

# **BY-LAWS**

**BYLAWS  
OF  
THE GREATER GRANVILLE HOMEOWNER'S ASSOCIATION, INC.  
ADOPTED NOVEMBER 23, 1998**

WHEREAS, The Greater Granville Homeowner's Association, Inc. (the "Association") was reincorporated as a nonprofit corporation in the State of Arizona on or about Nov. 23, 1998.

WHEREAS, the Articles of Incorporation, and Arizona Revised Statutes § 10-2312 vests the authority to adopt initial bylaws in the Board of Directors; and

WHEREAS, at a meeting of the Board of Directors duly called and held on Nov. 23, 1998, a majority of the Directors present voted in favor of adopting these Bylaws as set forth herein.

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

**ARTICLE I  
NAME AND LOCATION OF ASSOCIATION**

**Section 1.1 Name.** The name of the Association is The Greater Granville Homeowner's Association, Inc.

**Section 1.2 Principal Office.** The principal office of the Association in the State of Arizona is currently located at AMCOR Property Professionals, 15757 N. 78<sup>th</sup> St., Suite A, Scottsdale, Arizona 85260. The Association may change the location of its principal office as the Board of Directors may determine or as the affairs of the Association may require.

**ARTICLE II  
REFERENCE TO DECLARATION**

**Section 2.1 Reference to Declaration.** Reference is made to the certain Declaration of Covenants, Conditions and Restrictions for Granville recorded on November 30, 1983 as instrument No. 83-479172 in the Official Records of Maricopa County, Arizona, (the "Declaration"). Unless otherwise defined in these Bylaws, all capitalized words and phrases shall have the meanings set forth in the Declaration. Reference may also be made to the Declaration of Covenants, Conditions and Restrictions for Granville Townhomes recorded at No. 83-479174, as amended at Nos. 83-487599 and 84-050729 ("Townhome Declaration"), and the Declaration of Covenants, Conditions and Restrictions for Granville Patio Homes recorded at No. 83-407988 ("Patio Home Declaration").

### ARTICLE III PURPOSE

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

### ARTICLE IV MEMBERSHIP

**Section 4.1 Qualification.** Membership in the Association shall be limited to Owners of Lots in Granville Patio Homes and Granville Townhomes. Membership in the Association shall be mandatory and no Owner during his ownership of a Lot shall have the right to relinquish or terminate his membership in the Association. When more than one Person holds an interest in any Lot, all such Persons shall be Members. The membership of each Lot Owner shall terminate when he ceases to be an Owner of a Lot, and his membership in the Association shall be automatically transferred to the new Owner succeeding to such ownership interest.

**Section 4.2 Voting Rights.** Subject to the provisions of Section 4.3, the Owner of a Lot shall be entitled to one (1) vote on each matter submitted to a vote of the Members. If multiple Persons own a Lot. The voting for such Lot shall be exercised as such Persons among themselves determine, or, in the absence of such determination, as determined by the Board. If any Member casts a vote representing a certain Lot, it will thereafter be conclusively presumed that he was acting with the authority and consent of all other owners of the same Lot. In the event that more than one (1) vote is cast with respect to particular Lot, all such votes shall be deemed void.

### ARTICLE V MEETINGS OF MEMBERS

**Section 5.1 Annual Meeting.** An annual meeting of the Members of the Association shall be held at least once every twelve (12) months at a date and time determined by the Board of Directors for the purpose of electing or announcing the results of the election of Directors and transacting such other business as may properly come before the meeting. The first annual meeting, and all annual meetings thereafter, shall be held jointly and concurrently with the annual meeting of the Granville Townhome Homeowner's Association, Inc. ("Townhome Association").

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

**Section 5.3 Place of Meeting.** Meetings of the Members shall be held in Maricopa County, Arizona, at a suitable place designated by the Board of Directors.

**Section 5.4 Notice of Meetings.** Written notice stating the place, day and hour of the annual meeting of Members or a special meeting of Members shall be hand delivered or delivered by first-class U.S. Mail to all Members, at least fifteen (15) days before the date of such meeting, by or at the direction of the Secretary. The notice of the meeting shall be deemed to be delivered when left with a person of suitable age and discretion at the address that appears on the records of the Association or when deposited, postage prepaid, in the United States Mail and addressed to the Member at the address that appears on the records of the Association. In the case of special meetings, the purpose for which the special meeting is called shall be stated in the notice.

