

**AMENDED AND RESTATED**  
**BYLAWS**  
**OF**  
**PARKWOOD RANCH COMMUNITY MASTER ASSOCIATION**

ARTICLE 1

GENERAL PROVISIONS  
(Amended April 26, 2010)

1.1 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 Parkwood Ranch, recorded at Recording No. 96-799144, official records of Maricopa County, Arizona, as amended from time to time.

1.2 Principal Office. The principal office of the Master Association shall be located at the place designated in the Articles or such other place as may be designated from time to time pursuant to Arizona law. Meetings of Members and of the Board may be held at the principal office of the Master Association or at such other place as may be designated by the Board.

1.3 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.

1.4 Corporate Seal. The Master Association may have a seal in a form approved by the Board.

1.5 Designation of Fiscal Year. The fiscal year of the Master Association shall begin on the 1st day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

1.6 Books and Records. The Declaration and all other books, records and papers of the Master Association shall be available for inspection by any Member and his authorized agents during reasonable business hours at the principal office of the Master Association, where copies may be purchased at reasonable cost, except that the Board may withhold from disclosure any books, records and papers relating to any of the following: (i) personal matters or a person's medical records; (ii) communication between an attorney for the Master Association and the Master Association; (iii) pending or contemplated litigation; (iv) pending or contemplated matters relating to enforcement of the Master Association's documents or rules; and (v) meeting minutes or other records of a session

of a Board meeting or Master Association meeting that is not required to be open to all Owners pursuant to A.R.S. §33-1804. The Master Association shall not be required to disclose financial and other records of the Master Association if disclosure would violate any local, state or federal law.

1.7 Obligation of Association to Disclose Information. Except for a sale of a Lot from the Declarant to a purchaser or an exempt sale pursuant to A.R.S. §32-2181.02, the Master Association shall furnish to a purchaser within seven (7) days after receipt of notice of a pending sale, a copy of these Bylaws, the Parkwood Ranch Rules, the Declaration, and a dated statement containing: (i) the telephone number and address of a principal contact for the Master Association, which may be a manager for the Master Association, an association management company, an officer of the Master Association or any other person designated by the Board; (ii) a statement setting forth the amount of the Annual Assessment for the Lot and the unpaid Annual Assessment, or installment thereof, any Special Assessment or other Assessment, fee or charge currently due and payable from the selling Member; (iii) a statement as to whether a portion of the Lot is covered by insurance maintained by the Master Association; (iv) a statement as to whether the Master Association has knowledge of any violations of any alterations or improvements to the Lot that violate any provisions of the Master Association documents; (v) a statement as to whether the Master Association has knowledge of any violations of the health or building code with respect to the Lot; and (vi) a statement of case names and case numbers for pending litigation with respect to the Lot filed by the Master Association against the Member or filed by the Member against the Master Association, except for any information concerning such pending litigation which would violate any applicable rule of attorney-client privilege under Arizona law. The Master Association may charge the Member a reasonable fee to compensate the Master Association for the costs incurred in the preparation of a statement furnished by the Master Association pursuant to this Section. The Master Association shall make available to any interested party the amount of any such fee established from time to time by the Master Association.

## 1.8 Amendment.

1.8.1 Except as provided for in Subsection 1.8.2 below, these Bylaws may be amended, at a regular or special meeting of the Members, by a vote of the Members entitled to cast more than fifty percent (50%) of the votes to be cast by the Members present in person or by proxy.

1.8.2 The Declarant, so long as it owns any Lot or Parcel, and thereafter the Board, without a vote of the Members and without the consent of any first mortgagee, shall have the right to amend these Bylaws in order to: (i) correct any error or inconsistency in these Bylaws if the amendment does not adversely affect the rights of any Member; or (ii) comply with the requirements or guidelines in effect from time to time of any governmental or quasi-governmental entity or federal corporation guaranteeing or insuring mortgage loans or governing transactions involving mortgage instruments including, without limitation, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration or the Veterans Administration.

1.8.3 If these Bylaws have been initially approved by the Federal Housing Administration ("FHA") or the Veterans Administration ("V A") and any loans insured by the FHA or guaranteed by the VA are held on any of the Lots at the time of any amendment to these Bylaws, and to the extent that it is required by any regulations governing FRAN A mortgages, so long as there is a Class B membership in the Association, any amendment of these Bylaws must be approved by the FHA or VA.

