



**The Sanctuary Homeowners
Association, Inc.**
an Arizona non-profit corporation
c/o Vision Community Management
16625 S Desert Foothills Pkwy
Phoenix, AZ 85048
480-759-4945

CAPTION HEADING:

Bylaws

DO NOT REMOVE

This is part of the official document.

**BYLAWS
OF
THE SANCTUARY HOMEOWNERS ASSOCIATION, INC.**

**ARTICLE I
NAME AND PRINCIPAL OFFICE**

The name of the corporation is The Sanctuary Homeowners Association, Inc., hereinafter referred to as the "Association". The location of the principal office of the Association shall be as provided in the Articles of Incorporation or as determined by the Board of Directors. Meetings of Members and directors may be held at such places within the State of Arizona, County of Coconino, as may be designated by the Board of Directors.

**ARTICLE II
DEFINITIONS**

The words and terms used herein shall be deemed to have the same meanings as are given those words and terms in that certain Declaration of Covenants, Conditions and Restrictions recorded on November 9, 2006 at Fee Number 2006-3411750 Official Records of Coconino County, Arizona, and any amendments thereto (the "Declaration").

**ARTICLE III
MEETING OF MEMBERS**

Section 1. Annual Meetings. The Annual Meeting of the Members of the Association shall be held at least once each year at such date, time and place as is determined by the Board. The Annual Meeting of the Members may be held remotely as circumstances may require or as determined by the board.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of the Members who are entitled to vote one-fourth (1/4) of the total authorized votes in the Association. The close of business on the last day of the month before delivery of the demand or demands for a special meeting shall be the record date for the purpose of determining whether the demand for the special meeting has been signed by Members having at least one-fourth (1/4) of the total authorized votes in the Association.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, not less than ten (10) days nor more than fifty (50) 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. Unless prohibited by law, when a meeting is adjourned to another date, time or place, a notice of the new date, time or place is not required if the new date, time or place is announced at the meeting before adjournment. At the adjourned meeting, the Association may transact any business which might have been transacted at the original meeting. If a new record date for the adjourned meeting is or must be fixed under Article III, Section 6 below, the Association shall give notice of the adjourned meeting pursuant to this Section to persons who are Members as of the new record date. A Member's attendance at a meeting waives objection to the lack of notice or defective notice of the meeting, unless the Member at the beginning of the meeting objects to holding the meeting and transacting business in the meeting. In addition, a Member's attendance at a meeting waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the Member objects to considering the matter at the time it is presented.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or of absentee ballots entitled to cast, one-tenth (1/10) of the total authorized votes in the Association shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. Quorum at the subsequent meeting shall be one-half of the regular quorum.

Section 5. Absentee Ballots. The use of proxies is not permissible. At all meetings of Members, each Member may vote in person or by absentee ballot. An absentee ballot shall: (i) set forth the proposed action(s); (ii) provide an opportunity to vote for or against the proposed action(s); (iii) be valid only for the particular meeting being called and specify the date and time the absentee ballot must be returned, which cannot be sooner than seven (7) days after it was distributed to the Member; and (iv) not authorize another person to cast votes on behalf of the Member. Absentee ballots may be distributed to the Members and may be submitted by each Member in a method or methods as may be determined by the Board, from time to time, which may include, but is not limited to, regular mail, electronic mail, facsimile or other on-line delivery.

Section 6. Record Date. For any meeting of the Members, the Board shall fix a date as the record date for determining the Members entitled to notice of the meeting. If the Board fails to fix a record date for any meeting of the Members, the record date for determining the Members entitled to notice of the meeting shall be the business day before the day on which the notice of the meeting is given. The Board shall also fix a date as the record date for determining the Members entitled to vote at a meeting of the Members. If the Board fails to fix such a record date, the

Members on the date of the meeting who are otherwise eligible to vote are entitled to vote at the meeting. A determination of Members entitled to notice of or to vote at a membership meeting is effective for any adjournment of the meeting, unless the Board fixed a new date for determining the right to notice or the right to vote.

The Board shall fix a date as the record date for the purpose of determining the Members entitled to exercise any rights in respect of any other lawful action of the Members. If a record date is not fixed by the Board, Members at the close of business on the day on which the Board adopts the resolution relating to that record date, or the sixtieth (60) day before the date of other action, whichever is later, are entitled to exercise those rights.

The record date fixed by the Board under this Section shall not be more than seventy (70) days before the meeting or action requiring a determination of Members.

