

BYLAWS
OF
EL MIRADOR TOWNHOUSE ASSOCIATION

ARTICLE I
Name and Place of Business

Section 1. Name. The "Association" shall refer to EL MIRADOR TOWNHOUSE ASSOCIATION, its successors and assigns.

Section 2. Place of Business. The principal office of the Association shall be located in Tucson Arizona, at 8230 E. Broadway, Suite E-8, Tucson, AZ 85710 or at such other location as may be designated by the board of directors from time to time, but meetings of Members and directors may be held at such Places within Pima County, Arizona as may be designated by the board of directors.

ARTICLE II
Scope and Purposes of Association

Section 1. General Purposes. The general purpose of the Association is to promote the general welfare of El Mirador Townhouse Association, a legal subdivision of Pima County, Arizona, according to the plat thereof recorded in Book 25 of Maps and Plats at page 90 in the Pima County Recorder's Office Arizona, hereinafter referred to as "El Mirador " or the "Property" all in accordance with that certain Declaration of Covenants, Conditions and Restrictions, for El Mirador , Lots 1 through 41, and Common Areas A-C, recorded in the office of the Pima County-Recorder, Arizona, and any other declarations applicable to the Property (the "Declaration").

Section 2. Specific Purposes. The specific purposes of this Association shall include, without limitation, the following:

- (a) to promote the social welfare of El Mirador and its environs;
- (b) to receive, own and administer Association property, including easements and rights of way;
- (c) to provide for the acquisition, construction, management and maintenance of Association Property;
- (d) to enforce any and all restrictions as to the use of lots, common area and improvements situated thereon within El Mirador and any "Additional Property" as set forth in the Declaration, as may be amended from time to time, or as set forth in any similar instrument which is in effect or as may be adopted pertaining to El Mirador or any Additional Property as such is defined in the Declaration; and
- (e) to carry on and maintain any and all services which shall be desired by the Members of the Association.

ARTICLE III
Membership; Voting Meetings of Members

Section 1. Membership Qualification. The "Members" shall be those persons and entities who are "Owners" as defined in the Declaration; provided however, that the board of directors may establish additional requirements for maintaining membership. Where an "Owner" (as defined by the Declaration) includes more than one person or entity, such person or entity shall be deemed one Member. The board of directors shall be empowered to determine all issues relating to membership in the Association in any manner consistent with the Declaration, the Articles of Incorporation and the Bylaws.

Section 2. Meetings.

(a) Annual Meeting. The annual meeting of the Members shall be held March of each year on a date to be designated in writing by the Board, for the purpose of electing directors and for the transaction of such other business as may come before the meeting.

(b) Special Meetings. Special meetings of the Members for any purpose or purposes may be called at any time by the president or by written request of a majority of the directors, and shall be called by president at the written request of not less than twenty-five percent (25 %) .

(c) Place of Meeting. All meetings of the Members shall be held within Pima County, Arizona, as may be fixed from time to time by the board of directors and stated in the notice of the meeting or in a duly executed waiver of notice thereof. If no designation is made, the place of meeting shall be the principal office of the Association.

(d) Notice of Meetings. Written notice stating the place and time of the meeting and in case of a special meeting, the purposes for which the meeting is being called, shall be delivered not less than ten days before the meeting, either personally or by mail, to each Member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, added to the Member at his or her address as it appears on the books of the Association, or supplied by such Member to the Association for the purpose of notice, or if none, to the address of the Member's lot.

(e) Quorum and Adjournment. The presence at the meeting of Members in person or by proxy of one-fifth (1/5) of the Members entitled to vote shall constitute a quorum for any action unless otherwise provided in the Articles of Incorporation or these Bylaws. If, however, such quorum shall not be present or represented by proxy at any meeting, the Members who are present shall have the power to adjourn the meeting from time to time, without notice other than announcement at such meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed.