1.8.4 So long as the Declarant owns any Lot, any amendment to these Bylaws must be approved in writing by the Declarant.

1.9 Indemnification. The Master Association shall have the power to indemnify its Members, directors, officers, employees and agents to the extent and in the manner provided for in the Arizona Nonprofit Corporation Act, A.R.S. §10-2301, *et seq.*, as amended from time to time.

## ARTICLE 2

### MEETINGS OF MEMBERS

2.1 Annual Meeting. The first annual meeting of the Members shall be held within one (1) year of the date on which the Master Association is incorporated, and an annual meeting of the Members shall be held during each calendar year thereafter. The date, time and place of each annual meeting of the Members shall be determined by the Board.

2.2 Special Meetings. Special meetings of the Members may be called at any time by the President or by a majority of the Board, or by Members having at least twenty-five percent (25%) of the votes in the Master Association.

2.3 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 hand-delivering or mailing a copy of each notice, postage prepaid, no fewer than ten (10) nor more than fifty (50) days before such meeting to each Member entitled to vote at the meeting, addressed to the Member's address last appearing on the books of the Master Association or supplied by such Member to the Master 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 for which the meeting is called, including the general nature of any proposed amendment to the Declaration or by Bylaws, any changes in Assessments that require approval of the Members and any proposal to remove a director or officer of the Master Association. When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place of the meeting are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the Master Association may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each Member entitled to vote at the meeting. The failure of any Member to receive actual notice of a meeting does not affect the validity of any action taken at that meeting.

2.4 Quorum. Except as otherwise provided in the Articles, the Declaration or these Bylaws, the presence in person or by proxy of Members entitled to cast one-tenth (1/10th) of the total authorized votes in the Master 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 who are present at such meeting 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.

2.5 Multiple Owners. If only one of the multiple Owners of a Lot or Parcel is present at a meeting of the Master Association, he is entitled to cast all the votes allocated to that Lot or Parcel. If more than one of the multiple Owners are present, the votes allocated to that Lot or Parcel may be cast only in accordance with the agreement of a majority in interest of the multiple Owners unless the Declaration expressly provides otherwise. There is majority agreement if any one of the multiple Owners casts the votes allocated to that Lot or Parcel without protest being made promptly to the person presiding over a meeting by any of the other Owners of the Lot or Parcel.

2.6 Proxies. At all meetings of the Members, a vote may be cast in person or by proxy duly executed by an Owner. If a Lot or Parcel is owned by more than one person, each Owner of the Lot or Parcel may vote or register protest to the casting of votes by the other Owners of the Lot or Parcel through a duly executed proxy. A proxy may be granted by any Member in favor of only another Member, the secretary of the Master Association, the Declarant, or the Member's mortgagee, or in a case of a nonresident Member, the Lessee of such Member's Lot or Parcel, 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 which the proxy is given. The proxy shall be deemed revoked only upon actual receipt by the person presiding over the meeting of a notice of revocation signed by the Member who granted the proxy, or upon presentation of a later date of proxy executed by the same Member. No proxy shall be valid twenty five (25) months from the date of its execution.

2.7 Suspension of Voting Rights. In the event any Owner is in arrears in the payment of any Assessment, monetary penalties or other fees and charges due under the terms of the Master Association documents for a period of thirty (30) days or more, the Owner's right to vote as a member of the Master Association shall be automatically suspended and shall remain suspended until all payments, including accrued interest and attorneys' fees, are brought current, and for a period not to exceed sixty (60) days for any infraction of the Master Association documents.

### ARTICLE 3

#### BOARD OF DIRECTORS

3.1 Number and Qualification. The affairs of this Master Association shall be initially managed by a board of three (3) directors. The number of directors may be changed from time to

time by the Board, but the number of directors may not be less than three (3) or more than nine (9) and must always be an odd number. So long as there is a Class B Membership in the Master Association, the directors need not be Members of the Master Association. After the termination of the Class B Membership, all directors must be Members of the Master Association.

3.2 Term of Office. The initial members of the Board shall hold office until the first annual meeting of the Members and until their successors are elected and qualified. Commencing with the first annual meeting of the Members, and so long as there is a Class B Membership in the Master Association, all directors shall be elected for a term of one (1) year. At the first annual or special meeting after termination of the Class B Membership, the Members shall elect one (1) director for a term of one (1) year, one (1) director for a term of two (2) years and one (1) director for a term of three (3) years. At each annual meeting thereafter, the Members shall elect directors to replace those directors whose terms have expired and all such directors shall be elected for a term of three (3) years. If the Board increases the number of directors, the newly appointed directors shall serve until the first annual meeting after such increase, at which time the terms of the new directorships shall be designated by the Members.