Section 7. Organization and Conduct of Meeting. All Members attending a meeting of the Members shall register with the Secretary (or such person or persons as may be designated by the Secretary) prior to commencement of the meeting, and all ballots must be collected by the Secretary (or such person or persons as may be designated by the Secretary) prior to commencement of the meeting. After the meeting is called to order by the chair of the meeting, no further ballots or changes, substitutions or revocation of ballots shall be accepted. All meetings of the Members will be called to order and chaired by the President of the Association, or if there is no President or if the President is absent or so requests, then by the Vice President. If both the President and Vice President are not present at the meeting, any other officer of the Association or such Member of the Association as is appointed by the Board may call the meeting to order and chair the meeting. The chair of the meeting may appoint another person to act as Recording Secretary. The chair of the meeting shall have the authority to determine the order of business to be conducted at the meeting and to establish reasonable rules for expediting the business of the meeting.

Section 8. Action by Written Ballot. Unless prohibited by law, any action that the Association may take at any annual, regular or special meeting of the Members may be taken without a meeting if the Association delivers a written ballot to every Member entitled to vote on the matter. The written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. All solicitations for action to be voted by written ballot shall: (1) indicate the number of responses needed to meet the quorum requirements; (2) state the percentage of approvals necessary to approve each matter other than election of directors; and (3) specify the time by which a ballot must be delivered to the Association in order to be counted, which time shall not be less than three (3) days

after the date that the Association delivers the ballot. Once a written ballot has been received by the Association, the ballot may not be revoked. Approval by written ballot pursuant to this Section is valid only if both the number of votes cast by ballot equal or exceeds the quorum required to be present at a meeting authorizing the action and the number of approvals equals or exceeds the number of votes which would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

Section 9. Action by Written Consent. The Members may approve any action required or permitted by law that requires the Members' approval without a meeting of the Members if the action is approved by Members holding at least a majority of the voting power in the Association, unless the Declaration, Articles, these Bylaws or applicable law requires a different amount of voting power. The action shall be evidenced by one or more written consents describing the action taken, signed by those Members representing at least the requisite amount of the voting power, and delivered to the Association for inclusion in the minutes or filing with the corporate records of the Association. If not otherwise fixed by the Board pursuant to Article III, Section 6 above, the record date for determining Members entitled to take action without a meeting is the date the first Member signs the consent to the action. A consent signed under this Section has the effect of a meeting vote and may be described as such in any document. Written notice of Member approval pursuant to this Section shall be given to all Members who have not signed the written consent. Unless otherwise specified in the consent or consents, the action is effective on the date that the consent or consents are signed by the last Member whose signature results in the requisite amount of the voting power. Any Member may revoke the Member's consent by delivering a signed revocation of the consent to the President or Secretary before the date that the consent or consents are signed by the last Member whose signature results in the requisite amount of voting power.

Section 10. Voting Requirements. Unless otherwise provided in the project documents, if a quorum is present at a meeting of the Members, the affirmative vote of a majority of the votes represented and voting is the act of the Members.

ARTICLE IV BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of Directors that shall consist of not less than three (3) directors, but no more than five (5) directors. The Board may increase or decrease the number of directors on the Board for the upcoming election, but the number shall always be an odd number.

Section 2. Term of Office. Board members shall be elected for three (3) years. In order to establish staggered Board of Director terms, the Director(s) receiving the highest number of votes shall serve a three-year term, then Director(s) receiving the next highest number of votes shall serve a two-year term, and the remaining Director(s) shall serve a one-year term, or any other term established by the Board so long as the staggered terms are maintained. Any Director elected in the year 2022 or thereafter shall then serve a three-year term.

Section 3. Removal of Directors. The members of the Board may be removed from the Board with or without cause by Members having more than fifty percent (50%) of the votes entitled to be cast by the Members present in person or by ballot at a meeting of the Members called for such purpose, and a successor may then and there be elected to fill the vacancy thereby created.

Section 4. Compensation. No director shall receive compensation for any service they may render to the Association. However, any director may be reimbursed for actual expenses incurred in the performance of their duties as a director.

Section 5. Action Taken Without a Meeting. Unless prohibited by law, the Board of 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 Board and shall be filed with the minutes of the proceedings of the Board.