(f) Voting. Each Member is entitled to one vote at all meetings, unless the number of votes is otherwise provided for in the Declaration, the Articles of Incorporation or these Bylaws. All matters shall be decided by a majority vote, unless otherwise provided by the

Declaration, the Articles of Incorporation or these Bylaws. Upon the demand of any Member, voting shall be by ballot.

(g) Proxies. At all meetings of Members, each member may vote in person or by proxy. All proxies shall be in writing executed by the Member or by his or her duly authorized attorney-in-fact and filed with the secretary of the Association before the time of the meeting. Every proxy shall be revocable, and shall cease automatically upon disqualification of the Member. Unless otherwise required by law, all questions concerning the validity or sufficiency of any proxy shall be decided by the secretary.

(h) Conduct of Meetings. Meetings of the Members shall be presided over by the president, or if he or she is not present, by the vice president, or if he or she is not present, by a chairman to be chosen at the meeting. The secretary, or in his or her absence, a person chosen at the meeting, shall act as secretary of the meeting.

(i) Action by Resolution. Any action which may be taken at a meeting of the Members may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the Members entitled to vote thereon.

ARTICLE IV

Board of Directors; Selection; Term of Office

Section 1. Number. The business and affairs of the Association shall be managed by a Board of Directors who must each be members of the Association. The Board shall have the exclusive right of determining the affairs of the Association. The Board shall consist of not less than three and not more than nine directors.

Section 2. Election and Term of Office. The members of the board of directors shall be elected at the annual meeting of the membership by the Members. At the first annual meeting the membership shall elect a minimum of three and a maximum of nine directors. The initial terms of the directors may be for one year or for different terms as set by the Members to obtain a staggered Board if desired by the Members.

Section 3. Removal; Resignation; Vacancies. Any director may be removed from the board, with or without cause, by the majority vote of the other directors present personally or voting by proxy at a regular meeting or at a special meeting called for such purpose. Further, any director, at any time, may resign from the board 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. Failure to be a Member or lapse of membership shall be deemed to be a resignation from the board. In the event of death, resignation, removal or disqualification of a director, his or her successor shall be selected and appointed by the remaining directors and shall serve the unexpired term of the director so replaced.

Section 4. Compensation. No director shall receive compensation for any service he or she may render to the Association. However, any director may be reimbursed for his or her actual expenses incurred in the performance of his or her duty.

Section 5. Meetings.

(a) Annual Meetings. The annual meeting of the board of directors shall be held in Pima County, Arizona, immediately following the annual meeting of the Members. At the annual meeting of the board, the officers of the Association shall be elected to hold office for the ensuing year or thereafter until their successors are elected and qualified.

(b) Regular Meetings. Regular meetings of the board of directors shall be held in Pima County, Arizona, at such times as the board of directors shall determine.

(c) Special Meetings. Special meetings of the board of directors shall be held when called by the president or any director. Special meetings of the board shall be held in Pima County, Arizona, at such time and place as shall be fixed by the person or persons authorized to call such special meeting of the board called by them.

Section 6. Notice. A notice of the time and place of the annual, regular or special meetings (including, in the case of special meetings, the purpose or purposes for which the meeting is called) shall be made by the secretary or such person calling the meeting, orally or in writing, at least three days prior to the meeting.

Section 7. Conduct of Meeting. At all meetings of the board of directors, the president, or in his or her absence the vice president, or in his or her absence a chairman chosen by the directors present, shall preside. The secretary, or in his or her absence, any person appointed by the chairman, shall act as secretary of the meeting.

Section 8. Quorum. A majority of the directors shall constitute a quorum for the transaction of business by the board of directors. Any meeting at which a quorum is not present may be adjourned from time to time until the meeting shall be regularly constituted, at which time any business may be acted which might have been acted at the meeting as originally noticed. The directors present at a duly organized meeting may continue to transact business until adjournment, even if a quorum is no longer remaining due to the withdrawal of directors from such meeting.