3.3 Removal. At any annual or special meeting of the Members duly called, anyone or more of 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 proxy at the meeting, and a successor shall then and there be elected to fill the vacancy thereby created.

3.4 Compensation. No director shall receive compensation for any service he may render to the Master Association which is within his duties as a director. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties. A director may receive compensation for services rendered to the Master Association which are outside his duties as a director if the payment of such compensation is approved by all of the other directors.

3.5 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 the directors. Any such written consent shall be filed with the minutes of the proceedings of the Board.

3.6 Vacancies. Except for vacancies on the Board caused by the removal of a director in accordance with the provisions of Section 3.3 of these Bylaws, any vacancy occurring in the Board may be filled by the affirmative vote of a majority of the remaining directors through less than a quorum or by a sole remaining director, and any director so chosen shall hold office until the next election of the directors when a successor is elected and qualified. Any newly created directorship shall be deemed a vacancy. 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 Master 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. Except with respect to members appointed by the Declarant and vacancies caused by the removal of a member of the Board by a vote of the Members as set forth in Section 3.3 of these Bylaws, all vacancies in the Board shall be filled by a vote of a majority of the remaining directors, though less than a quorum, or by a sole remaining director. Any person so elected shall serve the unexpired portion of the prior director's term. Any newly created directorship shall be deemed a vacancy. Any person elected to fill such a vacancy shall serve until the next annual meeting of the Members.

### 3.7 Meetings.

3.7.1 Meetings of the Board, regular or special, shall be held at least annually and may be held by means of conference telephone or other similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation at such meeting shall constitute presence in person at the meeting.

3.7.2 Until termination of the Class B Membership, regular meetings of the Board may be held with or without notice at such time and place as is determined from time to time by the Board. After termination of the Class B Membership, notice to Members of meetings of the Board shall be by newsletter, conspicuous posting or any other reasonable means as determined by the Board. Any notice of a Board meeting shall state the time and place of the meeting. An affidavit of notice by an officer of the Master Association is prima facie evidence that notice was given as prescribed by this subsection. The failure of any Member to receive actual notice of a meeting of the Board does not affect the validity of any action taken at that meeting.

3.7.3 Special meetings of the Board may be called by the President on three (3) business days notice to each director, given in writing, by hand delivery, mail or facsimile, 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. In addition, after termination of the Class B Membership, notice of special meetings of the Board shall be given to Members as set forth in Subsection 3.7.2, except that notice to Members of meetings of the Board is not required if emergency circumstances require action by the Board before notice can be given.

3.7.4 Attendance of a director at a meeting shall constitute a waiver of notice of such meeting except when a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

3.7.5 Regular and special meetings of the Board are open to all Members and all Members so desiring shall be permitted to attend and listen to the deliberations and proceedings; provided, however, that for regular and special meetings of the Board, Members who are not Board members may not participate in any deliberation or discussion unless expressly so authorized by a vote of the majority of a quorum of the Board. Any portion of a meeting may be closed only if the closed portion of the meeting is limited to consideration of one or more of the following:

(i) employment or personnel matters for employees of the Board or the Master Association; (ii) legal advice from an attorney for the Board or the Master Association; (iii) pending or contemplated litigation; or (iv) pending or contemplated matters relating to enforcement of the Master Association's documents or rules.

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.

3.9.1 The Board shall have all of the powers and duties necessary for the administration of the affairs of the Master Association and may do all such acts and things as are not by the Declaration, Articles or these Bylaws required to be exercised or done by 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:

- (1) Open bank accounts on behalf of the Master Association and designate the signatories thereon;
- (2) Make, or contract for the making of, repairs, additions to, improvements to, or alterations of, the Master Common Area, in accordance with the Declaration, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings;
- (3) In the exercise of its discretion, enforce by legal means the provisions of the Master Association documents;
- (4) Designate, hire and dismiss the personnel necessary for the maintenance, operation, repair, replacement of the Master Common Area and provide services for the Members and, where appropriate, 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;
- (5) Provide for the operation, care, upkeep and maintenance of all of the Master Common Area and borrow money on behalf of the Master Association when required in connection with anyone instance relating to the operation, upkeep and maintenance for the Master Common Area; provided, however, the consent of Members having at least two-thirds (2/3) of the total votes in the Master 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 Master Association to borrow in excess of \$10,000;

(6) Prepare and adopt an annual budget for the Master Association prior to the commencement of each fiscal year;

