a party wall or fence, or with respect to the sharing of the cost thereof, such adjoining Owners shall submit the dispute to the Board, the decision of which shall be binding.

(B) In the case of party walls or fences between Common Areas and Lots, the Association shall be responsible for all maintenance thereof except that each Owner of a Lot shall be responsible for painting the portion of the party wall or fence facing his Lot. If any party wall between a Lot and the Common Area is damaged or destroyed through the willful or negligent act of an Owner, his family, guests, tenants or invitees, the cost incurred by the Association in repairing such damage or rebuilding the wall shall be paid to the Association by the adjoining Lot Owner upon demand and such amounts shall be a lien on the Owner's Lot and the Association

may enforce payment of such amounts in the same manner as provided elsewhere in this Declaration for the collection and enforcement of assessments.

(C) If any party wall encroaches on another Lot or the Common Area, a valid easement for such encroachment and for the maintenance of the party wall shall and does exist in favor of the adjoining Owners and the Association, as the case may be.

(D) The Owners who share a party wall and, in the case of a party wall separating a Lot from the Common Area, the Owners and the Association who share the party wall, shall have an easement over the adjoining Lot or Common Area for the purpose of maintaining, repairing or replacing the party wall and otherwise exercising or performing their rights and duties under this Section.

4.21. Construction of Fences. Within thirty (30) days following the date on which the appropriate governmental agency issues a Certificate of Occupancy or similar permit for a Residential Unit on a Lot, the Owner of the Lot shall cause to be erected a solid block wall fence along the boundaries of the Lot to enclose the portion of the Lot behind the rear wall of the Residential Unit. The block wall fence shall be connected to the Residential Unit on both sides. The fence shall be at least six (6) feet in height. The front fence shall be constructed so that its design and style match the front elevation of the Residential Unit to the Lot line, and all remaining back walls are to be eight inch brown Superlite masonry block. No solid wall or fence over three (3) feet high shall be constructed or maintained nearer to the front street line of a Lot than a distance of ten (10) feet. The maintenance, repair and replacement of fences or walls which are party walls between Lots or between Lots and Common Area shall be governed by the provisions of Section 4.20 of this Declaration. All other fences and walls shall be maintained, repaired and replaced by the Owner of the Lot on which the wall is situated. Wherever a fence is constructed upon a Lot within the Project, immediately adjacent to the boundary line separating that Lot from another Lot, then the builder of that fence, if the Declarant, or if the fence is not built by the Declarant, then the Owner of the Lot upon which the fence is built shall be entitled to reimbursement for one-half (1/2) of the costs of the fence attributable to the length of that fence immediately adjacent to the property line between the two Lots. Reimbursement shall be paid by the adjoining Lot Owner to the Lot Owner or the Declarant who built the fence, upon completion by the adjoining Lot Owner of the Residential Unit upon his Lot. Reimbursement shall be based upon and shall not exceed one-half (1/2) the actual costs of the portions of the fence adjacent to the adjoining Lot.

4.22. Outdoor Burning. There shall be no outdoor burning of trash or other debris; provided, however, that the foregoing shall not be deemed to prohibit the use of normal residential barbecues or other similar outside cooking grills.

4.23. Fuel Tanks. No fuel tanks of any kind shall be erected, placed or maintained on the Property except for propane or similar fuel tanks permitted under the ordinances of the municipality in which the Property is located.

4.24. Window Coverings. No reflective materials, including, but without limitation, aluminum foil, reflective screens or glass, mirrors or similar type items, shall be installed or placed upon the outside or inside of any windows of any Residential Unit or other structure without the prior written approval of the Architectural Committee. No enclosures, drapes, blinds, shades, screens or other items affecting the exterior appearance of a Residential Unit or other structure shall be constructed or installed in any residence or other structure without the prior written consent of the Architectural Committee.

4.25. Solar Panels. Except as initially installed by the Declarant and except for equipment existing as of the date this Declaration is recorded, no solar energy collecting unit or panels or other energy conservation equipment shall be placed, constructed or maintained upon any Lot without the prior written approval of the Architectural Committee.