Section 9. Manner of Acting. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors, unless otherwise provided by the Declaration, the Articles of Incorporation or these Bylaws. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as if so taken at a meeting of the directors.

Section 10. Presumption of Assent. A director of the Association who is present at a meeting of the board of directors at which action on any Association matter is taken shall be presumed to have assented to the action taken, unless his or her dissent shall be entered in the minutes of the meeting, or unless he or she shall file his or her written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by mail to the secretary of the Association immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

Section 11. Action Resolution. Any action which may be taken at a meeting of the board of directors or by any committee thereof may be taken without a meeting, if all members of the board of directors or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of the proceedings of the board or committee.

ARTICLE V
Powers and Duties of the Board of Directors

Section 1. Powers and Authority of the Board. The board of directors shall have all the powers of an Arizona non-profit corporation, subject only to such limitations upon the exercise of such powers as are expressly set forth in the Declaration, the Articles of Incorporation and these Bylaws and to perform any and all acts which may be necessary or proper for or incidental to the exercise of any of the expressed powers of the Association. Without in any way limiting the generality of any of the foregoing provisions, the board of directors shall have the power and authority at any time to do the following:

(a) Delegate specific powers to any committees, including an executive committee, designated by the board of directors, each of which committees shall consist of one or more directors and Members as the board determines. Any such committee, to the extent provided in the resolution of the board, shall have and may exercise all the powers and authority, of the board in the management of the business and affairs of the Association. Such committee or committees have such name or names as may be determined from time to time by resolution adopted by the board. Each committee shall keep regular minutes of its meetings and report the same to the board when required;

(b) Adopt and publish rules and regulations governing the maintenance and control of the Association's property, including, without limitation, the common areas; easements and rights of way;

(c) Suspend the voting rights of a Member during any period in which such Member shall be in breach of the provisions of these Bylaws and/or any rules and regulations promulgated by the board of directors until such default or breach is cured;

(d) Encumber the property of the Association up to the amount of \$5,000.00, unless a greater amount is approved by the majority of the membership;

(e) Exercise for the Association all powers, duties and authority vested in or delegated to the Association by the Declaration, as may be amended from time to time, or by any similar instrument as may be in effect with respect to El Mirador or any Additional Property or by the Articles of Incorporation;

(f) Declare the office of a director of the board of directors to be vacant in the event such director shall be absent from three (3) consecutive regular meetings; and

(g) Employ managers, independent contractors, or such other employees or agents as the board deems necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duties of the board of directors to:

- (a) Cause to be kept a complete record of all of its acts and corporate affairs;
- (b) Supervise all officers, agents and employees of the Association, and to see that their duties are properly performed;
- (c) Procure and maintain adequate insurance in such amounts and of such types as deemed prudent by the board;
- (d) As more fully set forth in the Declaration, cause Association common area, easements and/or other property within El Mirador and any Additional Property, to be maintained and to own or hire equipment for such purpose;
- (e) Carry out any other or further duty imposed on the Association by the Declaration, the Articles of Incorporation and these Bylaws.

ARTICLE VI Officers and their Duties

Section 1. Officers. The officers of the Association shall be a president, who shall act as chairman of the board of directors, one or more vice presidents, a secretary, and a treasurer, all of whom shall be members of the board of directors and if designated by the board of directors. The board of directors in its discretion may designate additional officers. All officers must be Members. Termination of membership shall be deemed to be a resignation as an officer of the Association.

Section 2. Election and Term of Office. The officers of the Association shall be elected at the annual meeting of the board of directors, or at such other times as the directors may determine. The election of the officers shall be by majority vote of the board of directors. The term of each office shall be for one year and each officer shall hold office for the term thereof unless he or she shall sooner die, resign, become disqualified or be removed by a majority vote of the directors and until the successor of such officer is qualified.

Section 3. Special Appointment. 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, from time-to time, may determine.