**Section 5.5 Quorum.** Those Members present in person or by proxy at a properly noticed meeting of Members holding one-tenth (1/10) of the votes entitled to be cast shall constitute a quorum at all meetings of the Members, 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 the power to adjourn the meeting from time to time, without notice other than the announcement at the meeting, until a quorum shall be present or represented.

**Section 5.6 Proxies.** At any meeting of Members, any Member entitled to vote may vote by proxy executed in writing by the Member or by his duly authorized attorney-in-fact. All proxies must be filed with the Secretary prior to the commencement of the meeting for which they are given. Proxies shall be deemed revoked upon the appearance in person of the Member granting a proxy at the meeting for which the proxy was granted or upon the actual receipt by the person presiding over the meeting of a notice of revocation signed by the Member who granted the proxy or upon receipt of a later-dated proxy.

**Section 5.7 Noncumulative Voting.** All voting shall be done on a noncumulative basis. Voting, including election of Directors, may be by secret written ballot or oral vote, or as otherwise permitted by Arizona law, including balloting by mail.

## ARTICLE VI BOARD OF DIRECTORS

**Section 6.1 Powers and Duties.** The affairs of the Association shall be managed by its Board of Directors. 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 that are not required by the Declaration, statute or these Bylaws to be exercised or done by the Members. In addition to the powers and duties granted and imposed by statute and the Constituent Documents, the powers and duties of the Board of Directors shall include, but are not limited to, the following:

- (A) Elect and remove the officers of the Association;
- (B) Adapt and publish rules and regulations governing the use of the Lots and Common Areas and related facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;
- (C) Suspend the right of a Member to vote and to use the Common Areas during any period when such Member shall be in default in the payment of any assessment levied by the Association. Such right may also be suspended after notice and hearing, for a period not to exceed sixty (60) days, for infraction of published rules and regulations promulgated by the Board;
- (D) Engage the services of an agent to maintain, repair, replace, administer and operate the Common Areas, or any part thereof, for all of the Members, upon such terms and for such compensation as the Board may approve. Any agreement for the services of any such agent shall provide for termination by the Association with or without cause, and without payment of a termination fee or penalty, upon thirty (30) days written notice, and no such agreement shall be of a duration in excess of one (1) year, renewable by agreement of the parties for successive one (1) year periods;
- (E) Make repairs within the boundaries of individual Lots where such repairs are required for the welfare or safety of other Lot Owners or for the preservation or protection of the Common Areas;
- (F) Grant or relocate easements over, across or through the Common Areas as the Board may determine to be beneficial to the Members;
- (G) Declare the office of a member of the Board to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board;

- (H) Exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the Members by other provisions of these Bylaws, the Articles of Incorporation or the Declaration;
- (I) Cause to be kept a complete record of all its acts and corporate affairs and 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;
- (J) Supervise all officers, agents and employees of the Association, and to see their duties are properly performed;
- (K) As more fully provided in the Declaration, to:
  - (1) Administer, operate, maintain and repair the Common Areas;
  - (2) Determine the Common Expenses of the Association at least thirty (30) days in advance of each annual assessment period;
  - (3) Send written notice of each Member's proportionate share of the Common Expenses to every Member subject thereto; and
  - (4) Record a notice and claim of lien against any Lot for which assessments are not paid, and foreclose the same within a reasonable time, and bring an action at law against the Member personally obligated to pay the same.
- (L) Issue, or cause an appropriate officer to issue, upon written request by any person having any interest in any Lot, a statement setting forth whether or not any assessment has been paid. The Board may make a reasonable charge for the issuance of such a statement. If the statement provides that an assessment has been paid, such statement shall be conclusive evidence of such payments;
- (M) Procure and maintain adequate casualty and liability insurance as more fully provided in the Declaration;
- (N) Cause all officers or employees having fiscal responsibilities to be bonded by fidelity bonds in accordance with the provisions of the Declaration.

**Section 6.2 Number and Qualifications of Directors.** Each Director shall be a Member of the Association and/or the Townhouse Association, or a spouse of a Member of either (or if Members is a corporation, partnership or trust, a Director may be an officer, partner or beneficiary of such Member). If a Director shall cease to meet such qualifications during his term, he will thereupon cease to be a Director, and his place on the Board shall be deemed vacant. The persons elected to serve as directors of the Townhome Association pursuant to the Townhome Association bylaws shall also serve jointly and concurrently as Directors of this Association. The two associations shall be managed and administered jointly wherever possible. There shall be five (5) directors.