Section 6. Vacancies. Except for vacancies on the Board caused by the removal of a director in accordance with the provisions of Article IV, Section 3 of these Bylaws, any vacancy occurring in the Board may be filled by the affirmative vote of a majority of the remaining directors though less than a quorum or by a sole remaining director, and any director so chosen shall hold office for the remaining term of the Director they are replacing. When one or more directors resigns from the Board, effective at a future time, a majority of the directors then in office, including those who have so resigned, may fill such vacancy, the vote on the vacancy to take effect when such resignation becomes effective. If by reason of death, resignation or otherwise, the Association has no directors in office, any officer or Member may call a special meeting of the Members for the purpose of electing the Board of Directors.

ARTICLE V

QUALIFICATION OF CANDIDATES/DIRECTORS

Section 1. Qualifications: All directors must be in good standing at all times. All candidates seeking to serve on the Board must be a member in good standing. For purposes of this provision, good standing means not being in violation of the Governing Documents for the previous sixty (60) days including but not limited to delinquent in the payment of assessments, in violation of any other provision of the Governing Documents whether or not legal action has been taken.

Section 2. Code of Conduct: As part of the qualifications to serve on the Board of Directors, the Board is authorized to adopt, amend or repeal a code of conduct for all directors.

ARTICLE VI **MEETINGS OF DIRECTORS**

Section 1. Regular Meetings. If the time and place of a meeting of the Board is fixed by the Board, the meeting is a regular meeting. All other meetings of the Board are special meetings. Regular meetings of the Board may be held with at least forty-eight (48) hours' notice to the directors of the date, time, place and purpose of the meeting.

Section 2. Special Meetings. Special meetings of the Board may be called by the President on two (2) business days' notice to each director, given in writing, by hand delivery, mail, electronic 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.

Section 3. Waiving of Notice. A director's attendance at or participation in a meeting waives any required notice to the director of the meeting unless the director at the beginning of the meeting or promptly on the director's arrival at the meeting objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

Section 4. Attendance/Participation. A director may participate in a regular or special meeting of the Board through the use of any means of communication by which all directors participating may simultaneously hear each other during the meeting, and a director participating in a meeting by such means is deemed to be present in person at the meeting.

Section 5. Notice of Meetings. Notice of meetings of the Board shall be given to the Members of the Association within such time and in such manner as is required by law.

Section 6. Quorum and Voting. A majority of the prescribed number of directors shall constitute a quorum for the transaction of business. If a quorum is present when a meeting is convened, the quorum shall be deemed to exist until the meeting is adjourned, notwithstanding the departure of one or more directors. Every act or decision done or made by a majority of the directors present at a duly-held meeting, at which a quorum of the Board is present, shall be regarded as the act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

- (a) adopt and publish rules and regulations governing the use of the Common Area, the personal conduct of the Members and their guests thereon, and any other matters contemplated by the Declaration or Articles and to establish penalties for the infraction thereof;
- (b) suspend the voting rights and the right to use of the Common Area of a Member during any period in which such Member shall be in default in the payment of any Assessment levied by the Association. Such rights may also be suspended (i) for a period not to exceed sixty (60) days for infraction of the Declaration or Association Rules and (ii) for successive sixty (60) day periods if any such infraction is not corrected during any prior sixty (60) day suspension period; however, no such suspension may be made toward restricting the use of the Common Area, which would prevent the use and enjoyment of the Owner's Lot as a residence or restrict their access or parking rights;
- (c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Membership by other provisions of these Bylaws, the Articles, or the Declaration;
- (d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and
- (e) employ a manager, independent contractors, or such other employees as they deem necessary and to prescribe the duties of such persons.

Section 2. Duties. It shall be the duty of the Board of Directors to:

- (a) cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A Members who are entitled to vote;
- (b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- (c) as more fully provided in the Declaration, to:
 - (i) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period; and
 - (ii) take such action, as and when the Board deems such action appropriate but after notice as provided in the Declaration, to foreclose the lien against any property for which Assessments are not paid and/or to bring an action at law against the Member personally obligated to pay the same.
- (d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any Assessment has been paid. A reasonable charge may be made by the Board for the issuance of these

certificates. If a certificate states an Assessment has been paid, such certificates shall be conclusive evidence of such payment, as against any bonafide purchaser of, or lender on, the Lot in question;

(e) procure and maintain adequate liability and hazard insurance on the general Common Area;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

(g) cause the maintenance responsibilities of the Association set forth in the Declaration to be performed.