4.26. Garages and Driveways. The interior of all garages situated on any Lot shall be maintained in a neat, clean and sightly condition. Garages shall be used only for the parking of vehicles and the storage of normal household supplies and materials and shall not be used or converted for living quarters or recreational activities without the prior written approval of the Architectural Committee. All driveways shall be of concrete construction. Garage doors shall be left open only as needed for ingress and egress.

4.27. Drainage Plan. No Residential Unit, structure, building, landscaping, fence, wall or other Improvement shall be constructed, installed, placed or maintained on any drainage easement as shown on the Plat, and no Residential Unit, structure, building, landscaping, fence, wall or other Improvement shall be constructed, installed, placed or maintained in any manner that would obstruct, interfere with or change the direction or flow of water in accordance with the drainage plans for the Project or for any Lot on file with the county or municipality in which the Project is located.

4.28. Minimum Building Requirements.

(A) Type and Size of Residential Unit. No building or structure other than one single family Residential Unit plus appurtenant accessory and auxiliary garages shall be constructed, erected or maintained on any Lot. Each Residential Unit must contain a minimum of 3,000 livable square feet and, in the case of Residential Units which have a basement or more than one story, the ground floor of the Residential Unit must have at least 2,000 livable square feet. The Architectural Committee shall have the right to require a greater livable square footage for any Residential Unit in the Project. In such event, the Residential Unit must comply with the minimum livable square footage requirements as set by the Architectural Committee. Notwithstanding the approval of plans and specifications for a Residential Unit, no residential unit shall be constructed, erected or maintained on any Lot which does not meet the minimum livable square footage requirements set forth in this Subsection. In determining whether the minimum requirements set forth in this Subsection have been complied with, the square footage of any garages, carports, porches or patios shall be excluded. Each Residential Unit shall have a front elevation width of at least sixty-five feet (65'). Garage entries shall not face the front of the Lot.

(B) Roofs. All roofs of Residential Units and other structures constructed or erected on any Lot shall be either concrete tile or natural wood shake.

(C) Walls and Fences. All perimeter walls and fences on a Lot and all other walls and fences which are Visible From Neighboring Property must be of eight inch brown Superlite masonry block.

(D) Lights. No exterior lights or light fixtures shall be installed or maintained on any Lot without the prior written approval of the Architectural Committee.

(E) Air Conditioning and Heating Units. No Residential Unit shall be constructed without an integral central air conditioning system. Compressors and fans for central air conditioning systems which are located outside the exterior of a Residential Unit shall be adequately walled, fenced or landscaped to prevent unreasonable noise and exposure. Air conditioning units extending from windows are not permitted. No air conditioning compressors, fans or other equipment and no heating systems or equipment shall be constructed or installed on any roof.

(F) Pools and Pool Equipment. No pools shall be constructed or installed above ground. All pools, pool pumps, heaters and other equipment shall be screened so as not to be Visible From Neighboring Property.

4.29. Construction of Residential Units.

(A) Each Owner who purchase a Lot from the Declarant shall obtain approval from the Architectural Committee for the construction of a Residential Unit on his Lot and shall complete construction of the foundation of the Residential Unit within one (1) year following the closing of the purchase of the Lot by such Owner from the Declarant. If an Owner fails to comply with the provisions of this Subsection, Declarant shall have the option to purchase the Lot from the Owner for the same purchase price paid by the Owner to the Declarant. The option shall be exercised by the Declarant delivering to the Owner escrow instructions signed by the Declarant providing for the purchase of the Lot by the Declarant from the Owner. The escrow instructions shall provide for a purchase price equal to the purchase price paid by the Owner to the Declarant and shall contain such other terms and provisions as the Declarant, in its sole discretion, may deem necessary. Within five (5) days after receipt of such escrow instructions, Owner shall execute the escrow instructions and return them to the Declarant.