**Section 6.3 Terms and Term Limitation.** The terms of the Board members shall be the same as the terms of the Townhome Association board members. The terms shall be staggered, with each Director serving a three (3) year term.

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

**Section 6.5 Special Meetings.** Special meetings of the Board of Directors may be called by or at the request of the President or any two (2) Directors after not less than three (3) days notice, or within a reasonable time after the presentation to the President of the Association of a petition signed by one-quarter (1/4) of the Members. The person or persons authorized to call special meetings of the Board of Directors may fix any convenient place and time as the place and time for holding any special meeting of the Board of Directors called by them.

**Section 6.6 Quorum.** A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

**Section 6.7 Manner of Acting.** The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless a greater number is required by law or by the Declaration, the Articles of Incorporation or these Bylaws.

**Section 6.8 Removal.** At any annual or special meeting of the Members duly called, any one or more of the Directors may be removed from the Board with or without cause by a majority vote of the Members of the Association entitled to vote for the election of Directors. Any Director whose removal has been proposed by the Members shall be given an opportunity to be heard at the meeting prior to the vote for removal.

**Section 6.9 Vacancies.** Any vacancy occurring in the Board of Directors by death, resignation or removal and any directorship to be filled by reason of an increase in the number of Directors shall be replaced by a Director selected by a majority of the remaining Directors, though less than a quorum. A Director appointed to fill a vacancy shall be appointed for the full unexpired term of his predecessor in office.

**Section 6.10 Compensation.** Directors shall not receive any compensation for their services as such. However, any Director may be reimbursed for his or her actual expenses incurred in the performance of his or her duties. Nothing herein contained shall be construed to preclude any Director from serving the Association in any other capacity and receiving compensation therefor.

## **ARTICLE VII OFFICERS AND MANAGING AGENT**

**Section 7.1 Officers.** The officers of the Association shall be a President, a Vice President, who shall at all times be Directors, a Secretary, and a Treasurer and such other officers as may be elected in accordance with the provisions of this Article. All officers of the Association must be Directors. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary.

**Section 7.2 Election and Term of Office.** The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the Members. The officers of the Association may concurrently be officers of the Townhome Association, and shall hold the same offices concurrently, unless otherwise determined by a majority of the Board.

**Section 7.3 Removal or Disqualification.** The Board of Directors may remove any officer elected or appointed by the Board of Directors with or without cause whenever in its judgment the best interests of the Association would be served thereby. Any officer may resign at any time by giving written notice to the Board, and the 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.

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



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

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

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

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

**Section 7.9 Managing Agent.** The Board of Directors may hire a Managing Agent at a compensation established by the Board of Directors. The Managing Agent may either be an employee of the Association, an independent professional management company, or an independent contractor. The Managing Agent shall perform such duties and services as the Board of Directors shall authorize. The Association may be jointly managed with the Townhome Association, with accounts for each association kept separately as necessary to conform to the respective declarations of each association.

## ARTICLE VIII COMMITTEES

**Section 8.1 Nominating Committee.** There shall be only one Nominating Committee for both the Association and the Townhome Association, as the Directors elected shall serve both associations concurrently. Nomination for election to the Board shall be made by the Committee. Nominations may also be made from the floor at the annual meeting by any Member not in default. The Committee shall consist of a chairman, who shall be a member of the Board, and two or more Members of the Association. The Committee shall be appointed by the Board at least sixty (60) days prior to each annual meeting and shall serve until such annual meeting has been concluded. The Committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

**Section 8.2 Other Committees.** The Association shall appoint an architectural committee as provided in the Declaration, but it may be a committee with the same members serving the Townhome Association concurrently. Other standing or *ad hoc* committees may be appointed in such manner as may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Such committees shall serve in an advisory capacity. Unless otherwise provided in such resolution, Members of each such committee shall be Members of the Association and a Director shall chair each such committee. Any Member thereof may be removed by the person or persons authorized to appoint such Members whenever in their judgment the best interests of the Association shall be served by such removal.

