

Date: 24th day of September, 2011

**Fred Muzic
Treasurer for
Hillcrest Bay Inc.
924 Bay View Drive
Parker AZ 85344-8108**

**REVISED BY-LAWS
OF
HILLCREST BAY, INC.
As amended**

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2
3 **REVISED BY-LAWS**
4 **OF**
5 **HILLCREST BAY, INC.**

6 **As amended**

7
8 **ARTICLE I**
9 **NAME**

10
11 The name of the corporation is HILLCREST BAY, INC., hereinafter referred to as the Association.

12
13 **ARTICLE II**
14 **PRINCIPAL OFFICE**

15
16 The principal office of the corporation shall be located at Hillcrest Bay, a duly recorded sub-division in
17 the County of La Paz, State of Arizona, but meetings of members and directors may be held at such
18 places within the State of Arizona as may be designated by the Board of Directors.

19
20 **ARTICLE III**
21 **DEFINITIONS**

- 22
23 a) "Association" shall mean and refer to HILLCREST BAY, INC. a non-profit
24 Corporation, organized and existing under the laws of the State of Arizona.
25 b) The "properties" shall mean and refer to that certain real property described
26 in the Declaration of Restrictions, Lots 2-273 inclusive, Hillcrest Bay Mobile
27 Manor, according to the Plat of Record in the Office of the County Recorder
28 of, La Paz County, Arizona in Book 5 of Plats, Page 106 thereof.
29 c) "Common properties" shall mean and refer to parks, playgrounds, swimming
30 pools, golf courses, commons, streets, footways including buildings,
31 structures, personal properties incident thereto, and any other properties
32 owned and maintained by the Association for the common benefit and
33 enjoyment of the residents within the properties.
34 d) "Lot" shall mean and refer to any plot shown upon any recorded sub-division
35 map of the properties with the exception of the common properties.
36 e) "Member" shall mean and refer to all those owners who are members of the
37 Association.
38 f) "Owner" shall mean and refer to the contract purchaser or the record owner,
39 whether one or more persons of any Lot in the properties.
40 g) "Declaration of Restrictions" shall mean and refer to the Declaration of
41 Covenants, Conditions and Restrictions applicable to the properties recorded
42 in the office of the County Recorder, of La Paz County, Arizona.

43
44 **ARTICLE IV**
45 **MEMBERSHIP**

46
47 A Member of the Association is every person or entity including the declarant who is a record owner of
48 a fee or undivided fee interest in or a contract purchaser of any Lot which is subject to covenants of

49 record and to assessment by the Association. Ownership of a Lot in the properties shall be the sole
50 qualification for membership.

51

52 **ASSESSMENT**

53

54 The rights of Membership are subject to the payment of monthly and special assessments levied by the
55 Association, the obligation of which assessment(s) is imposed against each owner of and becomes a
56 lien upon the property against which such assessment(s) are made and provided by the By-Laws, and
57 the Declaration of Restrictions as recorded in the Office of the Recorder of La Paz County, Arizona.
58 After one (1) year of non-payment of dues and assessments, a letter will be sent to the owner and
59 foreclosure proceedings will be instituted. Any special assessment(s) above annual dues for major
60 programs are to be approved by fifty-one percent (51%) of general members present at a general
61 membership meeting.

62 Sixty (60) days after the dues and assessment billing date, interest will begin being charged and accrue,
63 as determined by the board at the then legal rate. After 180 days a lien will be filed for all past due
64 assessment(s), dues, interest and costs. After one (1) year and every year thereafter on non-payment of
65 dues and assessment(s), a letter shall be sent to the property owner notifying him/her that a lien has
66 been placed upon his/her Lot(s).

67 Foreclosure or other legal proceedings may then be instituted for unpaid balances and costs after one
68 year or when the past due assessment amount exceeds \$1200.00 per ARS 33-1807A. When two or
69 more contiguous Lots are utilized for one domicile, even though a Lot-tie affidavit may have been
70 executed and recorded, the Lots will remain separate Lots in accordance with the Hillcrest Bay Mobile
71 Manor plat for the purpose of levying any amount due the Homeowners Association. Should one (1) lot
72 be divided to enlarge side Lots on either side, each property owner(s) of the divided Lot will be
73 charged his proportionate percentage of dues and assessments in addition to that levied for each full
74 Lot.