(B) Construction of a Residential Unit on a Lot shall be completed within six (6) months following completion of the construction of the foundation of the Residential Unit. For purposes of this Subsection, the Residential Unit shall be complete at such time as a certificate of occupancy or similar permit has been issued for the Residential Unit by the applicable governmental authority. If an Owner fails to complete construction of a Residential Unit on the Lot within the time required by this Subsection, the Owner shall pay to Declarant, on demand, the sum of \$100.00 per day for each day from the date on which the Residential Unit was required to have been completed under the terms of this Subsection and the date on which the Residential Unit is actually completed.

ARTICLE 5

EASEMENTS

5.1. Utility Easement. There is hereby created a blanket easement upon, across, over and under the Common Area for ingress, egress, installation, replacing, repairing, and maintaining all utilities, including, but not limited to, water, sewer, gas, telephone, electricity and a cable television system. By virtue of this easement, it shall be expressly permissible for the providing utility to erect and maintain the necessary facilities and equipment, temporary or permanent, on the Common Area. This easement shall in no way affect any other recorded easements on the Common Area.

5.2. Easements for Ingress and Egress. Easements for ingress and egress are hereby reserved to the Declarant, the Owners, and their family, guests, tenants and invitees for pedestrian traffic over, through and across sidewalks, paths, walks and lanes as the same from time to time may exist upon the Common Area; and for vehicular traffic over, through and across such portions of the Common Area as from time to time may be paved and intended for such purposes; and for such other purposes reasonably necessary to the use and enjoyment of a Lot or the Common Area.

5.3. Association's Right of Entry. During reasonable hours, the Association, any member of the Architectural Committee, any member of the Board or any authorized representative of them, shall have the right to enter upon and inspect any Lot, excluding the interior of any residence located thereon, for the purpose of making inspections to determine whether the provisions of this Declaration, the Association Rules and the Architectural Committee Rules are being complied with by the Owner of said Lot.

5.4. Association's Easement For Performing Maintenance Responsibilities. The Association shall have an easement upon, across, over and under the Common Area and the Lots for the purpose of repairing, maintaining and replacing the Common Area and those portions of the Lots that the Association is obligated to maintain pursuant to Section 6.2 of this Declaration and for performing all of the Association's other rights, duties and obligations under the Project Documents.

ARTICLE 6

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MAINTENANCE

6.1. Maintenance of Common Area by the Association. The Association shall be responsible for the maintenance, repair and replacement of the Common Area and, without any approval of the Owners being required, do any of the following:

(A) Reconstruct, repair, replace or refinish any improvement or portion thereof upon any such area (to the extent that such work is not done by a governmental entity, if any, responsible for the maintenance and upkeep of such area);

(B) Construct, reconstruct, repair, replace or refinish any portion of the Common Area used as a road, street, walk, driveway and parking area;

(C) Replace injured and diseased trees or other vegetation in any such area, and plant trees, shrubs and ground cover to the extent that the Board deems necessary for the conservation of water and soil and for aesthetic purposes;

(D) Place and maintain upon any such area such signs as the Board may deem appropriate for the proper identification, use and regulation thereof;

(E) Do all such other and further acts which the Board deems necessary to preserve and protect the Common Area and the appearance thereof, in accordance with the general purposes specified in this Declaration.

6.2. Maintenance By Association of Lots. The Association shall maintain, repair and replace all portions of the Lots which are designated on the Plat as equestrian trails. In the event the need for maintenance, repair or replacement of any portion of the Lots which are being maintained by the Association pursuant to this Section is caused by the willful or negligent act of an Owner, his family, guests, invitees or animals for whom he is legally responsible under Arizona law, the Association shall cause the maintenance or repair to be performed and the cost of such maintenance or repair shall be levied against such Owner, and his Lot, by the Association and may be collected in the manner provided for elsewhere in this Declaration for the collection of Assessments.

## GILBERT HEIGHTS OWNERS ASSOCIATION ARCHITECTURAL GUIDELINES FOR OUTBUILDINGS AND AUXILIARY STRUCTURES

These guidelines are intended to keep the aesthetic appeal of our neighborhood and at the same time maintain and enhance the property values of our homes. These guidelines are not intended to supersede the CC&Rs, but are to provide additional clarification and details not addressed in the CC&Rs. They are intended to apply to ANY structure visible from neighboring property. "Structure" includes, but is not limited to: buildings, storage sheds, gazebos, jungle gyms, swing sets, etc. The Architectural Committee will review the merits of each submittal on a case by case basis.