(7) Adopt and publish rules and regulations governing the use of the Master Common Area and facilities, and the personal conduct of the Members and their guests, lessees, invitees and family members thereon, and establish penalties for the infraction of such rules and regulations;

(8) In accordance with the Declaration and these Bylaws, suspend the voting rights and the right to use of the Master Common Area of a Member;

(9) Exercise for the Master Association all powers, duties and authority vested in or delegated to the Master Association and not reserved to the membership by other provisions of the Master Association documents;

(10) 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;

(11) Employ, hire and dismiss such employees as it deems necessary and to prescribe such employees' duties and compensation;

(12) Cause 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;

(13) Supervise all officers, agents and employees of the Master Association and see that their duties are properly performed;

(14) Levy, collect and enforce the payment of Assessments in accordance with the provisions of the Declaration;

(15) Issue, or cause an appropriate officer to issue: (i) upon demand to any interested person, a certificate setting forth whether or not any Assessment has been paid; and (ii) to any lienholder, Member or person designated by a Member, within seven (7) business days after receipt of a written request therefore, a recordable statement setting forth the amount of any unpaid Assessment against a Lot. A reasonable charge may be made by the Board for the issuance of such certificates or statements. If a certificate or statement states that an Assessment has been paid, such certificate or statement shall be binding on the Master Association as against any bona fide purchaser of, or lender on, the Lot. Failure to provide the statement required pursuant to (ii) above within such seven (7) business day period shall extinguish any lien for any unpaid Assessment then due.

(16) Procure and maintain adequate property liability and other insurance as required by the Declaration;



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

(18) Cause the Master Common Area to be maintained, as more fully set forth in the Declaration.

3.10 Managing Agent. The Board may employ for the Master Association and Parkwood Ranch 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 Declaration and these Bylaws except for such duties and services that under the Declaration 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 Master Association by the Declaration and these Bylaws other than the power; (i) to adopt the annual budget, any amendment thereto or to levy Assessments; (ii) to adopt, repeal or amend the Parkwood Ranch Rules; (iii) to designate signatories on Master Association bank accounts; (iv) to borrow money on behalf of the Master Association; or (v) to acquire real property.

## ARTICLE 4

### OFFICERS AND THEIR DUTIES

4.1 Enumeration of Officers. The principal officers of the Master Association shall be the president, vice president, the secretary, and the treasurer. The Board may create such other offices as the affairs of the Master Association may require. The President must be a member of the Board. Any other officers may, but need not, be members of the Board.

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

4.3 Term. The officers of the Master Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

4.4 Special Appointments. The Board may elect such other officers as the affairs of the Master 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.

4.5 Resignation and Removal. Any officer may be removed from office with or without cause by 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.

4.6 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 he replaces.

4.7 Multiple Offices. Any two or more offices may be held by the same person except the offices of President and Secretary.

4.8 Powers and Duties. To the extent such powers and duties are not assigned or delegated to a Managing Agent pursuant to Section 3.10 of these Bylaws, the powers and duties of the officers shall be as follows:

4.8.1 President. The president shall be the chief executive officer of the Master 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; sign checks and promissory notes of the Master Association; deposit monies in bank accounts of the Master Association; and shall generally manage the business of the Master Association.

4.8.2 Vice President. The Vice President shall act in the 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 of him by the Board.

4.8.3 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 Master 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 Master Association together with their addresses, and shall perform such other duties as required by the Board.

4.8.4 Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Master Association and shall disburse such funds as directed by resolution of the Board, shall sign checks and promissory notes of the Master Association; shall keep proper books of account; 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 treasurer.

4.9 Officers Authorized to Execute Amendments to Declaration. Except with respect to amendments which may be executed by the Declarant as provided in the Declaration, any amendments to the Declaration or the Plat which are required by the Declaration to be executed by the Master Association may be executed by either the President or Vice President of the Master Association.

## ARTICLE 5

### MONETARY PENALTIES

5.1 Power of Board of Directors to Impose Monetary Penalties. In accordance with the procedures set forth in this Article, the Board shall have the right to impose reasonable, monetary penalties, not in excess of that allowed under applicable law, against any Owner for a violation of any provisions of the Master Association documents by the Owner, his family, tenants or guests. Any monetary penalty imposed by the Board shall be imposed only after the procedures set forth in this Article have been complied with.

#### 5.2 Notice of Violation.

5.2.1 The Board, or any person designated by the Board, may serve a "Notice of Violation" against an Owner for a violation of any provision of the Master Association documents by the Owner, his family, tenants or guest. A Notice of Violation shall contain (i) a description of the violation, (ii) the approximate time and place at which the violation was observed, (iii) the amount of the fine to be paid by the Owner for such violation, (iv) the name of the person issuing the Notice of Violation, and (v) a statement advising the Owner of the Owner's right to request a hearing pursuant to Section 5.2.4 of the Bylaws.

