

RECORDED BY: OKG  
DEPUTY RECORDER  
2077 RDOD



DOCKET: 9415  
PAGE: 940  
NO. OF PAGES: 14  
SEQUENCE: 92168595  
11/10/92  
BYLAW 13:26:00

W  
JOHN A HARPER  
241-D W ESPERANZA BLVD  
GREEN VALLEY AZ 85614

ENVELOPE  
AMOUNT PAID \$ 15.00



# BYLAWS OF CANOA HILLS TOWNHOMES

**BY-LAWS OF  
CANOA HILLS TOWNHOMES, INC**

**ARTICLE I**

**NAME AND LOCATION**

The name of the corporation is CANOA HILLS TOWNHOMES, INC. hereinafter referred to as the "Association". The principal office of the corporation shall be located at Green Valley, Pima County, Arizona, but meetings of the members and directors may be held at such places within the state of Arizona, county of Pima, as may be designated by the board of directors.

**ARTICLE II**

**DEFINITIONS**

**SECTION 1:** "Association" shall mean and refer to CANOA HILLS TOWNHOMES, INC., successors and assigns.

**SECTION 2:** "Properties" shall mean and refer to that certain real property described in the Declaration and such additions or deletions thereto as may hereafter be brought within the jurisdiction of the Association.

**SECTION 3:** "Common Areas" shall mean all real property owned by the Association as provided in the Declaration.

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

**SECTION 5:** "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

**SECTION 6:** "Declaration" shall mean and refer to the Declaration of Establishment of Conditions, Covenants and Restrictions applicable to the properties recorded in the office of the Recorder of Pima County, Arizona.

**SECTION 7:** "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

## ARTICLE III

### MEMBERSHIP AND RIGHTS

**SECTION 1:** The annual meeting of the members shall be held on the third Thursday in March. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

**SECTION 2:** Written notice of each meeting of the members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) days before such meeting, to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting.

**SECTION 3:** Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request by twenty-five percent (25%) of the members who are entitled to vote.

**SECTION 4:** The presence at the meeting in person or by proxy of one-fifth (1/5th) of the members who are entitled to vote shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

**SECTION 5:** At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable, and shall automatically cease upon conveyance by the member of his or her Lot.

**SECTION 6:** Voting rights shall be determined as provided in Article VII of the Declaration.

**SECTION 7:** A resolution in writing, signed by all of the members of the Board of Directors, shall be deemed to be action by such Board of Directors to the effect therein expressed with the same force and effect as if the same had been duly passed by the same vote at a duly-convened meeting, and it shall be the duty of the Secretary of the Association to record such

resolution in the Minute Book of the Association under its proper date.

**SECTION 8:** Each member shall be entitled to the use and enjoyment of the common properties as regulated by the Declaration and these By-laws.

**SECTION 9:** Any member may delegate their rights of enjoyment in the common properties to the members of their immediate family who reside upon the properties or to any of their tenants who reside thereon, and subject to any limitations as may be set forth in the Declaration and these By-laws. The rights and privileges of such person are subject to suspension to the same extent as those of a member.

#### **ARTICLE IV**

##### **BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE**

**SECTION 1:** The affairs of this Association shall be managed by a Board of Directors consisting of five (5) members, each serving a three-year term. The expansion from three to five members is to be accomplished at the annual business meeting when the two carry over directors will have, respectively, a two year and a one year term. In the interest of maximizing continuity of Board members there will be elected three new members; two for three year terms and one for a two year term. In subsequent annual elections one or two members, as required to maintain a five member Board, will be elected for a three years. The term of office will begin immediately following the election or appointment.

**SECTION 2:** Any Director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a Director, the successor shall be selected by the remaining members of the Board, and shall serve for the unexpired term of the predecessor.

**SECTION 3:** No Director shall receive compensation for any service rendered to the Association. However, any Director may be reimbursed for the actual expenses incurred in the performance of official duties.

**SECTION 4:** The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

## ARTICLE V

### NOMINATION AND ELECTION OF DIRECTORS

**SECTION 1:** Nomination for election to the Board of Directors shall be made by a nominating committee. Nominations may also be made from the floor at the annual meeting conditional to the attendance and acceptance by the nominee. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations shall be made from among the members of the Association to obtain as wide a geographical representation as practicable.

**SECTION 2:** The Nominating Committee shall prepare a report containing:

- (a) A description of the directorship to be filled;
- (b) The names of those nominated by the Nominating Committee for such offices; and,
- (c) A brief biographical sketch of each nominee.