A preliminary review meeting of the proposed project idea is highly welcome and recommended to identify potential issues with the final approval. The preliminary review meeting is not to be considered a final approval of the plans. The final decision will be granted with the submission of the complete plans. Formal plans are not required for the preliminary review but should contain sufficient detail to present adherence to these Guidelines.

### GUIDELINES

1. The structure must meet all of the CC&R requirements as applied to the home and must match, in appearance, the home. This requirement includes but is not limited to, the exterior walls, roof styles, roof tile, window style and overall general appearance.
2. A garage entry may face the front of the lot provided the structure is located behind the side yard fence. The top of the garage entry may not exceed 8 feet as measured from the curb elevation of the street.
3. The total height of the structure cannot exceed 15 feet as measured from the curb elevation of the street.
4. The total floor area of the structure cannot exceed 5% of the total lot area. Requests to exceed the total floor area will be considered on a case by case basis.
5. One (1) additional structure is allowed per lot, with the approval of the Architecture Committee. Any additional structures will be evaluated on a case by case basis with consideration given to the aesthetic appeal of the neighborhood.
6. The structure must be sited within the setback envelope of the lot as specified on the plat for the residence. Requests to exceed the setback will be considered on a case by case basis. In all cases, the side setbacks of the lot, including the house and all structures, shall total not less than 40' with any side being not less than 10'.
7. If the structure is located behind the side yard fence (in the back yard), the structure must be at least 20 feet behind the side yard fence. The fence must meet the criteria of the CC&Rs and the gate must be solid and of matching height to the wall. In all cases, the gate must only remain open during the time of access and egress.
8. The exterior construction of the Auxiliary Structure shall be completed within six (6) months from the date of the Architectural Committee approval.
9. The Architectural Committee will solicit input from adjoining neighbors.
10. A \$10,000 Performance Bond for Gilbert Heights Owners Association is required.



GILBERT HEIGHTS HOA

BYLAWS

GILBERT HEIGHTS OWNERS ASSOCIATION  
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BYLAWS  
OF  
GILBERT HEIGHTS OWNERS ASSOCIATION, INC.

ARTICLE 1  
GENERAL PROVISIONS

- 1.0 DEFINED TERMS. Capitalized terms used in these Bylaws without definition shall have the meanings specified for such terms in the Declaration of Covenants, Conditions and Restrictions for Gilbert Heights recorded with the County Recorder of Maricopa County, Arizona, as Instrument Number 86 244292.
- 1.1 CONFLICTING PROVISIONS. In the case of any conflict between the Articles and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.
- 1.2 CORPORATE SEAL. The Association shall have a seal in a form approved by the Board.
- 1.3 DESIGNATION OF THE FISCAL YEAR. The Fiscal Year of the Association shall begin on the first day of August and end on the thirty first day of July of every year, except that the first Fiscal Year shall begin on the date of incorporation of the Association. ✓
- 1.4 BOOKS AN RECORDS. The books, records and papers of the Association shall be available and open for inspection by any Member during reasonable business hours. The Project Documents shall be available for inspection by any Member during reasonable business hours at the principle office of the Association, where copies may be purchased at a reasonable cost.
- 1.5 AMENDMENT.
- a. These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of the Members having a majority (more than 50%) of the votes entitled to be cast by the Members present in person or by proxy
- b. The Board, without a vote of the Members and without the consent of any First Mortgagee, Eligible Mortgage Holder or Eligible Insurer or Guarantor, may amend these Bylaws in order to conform these Bylaws to the requirements or guidelines of the Federal National Mortgage Association, The Federal Home Loan Mortgage Corporation, The Federal Housing Administration, The Veterans Administration or any federal, state or local government agency whose approval of the project, the Plat or the Project Documents is required by law.