5.2.2 A Notice of Violation shall be deemed to have been served if delivered personally to the Owner named in the Notice of Violation or sent to the Owner by registered or certified United States mail, return receipt requested, postage prepaid. A Notice of Violation served by mail shall be deemed to have been received by the Owner to whom the notice was addressed on the earlier of the date the notice is actually received or three (3) days after the notice is deposited in the United States mail. A Notice of Violation given by mail shall be addressed to the Owner at the address of the Owner as shown on the records of the Master Association. If a Lot or Parcel is owned by more than one person or entity, a Notice of Violation to one of the joint Owners shall constitute notice to all of the joint Owners.

5.2.3 The Owner shall pay the fine set forth in the Notice of Violation to the Master Association within ten (10) days after the Notice of Violation is served on the Owner unless prior to that time the Owner requests a hearing on the violation pursuant to Section 5.2.4 of the Bylaws.

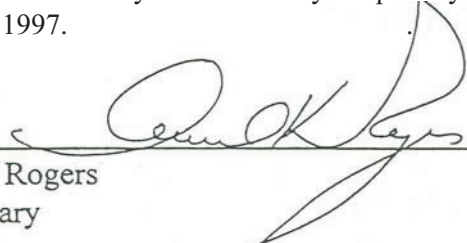
5.2.4 Any Owner served with a Notice of Violation may request a hearing on the violation. The request for a hearing must be addressed to the Secretary of the Master Association and must be actually received by the Master Association within ten (10) days after the service of the Notice of Violation. Upon receipt of a request for a hearing pursuant to this Section, the President or any other officer of the Master Association shall schedule a hearing on the violation before the Board or before a hearing officer or a committee approved by the Board and shall notify the Owner requesting the hearing of the date, time and place of the hearing. The notice of the hearing shall also advise the Owner of his right to produce statements, evidence and witnesses on his behalf and to be

represented at the hearing by an attorney. If the hearing on the violation is before the Board, then the minutes of the meeting of the Board at which the hearing is held shall reflect the fact that the hearing on the violation was held and the action taken by the Board on the violation. If the hearing is held before a hearing officer or a committee appointed by the Board, then the hearing officer of the committee conducting the hearing shall, within ten (10) days after the conclusion of the hearing, make a written recommendation to the Board on what action the Board should take in the violation. Upon receipt of the recommendation from the hearing officer or the committee, the Board shall act upon the recommendation. Any fine which is affirmed by the Board following a hearing pursuant to this Section shall be paid by the offending Owner within ten (10) days after a notice of the action of the Board is served upon the Owner. Service of the notice from the Board shall be made in the same manner as service of a Notice of Violation pursuant to Section 5.2.2 of the Bylaws.

5.2.5 Any fines imposed pursuant to this Article 5 shall be the joint and several liability of all of the joint Owners of a Lot or Parcel and shall be secured by the Assessment Lien.

#### CERTIFICATION

I hereby certify that the foregoing Amended and Restated Bylaws were duly adopted by the Board of the Master Association on the 21<sup>st</sup> day of May, 1997.

  
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David Rogers  
Secretary

Amendment approved by a vote of the members April 26, 2010.

1.6.1 Assignment of Rents. Any member who leases or rents their dwelling unit and is more than 90 days delinquent in payment of any funds owed the Association hereby authorizes and directs the lessees and tenants under the Leases that, upon written notice from Parkwood Ranch Community Master Association to the Tenant, all rents shall be paid directly to Association as they become due until the members account with the Association is brought current.

Receipt and application of the rents by Parkwood Ranch Community Master Association shall not constitute a waiver of any right of the Association under the provisions of the Declaration or applicable law, shall not cure any event of default hereunder, and shall not invalidate or affect any act done in connection with such default, including, without limitation, to foreclose the Assessment Lien against the Lot or Parcel in accordance with the then prevailing Arizona law relating to the foreclosure of realty mortgages or deeds of trust (including, where applicable, the right to recover any deficiency).

All rents collected by Association shall be applied first to any unpaid assessments, for unpaid charges for late payment of those assessments, for reasonable collection fees and for unpaid attorney fees and costs incurred with respect to those assessments, in that order, with any remaining amounts applied next to other unpaid fees, charges and monetary penalties or interest and late charges on any of those amounts.