75

76 **SUSPENSION**

77

78 The membership rights of any person whose interest in the properties is subject to assessment(s) will be
79 suspended by action of the Directors during the period when the assessment(s) remains unpaid. A
80 Thirty (30) day notification must be mailed to the member prior to suspension. The Member is to be
81 informed that he/she has a right to be heard at the next scheduled meeting of the Board of Directors or
82 respond in writing up to Five (5) days before suspension takes effect. Once suspended, upon payment
83 of such assessment(s), his/her rights and privileges shall be automatically restored.

84

85 The Board of Directors may set forth additional rules and regulations as they deem necessary. Violation
86 of such rules and regulations shall be grounds for suspension, provided a written notice and opportunity
87 to be heard is first provided. When the violation of said rules and regulations has ceased, membership
88 rights shall be automatically reinstated.

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ARTICLE V
VOTING RIGHTS

95 Members shall be entitled to one (1) vote for each Lot in which they hold the interest required for
96 membership. When more than one person holds such interest in any Lot, all such persons shall be
97 members, but the vote for each Lot shall be exercised by one (1) member. If a Member owns a portion

98 of a lot, then that fraction (fractional voting) will be counted as a partial (fractional) vote.
99

100
101 **ARTICLE VI**
102 **ASSOCIATION PURPOSES AND POWERS**
103 **RIGHTS AND DUTIES OF**
104 **ASSOCIATION AND ITS MEMBERS**
105

106 The purposes for which the Association has been organized are set forth in its Articles of Incorporation.
107 The Association and its members shall have all the powers, rights, duties and obligations set forth in
108 the Articles of Incorporation by these By-Laws and rules and regulations pursuant thereto, including
109 recorded restrictions of the properties and as any of the same may be duly adopted or amended, and in
110 accordance with the laws of the State of Arizona. It is the Member's responsibility to notify the
111 Association of a change of ownership, name, billing or mailing address, e-mail address (if available)
112 and an emergency phone number.
113

114 **ARTICLE VII**
115 **DIRECTORS**
116

117 The authorized number of Directors of the corporation shall be not less than three (3) nor more than
118 nine (9), pursuant to the Articles of Incorporation. Directors may serve for the term of two (2)
119 consecutive two (2) year terms unless he/she resigns or is removed, Any board Member who resigns, is
120 removed or completes his second term cannot be considered for re-election to a new term for two (2)
121 years. Directors seeking a second two (2) year term must be voted on by the general Membership.
122

123 Elections for Directors to replace Board members who have completed their term shall be held each
124 year at the general Membership meeting. To the extent possible elections are to be staggered by the
125 board with at least Three (3) or Four (4) Directors being elected each year.
126

127 The term of office for any Director may be changed prior to the upcoming election by the Board of
128 Directors provided, however, that any Director shall serve for the duration of the term for which he/she
129 is elected, and no action of the Board of Directors nor modification of these By-Laws shall be deemed
130 to shorten nor modify that term of office.
131

132 Directors shall, unless otherwise provided for, be elected at the annual meeting of the membership. In
133 the event of the resignation, death or inability of a Director to act, the vacancy so created may be filled
134 by a majority vote of the Board of Directors and the Director so appointed shall serve until the next
135 annual meeting of the membership.
136

137 Any Director may be removed from the Board with or without cause by a majority vote of the
138 Members of the Association present and entitled to vote at a meeting of the Members. The Membership
139 must be notified. In the event a meeting is called for the purpose of removing a Member of the Board
140 of Directors, a notice calling for said meeting shall specifically state the purpose of the meeting, the
141 name of the Director to be removed and the reason. A petition signed by at least 25% of the voting
142 members is required.
143

144 No Directors shall receive compensation for any service he/she may render to the Association however;
145 any Director may be reimbursed for his/her actual expenses incurred in the performance of his/her duty,
146 including out-of-pocket expenses for travel, supplies, etc. upon approval of the board. A credit equal to

147 one year's dues for one lot will be issued for each elected or appointed year he/she serves or a portion
148 thereof.

149 The credit will be issued after the annual billing date. When a Director does not serve a complete term,
150 at the discretion of the Board of Directors, a portion of the credit may be deducted.

151
152 The Director shall have the right to take any action in the absence of a meeting which they could take
153 at a meeting by obtaining the written approval of all Directors. Any action so approved shall have the
154 same effect as though taken at a meeting of the Directors and said written approval shall be deemed to
155 be a waiver of notice thereof, and shall be binding upon the Association.

156
157 The private property of each and every Officer, Director or Shareholder of the corporation or member
158 of the corporation shall at all times be exempt from all debts and liabilities of the corporation.