ARTICLE 2  
MEETINGS OF MEMBERS

- 2.0 ANNUAL MEETING. The first annual meeting of the Members shall be held within one (1) year of the date of Incorporation of the Association at such time and place as may be set by the Board. An annual meeting of the Members shall be held at least once every twelve (12) months thereafter at such time and place as is determined by the Board.
- 2.1 SPECIAL MEETINGS. Special meetings of the Members may be called at any time by the President of the Board or upon written request signed by Members having at least fifteen (15) authorized votes in the Association (dues current, CC&R's section 2.10).
- 2.2 NOTICE OF MEETINGS. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting by mailing a copy of each notice, postage prepaid, at least fifteen (15) days before such meeting to each Member's address last appearing on the books of the Association or supplied by such Member to the Association for the purpose of the notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of that meeting. By attending a meeting, a Member waives any right he may have had to object to the meeting on the basis that proper notice of the meeting was not given in accordance with these Bylaws or the Statutes of the State of Arizona.
- 2.3 QUORUM. Except as otherwise provided in the Articles, the Declaration, or these Bylaws, the presence in person or by proxy of Members entitle to cast one third ( $\frac{1}{3}$ ) of the total authorized votes in the Association shall constitute a quorum at all meetings of the Members. If a quorum shall not be present at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.
- 2.4 PROXIES. At all meetings of the Members a vote may be cast in person or by proxy. A proxy may be granted by any Member in favor of only another Member, the Secretary of the Association, the Member's mortgagee, or, in the case of a nonresident Member, the lessee of such Member's lot, his attorney or managing agent. A proxy shall be duly executed in writing and it shall be valid only for the particular meeting designated in the proxy. All proxies must be filed with the Secretary prior to the commencement of the meeting for the proxy is given. The

proxy shall be deemed revoked only upon actual receipt by the person presiding over the meeting with a notice of revocation signed by the Member who granted the proxy. Except with respect to proxies in favor of a mortgagee, no proxy shall in any event be valid for a period in excess of one hundred eighty (180) days after the execution thereof.

ARTICLE 3  
BOARD OF DIRECTORS

- 3.0 NUMBER. The affairs of this Association shall be managed by a Board of five (5) Directors. All Directors must be Members of the Association.
- 3.1 TERM OF OFFICE. The initial members of the Board shall hold office as follows: three (3) shall serve for one (1) year and two (2) shall serve for two (2) years. ~~Starting with the~~ <sup>x</sup> ~~second~~ Annual Meeting of the Membership, the Board members' successors are elected and qualified. At the Annual Meeting the eligible Members, in person or by proxy, may cast as many votes as they are entitled to exercise under the provisions of the Declaration. [Commencing with the second Annual Meeting of the Members] the candidates receiving the highest number of votes shall be deemed elected to the Board and shall serve for a term of one (1) year. There shall be no limit to the number of terms to which a member of the Board may be re-elected. 3  
2 2
- 3.2 REMOVAL. Any Director may be removed from the Board, with or without cause, by a majority vote of a quorum of the Members of the Association, in person or by proxy, at a special meeting called for that purpose. If any or all Directors are so removed, new Directors may be elected at the same meeting pursuant to Article 3, section 3.1.
- 3.3 COMPENSATION. No Director shall receive compensation for any service he or she may render to the Association. However, any Director may be reimbursed for his or her reasonable expenses incurred in the performance of his or her duties.
- 3.4 ACTION TAKEN WITHOUT A MEETING. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written consent of all Directors. Any such written consent shall be filed with the minutes of the proceedings of the Board.
- 3.5 VACANCIES. Vacancies on the Board caused by any reason other than the removal of a Director in accordance with the provisions of Section 3.2 of these Bylaws shall be filled by a majority vote of the remaining Directors at the first regular or special meeting of the Board held after the occurrence of such vacancy, even though the Directors present at such meeting may constitute less than a quorum. Each person so appointed shall serve the unexpired portion of the prior Directors term.
- 3.6 REGULAR MEETINGS. Regular meetings of the Board may be held at such time and place that shall be determined from time to time

by the Board. Such meetings shall be held at least once during each Fiscal Quarter. All regular meetings of the Board will be open to all Members who wish to attend.