This report of the Nominating Committee shall be mailed by the Secretary to the members at the last address reported to the Secretary by each member at least fifteen (15) days in advance of the annual meeting.

**SECTION 3:** 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 directorship to be filled;
- (b) The names of those nominated by the Nominating Committee for such offices; and,
- (c) A space for a write-in vote for each office.

**SECTION 4:** Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

## ARTICLE VI

### MEETINGS OF DIRECTORS

**SECTION 1:** Regular meetings of the Board of Directors shall be held at least four (4) times a year, at such place and hour as may be fixed from time to time by resolution of the

Board. Should a meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

**SECTION 2:** Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any three directors, after not less than three (3) days notice to each Director. Notice may be waived at any time by the person entitled to such notice.

**SECTION 3:** A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

**SECTION 4:** Robert's Rules of Order Revised will generally be the Association's parliamentary guide.

## **ARTICLE VII**

### **POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

**SECTION 1:** The Board of Directors shall have the power to:

(a) Adopt and publish rules and regulations governing the use of the Common Areas, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

(b) Exercise for the Association all powers, duties and authority vested in or delegated to this Association, and not reserved to the membership by other provisions of these By-laws, the Articles of Incorporation, or the Declaration;

(c) Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;

(d) Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties. Before the Board of Directors engages any person to undertake any action on behalf of the Association, which would, in the eyes of any reasonable person, constitute a substantial or extensive undertaking, the Board of Directors shall call a special meeting of the members of the Association prior to such engagement. A majority of those members in attendance, or represented by proxy, shall authorize any such proposed engagement.

(e) To call special meetings of the Association whenever it

deems necessary or upon written request of twenty-five percent (25%) of the voting membership;

(f) To establish, assess and collect dues and assessments; and,

(g) To appoint and remove at pleasure all officers, agents and employees of the Association, prescribe their duties, fix their compensation, and require of them such securities or fidelity bond as it may deem expedient.

**SECTION 2:** The Board of Directors shall have the duty:

(a) Cause to be kept a complete record of all of its acts and corporate affairs, and to present a statement thereof to the members at the annual meeting of the members;

(b) Supervise all officers, agents and employees of this Association, and see that their duties are properly performed;

(c) As more fully provided in the Declaration, to:

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

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

(3) Foreclose the lien against any property for which the assessments are not paid or bring an action at law against the Owner personally obligated to pay the same.

(d) Procure and maintain adequate liability and hazard insurance on property owned by the Association;

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

(f) Cause the Common Areas to be maintained; and,

(g) Maintain all commonly-used equipment.

## ARTICLE VIII

### OFFICERS AND THEIR DUTIES

**SECTION 1:** The officers of this Association shall be a President, a Vice President, a Secretary and a Treasurer, and such other officers as the Board may from time to time by

resolution create. These officers shall be elected by the members of the Board of Directors. The President and Vice President shall be members of the Board (The Secretary and Treasurer may or may not be Board members).

**SECTION 2:** The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members by a majority vote of the Board of Directors.

**SECTION 3:** The officers of this Association shall be elected annually by the Board, and shall hold office for one (1) year, unless he or she shall sooner resign, or shall be removed, or otherwise disqualified to serve.

**SECTION 4:** The Board may elect such other officers as the affairs of the Association may require; each of whom shall hold the office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

**SECTION 5:** Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time, giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice, or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

**SECTION 6:** 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 replaced.

**SECTION 7:** The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices pursuant to Section 4 of this Article.

**SECTION 8:** The duties of the officers are as follows:

**PRESIDENT**

(a) The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments.

**VICE PRESIDENT**

(b) The Vice President shall act in the place and stead of the President in the event of his or her absence, inability or



refusal to act, and shall exercise and discharge such other duties as may be required by the Board.

### **SECRETARY**

(c) 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.

### **TREASURER**

(d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association, and shall disburse such funds as directed by resolution of the Board of Directors; provided, however, that a resolution of the Board of Directors shall not be necessary for the disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each year; and shall prepare an annual budget and statement of income and expenditures to be presented to the membership at its annual meeting, and deliver a copy of each to the members.

## **ARTICLE IX**

### **COMMITTEES**

**SECTION 1:** The Standing Committees of the Association shall be:

- (a) The Nominating Committee
- (b) The Maintenance Committee
- (c) The Audit Committee
- (d) The Architectural Committee

Unless otherwise provided herein, each committee shall consist of a Chairman and two or more members and shall include a member of the Board of Directors. The committee shall be appointed by the Board of Directors within thirty (30) days following each annual meeting to serve until their successors are appointed. The Board of Directors may appoint such other committees as it deems desirable.