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160 **ARTICLE VIII**
161 **NOMINATION AND ELECTION**
162 **OF DIRECTORS**
163

164 Nomination for election to the Board of Directors shall be made by a Nominating Committee from the
165 General Membership. Nominations may also be made from the floor at the annual (General) meeting
166 and those nominations will be added to the ballot as a write in candidate. The Nominating Committee
167 shall make as many nominations for election to the Board of Directors as it deems necessary, but not
168 less than the number of vacancies that are to be filled. Such nominations may be made from among
169 members only. Ninety days prior to the annual meeting, letters will be sent to all members asking for
170 nominations. These letters of nominations must be returned within twenty days. Candidate's letters of
171 nomination will be sent to all members and will also be read at the annual general meeting prior to
172 voting.

173
174 Election to the Board of Directors shall be by secret written ballot. At such election each member
175 entitled to vote shall have the right to vote in person or by absentee ballot one (1) vote may be cast for
176 each Lot owned by him/her for as many persons as there are Directors to be elected. Cumulative voting
177 shall be permitted whereby each voter may cast as many votes as there are Directors to be elected or for
178 any one (1) Director. When cumulative voting is applied, the members may cast one (1) vote for each
179 person nominated or cast all of the votes for one or more persons or split their votes among all persons
180 nominated. In no event may he/she cast more than the total number of votes permitted by cumulative
181 voting, to wit: The number of votes he/she is entitled to cast multiplied by the total number of Directors
182 to be elected. The person or persons receiving the largest number of votes shall be elected and shall
183 take office at the conclusion of the Annual Meeting.

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185 **ARTICLE IX**
186 **POWER AND DUTIES OF**
187 **THE BOARD OF DIRECTORS**
188

189 **The Board of Directors shall have the following powers:**

- 190 (a) To call special meetings of its Members whenever it is deemed necessary and it shall call a
191 meeting at any time upon the written request of one-fourth (1/4) of the voting Membership.
192 (b) To appoint and remove at pleasure all Officers, agents and employees of the Association, to
193 prescribe their duties, fix their compensation, and require of them such security or fidelity
194 bond as it may in its discretion deem necessary.
195 (c) To establish, levy, assess and collect the assessment(s) or charges referred to herein, and

- 196 those that my hereinafter be approved by the Board of Directors of its Membership.
- 197 (d) To adopt and publish rules and regulations governing the use of the Common Properties and
- 198 the personal conduct of the Members and their guests thereon.
- 199 (e) To exercise for the Association all powers, duties, and authority vested in or delegated to
- 200 this Association, except those reserved to the Membership.
- 201 (f) In the event any member of the Board of Directors shall be absent from three (3)
- 202 consecutive or four (4) regular Board meetings, in a given elected-term year, of the Board of
- 203 Directors, the Board shall by action taken at that regular scheduled Board meeting for which
- 204 notice has been fully given at which said third consecutive or fourth absence occurs, declare
- 205 the office of said Director to be vacant. The Board members by majority vote will then take
- 206 appropriate action to appoint and fill the vacancy. The office may be offered to the next
- 207 highest vote nominee at the last Annual Meeting.
- 208 (g) To perfect and foreclose a lien against any property for which annual or special assessments
- 209 imposed by the Board are not paid, as described in the Declarations of Restrictions.
- 210 (h) To restrict street parking of vehicles larger than passenger cars and suvs in order :
- 211 1) To keep the narrow streets open in the interest of safety.
- 212 2) To protect the streets from damage.
- 213 3) To require larger vehicles to park in the mail box area for a limited time.
- 214

215 **It shall be the duty of the Board of Directors:**

- 216 a) To cause to be kept a complete record of all its acts and corporate affairs and to present a
- 217 statement thereof to the Members at the annual meeting, and to call a special meeting of the
- 218 Membership when requested in writing to do so by one-fourth (1/4) of the voting
- 219 Membership.
- 220 b) To supervise all officers, agents and employees of the Association and enforce the
- 221 performance of their duties.
- 222 c) To fix the amount of the assessment(s) against each Lot for each assessment period at least
- 223 thirty (30) days in advance of such date or period, and to prepare a roster of the Properties
- 224 and assessment(s) applicable thereto The Board of Directors shall send written notice of each
- 225 assessment(s)
- 226
- 227 d) To issue or cause to be issued upon demand by any member a certificate setting forth
- 228 whether any assessment(s) has been paid. Such certificate shall be conclusive evidence of
- 229 any assessment(s) therein stated to have been paid.
- 230 e) To procure and maintain adequate liability and hazard insurance on the property owned by
- 231 the Association, provided however that the members of the Board of Directors shall not be
- 232 personally liable for failure to do so.
- 233 f) To cause all Officers contractors or sub-contractors having fiscal responsibility to be bonded
- 234 as it may deem appropriate and necessary.
- 235 g) To obtain and hold homeowner construction and remodel security monies when approving
- 236 any project to insure that:
- 237 1) The street in front of the property under construction is kept clean and free of
- 238 damage during and after construction is completed.
- 239 2) The landscaping is such that dirt, rocks and other materials are retained on the
- 240 property and not allowed to slide or wash into the streets.
- 241 3) Then return the security monies to the property owner provided there is a Review of
- 242 the completed project by the Building Permit Board Member and approved by the
- 243 Board of Directors.
- 244