3.7 SPECIAL MEETINGS. Special meetings of the Board may be called by the President on three business days notice to each Director, given in writing, by hand delivery, mail or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) Directors.

3.8 QUORUM. A majority of the Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

3.9 POWERS AND DUTIES. The Board shall have all of the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by the Project Documents required to be exercised or done by any resolution of the Members. In addition to the duties imposed by these Bylaws or by any resolution of the Members that may hereafter be adopted, the Board shall have the following powers and duties:

a. Open bank accounts on behalf of the Association and designate the signatories thereon;

b. Make, or contract for the making, of repairs, additions to, improvements to or alterations or the Common Area, in accordance with Project Documents, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings;

c. In the exercise of its discretion, enforce by legal means the provisions of the Project Documents.

d. Designate, hire and dismiss the personnel necessary for the maintenance, operation, repair, replacement of the Common Area and provide for the compensation of such personnel and for the purchase of equipment, supplies and material to be used by such personnel in the performance of their duties;



- e. Provide for the operation, care and upkeep, and maintenance of all the Common Area and borrow money on behalf of the Association, when required, in connection with any one instance relating to the operation, upkeep and maintenance for the Common Area; provided however, the consent of Members having a majority of more than fifty percent (50%) of the total votes in the Association shall be obtained either in writing or at a meeting called and held for such purpose in accordance with the provisions of these Bylaws in order for the Association to borrow in excess of ten thousand (\$10,000.00) dollars;
- f. Prepare and adopt an annual budget for the Association prior to the commencement of each Fiscal Year;
- g. Adopt and publish rules and regulations governing the use of the Common Area and facilities and the personal conduct of the Members and their family members, guests, lessees and invitees thereon and establish penalties for the infraction thereof;
- h. Suspend the voting rights and the right to use the Common Area of a member during any period in which such member shall be in default in the payment of any assessments or other amounts due under the terms of the Project Documents for a period of fifteen (15) days and for a period not to exceed sixty (60) days for any infraction of the Project Documents;
- i. Exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions of the Project Documents;
- j. Declare the office of a Member of the Board to be vacant in the event such Member shall be absent from two (2) consecutive regular meetings of the Board;
- k. Employ, hire and dismiss such employees as they deem necessary and to prescribe their duties and their compensation;
- l. Hire or employ and dismiss a manager, whether as an independent contractor or as an employee, to perform such services and duties as the Board may direct, including, but not without limitation, any of the duties granted to the Officers of the Association in these Bylaws or any duties of the Board set forth in this Section;
- m. Causes to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the Annual Meeting of the Members, or at any Special

Meeting when such statement is requested in writing by any member entitled to vote;

n. Supervise all officers, agents and employees of the Association and see that their duties are properly performed;

o. As more fully provide in the Declaration to;

1. Fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each fiscal year,

2. Send written notice of each assessment to every Owner subject thereto,

3. Record within a reasonable time, a notice and claim of lien against any Lot for which assessments are not paid, and foreclose the same within a reasonable time, or, in the discretion of the Board, bring an action at law against the Owner personally obligated to pay the same;

p. Issue or cause an appropriate officer to issue upon demand to any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

q. Procure and maintain adequate property liability and other insurance as required by the Declaration:

r. Cause all officers or employees having fiscal responsibilities to be bonded, as it may be deemed appropriate;

s. Cause the Common Area to be maintained and more fully set forth in the Declaration.

ARTICLE 4  
OFFICERS AND THEIR DUTIES

- 4.0 ENUMERATION OF OFFICERS. The principal Officers of the Association shall be: the President, the 1st Vice President, Officers must be Members of the Board and Lot owners.
- 4.1 ELECTION OF OFFICERS. The election of officers shall take place at the first meeting of the Board following each Annual Meeting of the Members.
- 4.2 TERM. The Officers of the Association shall be elected annually by the Board and each shall hold office for one (1) year, unless he or she shall sooner resign, or shall be removed, or otherwise disqualified to serve.
- 4.3 SPECIAL APPOINTMENTS. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.
- 4.4 RESIGNATION AND REMOVAL. Any officer may be removed from office with or without cause by the majority vote of the Board. Any officer may resign at any time by giving written notice to the Board, President or Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.
- 4.5 VACANCIES. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaces.
- 4.6 MULTIPLE OFFICES. Any two or more offices may be held simultaneously by the same person except the offices of President and Secretary.
- 4.7 POWERS AND DUTIES. To the extent such powers and duties are not assigned or delegated to a manager pursuant to Section 3.9 (1) of these Bylaws, the powers and duties of the Officers shall be as follows:
- a. President. The President shall be the Chief Executive Officer of the Association; shall preside at all meetings of the Board of the Members; shall see that orders and resolutions of the Board are carried into effect; and have general and active management of the business of the Association.