Section 4. Resignation and Removal. Any officer may be removed from office with or without cause by a majority vote of the board at a regular meeting, or at a special meeting called for such purpose. 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 not be necessary to make it effective. Failure to be a Member or lapse of membership shall be deemed to be a resignation from office.

Section 5. Vacancies. A vacancy in any office may be filled by appointment by the board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

Section 6. Multiple. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices, except in the case of special offices created pursuant to Section 3 of this Article.

Section 7. Duties. The duties of the officers are as follows:

(a) President. The president shall be the principal officer of the Association and, subject to the control of the board of directors, shall in general, supervise and control all of the business and affairs of the Association. The president shall sign, with such other officer as the directors designate, if any, all instruments which 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 these Bylaws to some other officer or agent of the Association or as shall be required by law to be otherwise signed or executed.

(b) Vice President. The Vice President shall perform such duties as may be delegated to him or her by the board of directors. In the case of the temporary absence of the president or in the case of his or her temporary inability to act, the vice president, or if there is more than one vice president, the senior vice president, shall perform and be vested with all of the powers and duties of the president during such temporary absence or inability of the president to act, the office shall be declared vacant by the board and a successor chosen by the board of directors.

(c) Secretary. The secretary shall report the votes and keep the minutes of all meetings and proceedings of the board and of the Members; keep the corporate seal of the Association, and affix it, as required, on any papers; serve notice of the meetings of the board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses and voting entitlements, and shall perform such other duties as are required by the board. .

(d) Treasurer. The treasurer shall have charge of and custody of and be responsible for all monies, securities and property of the Association and shall keep account of all monies received and disbursed by the Association, and shall deposit all monies and valuables in the name and to the credit of the Association in such banks and depositories as the board of directors may designate.

Section 8. Compensation. No compensation shall be paid to the officers for their services, but by resolution of the board of directors, an officer may be reimbursed for his or her actual expenses incurred in the performance of his or her duties.

ARTICLE VII Waiver of Notice

Any Member, director or officer may waive any notice required to be given by the Declaration, the Articles of Incorporation or these Bylaws.

ARTICLE VIII
Finances

Section 1. Fiscal Year. The Association's fiscal year shall end December 31 of each year.

Section 2. Accounts. All receipts of the Association shall be deposited in accounts maintained by the treasurer and all disbursements by the Association shall be made through accounts maintained by the treasurer or the Association's Managing Agent.

Section 3. Contracts, Loans, Checks and Deposits.

(a) Contracts. The board of directors may authorize any officer or officers, agent or, agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

(b) Loans. Except as provided in Article V, Section 1(d), no loans shall be contracted on behalf of the Association and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the board of directors. Such authority may be general or conned to specific Vices.

(c) Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes and other evidences of indebtedness issued in the name of the Association, shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the board of directors.

(d) Deposits. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the board of directors may select.

Section 4. Annual Statements. The board of directors shall present at each annual meeting of the Members, and at any special meeting of the Members when called for by vote of the Members, a full and clear statement of the business and condition of the Association.

ARTICLE IX
Books and Records

The books, records and papers of the Association shall at all times, during reasonable business hours, with 10 day written notice by the member, be subject to inspection by any Member who shall be provided opportunity to view any such instruments or documents.

ARTICLE X
Indemnification/Insurance

To the fullest extent permitted by Arizona Revised Statutes Section 10-1005(C) and any successor provision, every director, officer or committee member of the Association who is

employed, appointed or acts as such by the Association shall be indemnified by the Association, and every other person serving as a director, officer, committee member, employee, volunteer or direct agent of the Association, or otherwise acting on behalf of, and at the request of the Association, who is named as a plaintiff or defendant in threatened, pending or completed litigation, may be indemnified, in the discretion of the board, by the Association. Such indemnification shall include without limitation, all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon such person in connection with any proceeding to which he or she may be a party, or in which he or she may become involved, by reason of his or her being or having served in such capacity on behalf of the Association or any settlement thereof, whether or not he or she is a director, officer or committee member or serving in such other specified capacity at the time such expenses are incurred; provided however, in the case of a proceeding threatened or brought in the right of the Association, the indemnity shall exclude judgments, fines and settlements, except to the extent a court of competent jurisdiction shall determine that the indemnity is proper as to a settlement. Such indemnification shall be available only if such officer, director, member of a committee or other person acted, or failed to act, in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Association and, with respect to a criminal proceeding, he or -she had reasonable cause to believe his or her conduct was lawful.