245 **ARTICLE X**
246 **MEETING OF DIRECTORS**
247

248 The first Board of Directors shall meet annually and thereafter regular meetings of the Board of
249 Directors shall be held not less than nine (9) times per elected year. Notice of Board meetings will be
250 posted at least ten (10) days in advance at such place and hour as may be fixed from time to time by
251 resolution of the Board.
252

253
254 Special meetings of the Board of Directors shall be held when called by the President of the
255 Association or by any two (2) Directors after not less than three (3) days' notice to each Director in
256 writing, in person, by telephone, by e-mail or other means of communication. Notice of Special
257 Meetings must be posted forty-eight hours in advance at such place and hour as may be fixed from time
258 to time by resolution of the board.
259

260 The Transaction of any business of the Board of Directors however called and noticed or wherever held
261 shall be valid as though made at a meeting duly held after regular call and notice of a quorum is present
262 and if either before or after the meeting each of the Directors not present signs a written waiver of
263 notice or consent to the holding of such meeting or an approval of the Minutes thereof. All waivers,
264 consents or approvals shall be filed with the corporate records and made a part of the Minutes of the
265 meeting.
266

267 The majority of the Members of the Directors shall constitute a quorum for the transaction of business.
268 Every act or decision done or made by a majority of the Directors present at a meeting duly held at
269 which a quorum is present shall be regarded as an act of the Board.
270

271 Board Members may vote by e-mail on an urgent need as determined by the President or Vice
272 President. When done, that vote is to be ratified at the next board meeting and recorded in the minutes.
273

274 **ARTICLE XI**
275 **OFFICERS AND THEIR DUTIES**
276

277 The Officers of the Association shall be a President and Vice President who shall at all times be
278 members of the Board of Directors, a Secretary and a Treasurer and such other officers as the Board
279 may from time to time by resolution authorize and appoint.
280

281 These Officers shall be elected during the first meeting of the Board of Directors and following each
282 annual meeting thereafter, except as to filling vacancies that may occur.
283

284 The Officers of the Association shall hold office for two (2) years unless he/she shall sooner resign or
285 shall be removed, die or is otherwise disqualified to serve. This election is conducted directly after the
286 Annual General Membership meeting.
287

288 The Board may elect such other Officers as the affairs of the Association may require, each of whom
289 should hold office for such a period, have such authority to perform such duties as the Board may from
290 time to time determine and prescribe.
291

292 Any Officer may be removed from office with or without cause by the Board after due consideration.
293 Any Officer may resign at any time by giving a written notice to the Board, the President or the

294 Secretary. Such resignation shall take effect on the date of receipt of such notice, or at any later time
295 specified thereon.

296

297 A vacancy in any office may be filled in the manner prescribed for regular election. The new Officer
298 elected to such vacancy shall serve the remainder of the term of the officer he/she replaces. At the end
299 of this term the new Officer will be required to stand for election to remain on the Board at the next
300 annual general meeting by the general membership.

301

302 The offices of Secretary and Treasurer may be held by the same person provided, however, that no
303 person shall simultaneously hold more than one (1) of any other offices herein created.

304

305 **The duties of the officers are as follows:**

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PRESIDENT

308

309 (a) The President shall preside at all meetings of the Board of Directors, shall see that the orders
310 and resolutions of the Board are carried out, shall sign all leases, mortgages, deeds and other written
311 instruments and promissory notes and all other documents necessary to carry out the business of the
312 Corporation.

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314

VICE-PRESIDENT

315

316 (b) The Vice-President shall act in the place and stead of the President in the event of his/her
317 absence, inability or refusal to act and shall exercise and discharge such other duties as may be required
318 of him by the Board.