b. 1st Vice President. The 1st Vice President shall act in place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required by the Board.

c. 2nd Vice President. The 2nd Vice President shall act in place and stead of the 1st Vice President, and shall exercise and discharge such other duties as may be required by the Board.

d. Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

e. Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall distribute such funds for appropriate Association purposes as set forth in the Project Documents; keep proper books of account; and shall prepare an annual budget and a statement of income and expenditures to be presented to the Membership at its regular Annual Meeting, and deliver a copy of each to the Members; and, in general, perform all the duties incident to the Office of the Treasurer.

ARTICLE 5  
INDEMNIFICATION

- 5.0 DIRECTORS AND OFFICERS; THIRD PARTY ACTIONS. The Association shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of the Association, by reason of the fact that he or she is or was a member, director, officer, employee or agent of the Association or is or was serving at the request of the Association as a member, director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorney fees, and against judgments fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted, or failed to act in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of No contendre or its equivalent shall not of itself create a presumption that the person acted or failed to act other than in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Association and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was lawful.
- 5.1 DIRECTORS AND OFFICERS; DERIVATIVE ACTIONS. The Association shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that he or she is or was a Member, director, officer, employee or agent of the Association or is or was serving at the request of the Association as a Member, Director, Officer, Employee or Agent of another corporation, partnership, joint venture, trust or other enterprise against expenses, including attorney fees, but excluding judgments and fines, and, except as hereinafter set forth, amounts paid in settlement, actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit, if he or she acted, or failed to act, in good faith and in a manner he or she reasonably believed to be in or not opposed to the best

interests of the Association and except that no indemnification may be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Association unless, and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonable entitled to indemnity for such action or suit was brought may determine upon application that, in view of all circumstances of the case, indemnity for such expenses which such court will deem proper. The court in which any such action or suit was brought may determine upon application that, in view of all circumstances of the case, indemnity for the amounts so paid in settlement and for the expenses, including attorney fees, actually and reasonably paid in connection with such application, to the extent the court deems proper.

5.2 EMPLOYEES AND AGENTS. To the extent that a Member, director, officer, employee or agent of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 5.0 or 5.1 of these Bylaws, or in defense of any claim, issue or matter therein, he or she shall be indemnified against expenses, including attorney fees, actually and reasonably incurred by him or her in connection therewith.

5.3 PROCEDURE FOR EFFECTING INDEMNIFICATION. Any indemnification under Section 5.0 or 5.1 of these Bylaws, unless ordered by a court, shall be made by the Association only as authorized in the specific case upon a determination that indemnification of a Member, director, officer, employee or agent is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Section 5.0 or 5.1 of these Bylaws. Such determination shall be made by any of the following:

(a) By the Board by a majority vote of a quorum consisting of directors who were not parties to the action, suit or proceeding:

(b) If such a quorum is not obtainable, in a written opinion of independent legal counsel appointed by the majority of disinterested directors, for that purpose.

(c) If there are no disinterested directors, by the court or other body before which the action, suit or proceeding was brought or any court of competent jurisdiction upon the approval of or application by any person seeking

indemnification, in which case indemnification may include the expenses, including attorney fees, actually and reasonably paid in connection with such application.

(d) By act of the Members.

5.4 ADVANCING EXPENSES. Expenses, including attorney fees, incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of the action, suit or proceeding as authorized in the manner provided in Section 5.3 of these Bylaws upon receipt of an undertaking by or on behalf of the Member, director, officer, employee or agent to repay the amount unless it is ultimately determined that he or she is entitled to be indemnified by the Association as authorized in this Article.