Section 3. Managing Agent. The Board may employ for the Association a "Managing Agent" at a compensation established by the Board. The Managing Agent shall perform such duties and services as the Board shall authorize, including, but not limited to, all of the duties listed in the project documents except for such duties and services that under the project documents may not be delegated to the Managing Agent. The Board may delegate to the Managing Agent all of the powers granted to the Board or the officers of the Association by the project documents other than the power:

(i) to adopt the annual budget, any amendment thereto or to levy assessments;

(ii) to adopt, repeal or amend Association Rules;

(iii) to designate signatories on Association bank accounts;

(iv) to borrow money on behalf of the Association; or

(v) to acquire real property.

Section 4. Indemnification. To the extent it has the power to do so under the Arizona Nonprofit Corporation Act, A.R.S. § 10-3101 *et. seq.*, the Association shall 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 proceedings, whether civil, criminal, administrative or investigative, other than an action by or in the right of the Association, by reason of the fact that they are or were a member, director, officer, employee or agent of the Association or is or was serving at the request of the Association on a committee or other joint venture with the Association. This duty to indemnify includes expenses, attorneys' fees and cost, fines, judgments or amounts paid in settlement and actually incurred by the person who, on behalf of the Association, was acting in good faith and in a manner they reasonably believed to be in the best interest of the Association, and, with respect to any criminal action or proceeded, had no reasonable cause to believe the conduct was unlawful.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of the Association shall be a President, Vice President, Secretary, and a Treasurer who shall at all times be

members of the Board of Directors.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be appointed annually by the Board and each shall hold office for one (1) year unless he/she shall be removed or otherwise disqualified to serve.

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

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

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer replaced.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one (1) of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

President. The President shall be the chief executive officer of the Association; shall preside at all meetings of the Board or 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.

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

Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; 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 perform such other duties as required by the Board.

Treasurer. The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse 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 duties incident to the office of treasurer.

ARTICLE IX COMMITTEES

Section 1. Appointment of Committees. The Board of Directors shall appoint committees as deemed appropriate in carrying out the purpose of the Association.

ARTICLE X BOOKS AND RECORDS

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

ARTICLE XI ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association, Annual Assessments, Special Assessments and Supplemental Assessments which are secured by a continuing lien upon the property against which the Assessment is made. Any Assessments which are not paid when due shall be delinquent. If the Assessment is not paid on the due date, the Assessment shall bear a late charge as outlined in the Declaration, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, as provided in the Declaration. Late charges, interest, Association's incidental and taxable costs including collection costs and reasonable attorney's fees of any such action shall be added to the amount of such Assessment. No Owner may waive or otherwise escape liability for the Assessments provided for herein by nonuse of the Common Area or abandonment of the Lot.

**ARTICLE XII
AMENDMENTS**

Section 1. Amendments. These Bylaws may be amended by the written consent or a vote of a Majority of the Members of the Association.

Section 2. Right of Amendment if Requested by Governmental Agency or Federally Chartered Lending Institutions. Anything in the Bylaws to the contrary notwithstanding, the Board reserves the right to amend all or any part of the Bylaws to such an extent and with such language as may be requested by the FHA or the VA and to further amend the Bylaws to the extent requested by any other federal, state or local governmental agency which requests such an amendment as a condition precedent to such agency's approval of the Bylaws or by any federally chartered lending institution as a condition precedent to lending funds upon the security of any Lot(s).

**ARTICLE XIII
INTERPRETATION**

In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

**ARTICLE XIV
FISCAL YEAR**

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December, of each year, except that the first fiscal year shall begin on the date of incorporation of the Association and shall end on the 31st day of December thereafter.

Dated this 23rd day of March, 2021.



By: Korey Doucette

President of the Board of Directors

CERTIFICATION

I, the undersigned, do hereby certify:

THAT these Bylaws are being adopted for THE SANCTUARY HOMEOWNERS ASSOCIATION, INC., an Arizona nonprofit corporation, and,

THAT the foregoing Bylaws constitute the original Bylaws of said Association given the Declarant's failure to adopt Bylaws during the period of declarant control and are hereby adopted on this 23rd day of March, 2021.

STATE OF ARIZONA)
) ss.
County of Coconino)

On this 29 day of March, 2021, before me the undersigned Notary Public, personally appeared Korey Doucette on behalf of The Sanctuary Homeowners Association, Inc., an Arizona Non-profit corporation, and acknowledged to me that he, being authorized to do so as President of the Board of Directors for the Association, executed the foregoing instrument for the purposes therein by signing his name in his capacity as President of the Board.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My commission expires:

Evelyn Kerley Little
Notary Public