**SECTION 2:** The Nominating Committee shall have the duties and functions as described in Article V of these By-laws.

**SECTION 3:** The Maintenance Committee shall advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the common property of the Association and shall perform other functions as the Board, in its discretion, determines.

**SECTION 4:** The Audit Committee shall make an annual audit of the Association's books and approve the financial statements to be presented to the membership at its annual meeting.

**SECTION 5:** The Architectural Committee shall approve or disapprove plans and specifications for any structures to be erected on any lot, and any action relative thereto.

On any lot, no building, fence, wall, landscaping or other structure shall be commenced, erected or maintained, nor shall any exterior addition to or change be made until the plans and specifications showing the nature, kind, shape, height, materials, color and location of the same shall have been submitted to and approved in writing by the Architectural Committee. In the event said Board, or its designated Committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, this Article will be deemed to have been fully complied with and the plans shall be deemed approved.

The Architectural Committee shall watch for any proposals, programs or activities which may adversely affect the residential value of the properties and shall so advise the Board of Directors for appropriate action.

**SECTION 6:** It shall be the duty of each committee to receive complaints from members on any matter involving the Association functions, duties and activities within its field of responsibility. It shall dispose of such complaints as it deems appropriate or refer them to the Board of Directors for consideration and action. A report shall be submitted monthly to the Board on all complaints and action taken thereon.

## **ARTICLE X**

### **INDEMNIFICATION**

Every officer or director or member duly authorized by the Board of the Association may be indemnified by the Association against all expenses, liabilities and penalties, including counsel fees, reasonably incurred by or imposed upon them in

connection with any proceeding to which they may be made a party or in which they may become involved by reason of any acts or omissions alleged to have been committed by them while acting within the scope of their employment as a director or officer of the Association, including any settlement thereof, provided that the Board of Directors determines that such person acted in good faith and did not act, fail to act or refuse to act willfully with gross negligence, or with fraudulent or criminal intent in regard to the matter involved in the action or proceeding.

The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a Director or officer of the Association or was serving at the request of the Association as a Director or officer against any liability asserted against them and incurred by them in any such capacity or arising out of their status as such, whether or not the Association would have had the power to indemnify them against such liability under this Article.

The right of indemnification hereinabove provided shall not be exclusive of any rights to which any Director or officer of the Association may otherwise be entitled by law.

## **ARTICLE XI**

### **PROXIES**

**SECTION 1:** At all Association 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 each proxy shall automatically cease upon sale by a member of their interest in the properties.

## **ARTICLE XII**

### **BOOKS AND RECORDS**

The books, records and papers of the Association shall be at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation, and the By-laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

## **ARTICLE XIII**

### **ASSESSMENTS**

As more fully provided in the Declaration, Article VIII Section 6, each member is obligated to pay to the Association assessments. Any assessments which are not paid within ten (10) days of the due date shall be delinquent and shall constitute a lien on the Lot of the owner who fails to pay them and shall bear interest from the date of delinquency as provided in the Declaration. The Association may bring an action at law against the Owner personally obligated to pay the assessment or foreclose the lien against the property and interest, cost, and reasonable attorney's fees of any such action or foreclosure shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or Common Local Areas.

## **ARTICLE XIV**

### **CORPORATE SEAL**

The Association shall have a seal as is shown at the right of this Article.

## **ARTICLE XV**

### **AMENDMENTS**

**SECTION 1:** These By-laws may be amended at a regular or special meeting of the Association by majority of the members present in person or by proxy, provided that all amendments are consistent with the recorded Declaration and Articles of Incorporation.

**SECTION 2:** In the event of any conflict between Declaration and these By-laws, the Declaration shall control. In the event of any conflict between the Articles of Incorporation and these By-laws, the Articles shall control.

## **ARTICLE XVI**

### **MISCELLANEOUS**

The fiscal year of the Association shall begin on the first (1st) day of January and end on the thirty-first (31st) day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, We, being all the Directors of Canoa Hills Townhomes, Inc., have hereunto set our hands this \_\_\_\_\_ day of \_\_\_\_\_, 1992.

---

Walter J. Geib

---

Robert S. Vaughan

---

Edwin H. Grant, Jr.