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

The Association shall have the power to purchase insurance on behalf of any person who is or was a Member, director, officer, employee or agent of the Association against any liability asserted against him or her or incurred by such person in any such capacity or arising out of such person's status, whether or not the Association would have the power to indemnify such person against such liabilities under this Article.

ARTICLE XI

Dealings with Directors Officers or Committee Members

Section 1. Permitted Dealings With Directors, Officers and Committee Members. No contract or business fiction between the Association and one or more of its directors, officers, chairman or committee members or a corporation, partnership, association or other organization in which a corporation director, officer, chairman or committee member is a director, officer or employee or in which he or she has a financial interest, shall be void or voidable solely for this reason, or solely because the director, officer, chairman or committee member is present at or participates in the meeting of the board or committee thereof which authorized the contract or business fiction or solely because his or their votes are counted for such purposes, if:

(a) The material facts as to his or her relationship or interest in the contract or business transaction are disclosed or are known to the membership, the board or committee, the membership, board or committee in good faith authorized the contract or business transaction by the dative votes of a majority of the disinterested Members, directors or committee members be less than a quorum; or

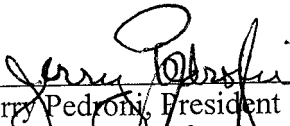
(b) The contract or fiction is fair as to the Association as of the time it is authorized, approved or ratified by the board or committee thereof.


Section 2. Determining Quorum. Common or interested Members, directors or committee members may be counted in determining the presence of a quorum at a meeting of the membership, board or of a committee which approves the contract or business fiction.

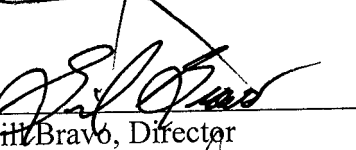
ARTICLE XII
Amendments

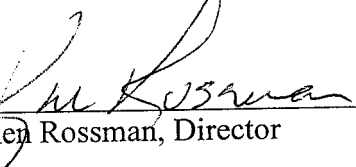
These Bylaws may be altered, amended or repealed and new bylaws may be adopted by the concurrence of two-thirds (2/3) of the entire number of the board of directors of the Association at its annual meeting, any regular meeting, or at any special meeting called for that purpose, or by two-thirds vote of the membership present at the annual meeting or at a special meeting called for that purpose.

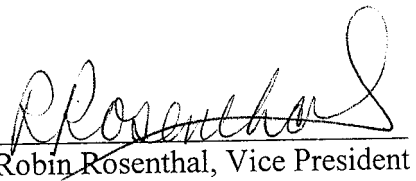
APPROVED AS BYLAWS OF EL MIRADOR HOMEOWNERS ASSOCIATION this 25th day of January, 2003 by the undersigned, constituting the Board of Directors.

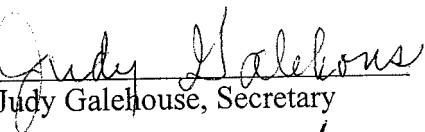

Jerry Pedroni, President

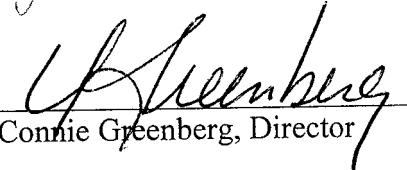

Walt Kavanagh, Treasurer


Gilt Bravo, Director


Ken Rossman, Director


Robin Rosenthal, Vice President


Judy Galehouse, Secretary


Connie Greenberg, Director