5.5 SCOPE OF ARTICLE. the indemnification provided by this Article is not exclusive of any other rights to which those indemnified may be entitled under any agreement, vote of Members or disinterested directors or otherwise, both as to action in his or her official capacity while holding such office and shall continue as to a person who has ceased to be a Member, director, officer, employee, or agent of the Association and shall inure to the benefit of the heirs, executors and administrators of such a person.

ARTICLE 6  
ARCHITECTURAL CONTROL

- 6.0 COMMITTEE COMPOSITION. The Architectural Committee shall consist of five (5) Members. None of such Members shall be required to be an architect or to meet any other particular qualifications for membership. The Board may increase the number of Members on the Architectural Committee, but the number of Members must always be an odd number.
- 6.1 TERMS OF OFFICE. The term of office for Members of the Architectural Committee shall be a period of one (1) year, or until the appointment of a successor. Any new Member appointed to replace a Member who has resigned or been removed shall serve such Member's unexpired term. Members who have resigned, been removed or whose terms have expired may be reappointed.
- 6.2 APPOINTMENT AND REMOVAL. The right to appoint and remove all Members of the Architectural Committee at any time shall be and is hereby vested solely in the Board; provided, however, that no Member may be removed from the Architectural Committee by the Board except by the vote or written consent of fifty-one (51%) percent of all of the members of the Board.
- 6.3 RESIGNATIONS. Any Member of the Architectural Committee may at any time resign from the Committee by giving written notice thereof to the Board.
- 6.4 VACANCIES. Vacancies on the Architectural Committee, however caused, shall be filled by the Board. A vacancy or vacancies on the Architectural Committee shall be deemed to exist in case of the death, resignation or removal of any Member.
- 6.5 DUTIES. It shall be the duty of the Architectural Committee to consider and act upon any and all proposals or plans submitted to it, pursuant to the terms of the Declaration, to adopt Architectural Committee Rules, to perform other duties delegated to it by the Board, and to carry out all other duties imposed on the Committee by the Declaration.
- 6.6 MEETINGS AND COMPENSATION. The Architectural Committee shall meet from time to time as necessary to perform its duties. The vote or written consent of a majority of the Members of the Committee, at a meeting or otherwise, shall constitute the act of the Committee unless the unanimous decision of the Committee is required by another provision of the Declaration. The Committee shall keep and maintain a written record of all actions taken by it at such meetings or otherwise. Members of the Architectural Committee shall not be entitled to



compensation for their services.

6.7 ARCHITECTURAL COMMITTEE RULES. The Architectural Committee may adopt, amend and repeal, by majority vote or written consent, rules and regulations. The Board shall have final decision on accepting any changes proposed by the Architectural Committee. Said rules shall interpret and implement the Declaration by setting forth the standards and procedures for the Architectural Committee's review, and guidelines for architectural design, square footage, placement of buildings, landscaping, color schemes, exterior finishes and materials and similar features which are required to be used within the Property. Any owner or other person requesting approval of the Architectural Committee for the construction of a residence or other improvements on a Lot, shall pay to the Association fees based on the following schedule;

Preconstruction Meeting: Free of Charges.  
First Submittal Meeting: Free of Charges.  
First Resubmittal.....: \$50.00  
Second and Subsequent  
Submittals.....: \$75.00

The Architectural Committee will have the option to waive fees as it sees fit to do so.

6.8 WAIVER. The approval by the Architectural Committee of any plans, drawings or specifications for any work done or proposed, or for any other matter requiring the approval of the Architectural Committee under the Declaration, shall not be deemed to constitute a waiver of any right to withhold approval of any similar plan, drawing, specification or other matter subsequently submitted for approval.

6.9 TIME FOR APPROVAL. The Architectural Committee will notify the applicant, in writing, of approval or disapproval for the construction, alteration, addition, repair, change or other work within thirty (30) days after the application, together with all supporting information, plans and specifications requested by the Architectural Committee that have been submitted.