**Section 8.3 Term of Office.** Each member of a committee shall continue as such until the next annual meeting of the Members of the Association, unless the committee shall be sooner terminated, or unless such member resigns, is removed from such committee, or unless such member ceases to qualify as a member thereof.

**ARTICLE IX  
BUDGET AND ANNUAL ASSESSMENTS**

**Section 9.1 Annual Budget.** Not later than thirty (30) days prior to the beginning of each fiscal year, the Board shall cause to be prepared an estimated annual budget for the upcoming fiscal year of the Association. Such budget shall take into account the estimated Common Expenses (as set forth in the Declaration) and cash requirements for the year. To the extent that Assessment and other cash income collected from the Members during the preceding year shall be more or less than the expenditures for such preceding year, the surplus or deficit, as the case may be, shall be taken into account. The budget may be prepared by the Board in conjunction with or jointly with a budget for the Townhome Association, in the discretion of the Board, with separate accounts or line items.

**Section 9.2 Assessments.** The Association's Board of Directors shall determine the amount of Assessments to be imposed against the Lots pursuant to the Declaration and shall assess in accordance with the Declaration.

**Section 9.3 Collection of Assessments and Other Charges and Grant of Authority to the Townhome Association.** The Association shall collect Assessments, fees, charges, fines and penalties, together with interest, late charges and all costs, including but not limited to reasonable attorneys' fees, incurred by the Association in collecting or attempting to collect delinquent Assessments, fees, charges, fines or penalties, whether or not suit is filed, as provided in the Declaration. The Association hereby expressly grants to the Townhome Association and its Board and managing agent and attorneys, the power and authority to collect assessments from the Owners of the Townhomes and the Patio Homes on behalf of this Association, the "master association" for Granville, and assigns to the Townhome Association full authority as its agent to file personal lawsuits, notices of lien, and lien foreclosure actions in its own name only or in the name of the Association to collect the Association assessments.

**ARTICLE X  
NEGOTIABLE INSTRUMENTS AND SECURITIES**

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

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

## ARTICLE XI MISCELLANEOUS

**Section 11.1 Waiver.** No restriction, condition, obligation, or provision contained in these Bylaws will be deemed to have been abrogated or waived by reason of any failure to enforce it, irrespective of the number of violations and failures to enforce that may occur.

**Section 11.2 Invalidity.** If any provision or provisions of these Bylaws is or are declared invalid, the invalidity will in no way impair or affect the validity, enforceability, or effect of the remaining provisions of these Bylaws.

**Section 11.3 Captions.** Captions are inserted in these bylaws for convenience and reference only, and will not be taken in any way to limit or describe the scope of these Bylaws or any provision thereof.

**Section 11.4 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 of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, and copies thereof may be purchased at reasonable cost from the Association.


## ARTICLE XII CONFLICTS

**Section 12.1 Conflicts.** In case of a conflict between these Bylaws and the Articles of Incorporation, the Articles shall control. In case of a conflict with these Bylaws and the Declaration, the Declaration shall control. In case of a conflict between these Bylaws and the Townhome Bylaws, the Townhome Bylaws shall control. If any provision of these Bylaws is less restrictive than the Declaration or the Articles of Incorporation when dealing with the same subject, the more restrictive provisions of the Declaration and Articles of Incorporation shall be applicable in the same manner as if included in the provisions of these Bylaws.

**ARTICLE XIII  
AMENDMENTS**

**Section 13.1 Amendments.** These Bylaws may be changed, modified or amended, at a regular or special meeting of the Members, by a majority vote of the Members present in person or by proxy.

IN WITNESS WHEREOF, at a meeting duly called and held on NOVEMBER 23, 1998, a majority of the Directors present in person or by proxy voted in favor of adopting these Bylaws.


  
\_\_\_\_\_  
President

**SECRETARY'S CERTIFICATE**

The undersigned does hereby certify that:

He/she is the duly elected Secretary of The Greater Granville Homeowner's Association, Inc., an Arizona nonprofit corporation; and the foregoing Bylaws constitute the Bylaws of the Association as adopted by a majority of the Directors present at a meeting duly called and held on Nov. 23, 1998.

IN WITNESS WHEREOF, the undersigned has hereunto set his/her hand as of this 23 day of NOVEMBER, 1998.

  
\_\_\_\_\_  
Secretary