319

320

SECRETARY

321

322 (c) The Secretary shall record the votes and keep the Minutes of all meetings and proceedings of
323 the Board of Directors and of the Membership, keep the corporate seal of the Association and affix it to
324 all papers as required, serve notice of meetings of the Board and of the Membership and keep
325 appropriate current records showing the Members of the Association, together with their addresses and
326 shall perform such other duties as the Board may from time to time require.

327

328

TREASURER

329

330 (d) The Treasurer shall receive and deposit in the appropriate bank accounts all monies of the
331 Association and shall disburse such funds as directed by the Board of Directors. He/she shall sign
332 checks and co-sign promissory notes of the Association, keep proper books of account, cause an annual
333 audit, review or compilation of the Association books to be made by a Certified Public Accountant or
334 an independent agent or committee at the completion of each fiscal year, and shall prepare an annual
335 statement of income and expenditures and present same at the regular meeting of the membership, and
336 deliver a copy of same to each member present. When banking is done electronically, the Treasurer is
337 to provide to the board a paper copy each month of the current statement showing payee, amount and
338 day in sequence.

339

340

ARTICLE XII **MEETINGS OF MEMBERS**

341

342

343 An annual meeting of the Membership shall be held each year at a time and place to be determined by
344 the Board of Directors and notice thereof shall be given at least ten (10) days prior to in writing to the
345 last known address of the Member.

346
347 The Board of Directors shall not incur over \$9,000.00 in expenditures on a specific project without
348 fifty-one percent (51%) approval of the quorum at the General Membership or special meetings.

349
350 Special meetings of the Membership may be called at any time by the President, by the Board of
351 Directors, or upon written request of the Members who are entitled to vote, one-fourth ($\frac{1}{4}$) of all the
352 votes of the entire Membership.

353
354 The presence of one-fifth (20%) of the Members entitled to cast votes, shall constitute a quorum for
355 any act governed by these By-Laws. Any action governed by the Articles of Incorporation or by the
356 Declaration of Restriction applicable to the property shall require a quorum as provided therein. Votes
357 cast by absentee ballot or other forms of delivery are valid for the purpose of establishing a quorum.

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359
360 Property held by the Association shall not have any voting powers.

361
362 At all corporate meetings of members each member may vote in person or by absentee ballot.

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368 **ARTICLE XIII**
369 **BOOKS AND RECORDS**

370
371 The books, records and papers of the Association shall be subject to the inspection by any Member by
372 appointment with the Secretary of the Association.

373
374 **ARTICLE XIV**
375 **AMENDMENTS**

376
377 These By-Laws may be amended at a regular or special meeting of the Members by a vote of a
378 majority of a quorum of the Members present in person and by absentee ballot provided that those
379 provisions of these By-Laws which are governed by the Articles of Incorporation may not be amended
380 except as provided for in the Articles of Incorporation or the applicable state law.

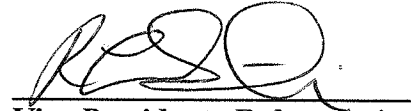
381
382 In the event of a conflict between the Article of Incorporation, Declarations of Restrictions and these
383 By-Laws, then in that event the Articles of Incorporation and the Declaration of Restrictions shall
384 prevail.

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IN WITNESS WHEREOF, we being the Directors of HILLCREST BAY HOMEOWNER ASSOCIATION have hereunto set our hands this 23 day of October, 2011



President John Sears


Vice-President Robyn Stein

CERTIFICATION

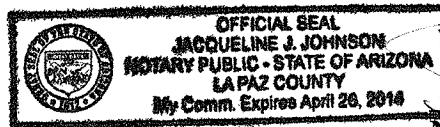
I, the undersigned, do hereby certify: That, I am the duly elected and acting Secretary of HILLCREST BAY INC. an Arizona non-profit corporation, and that the foregoing By-Laws constitute the original amended By-Laws of said Association as adopted at a meeting of the Board of Directors thereof held on the 24^h day of September, 2011

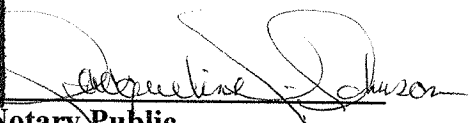
IN WITNESS WHEREOF, I have hereunto subscribed my name on this 23 day of October, 2011


Secretary Joy Muzic

On this 23 day of October, 2011, before me, the undersigned Notary Public, personally appeared Joy Muzic, who acknowledged him/herself to be the Secretary of HILLCREST BAY INC, an Arizona Corporation and that he/she being authorized to do so, executed the foregoing instrument.

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




Notary Public