

AMENDED AND RESTATED
BYLAWS
OF
ASSOCIATION OF LA BUENA VIDA ESTATES. INC.

ARTICLE I

La Buena Vida Homeowners, Inc., a non-profit corporation, shall hereinafter be denoted as "CORPORATION", and Kenneth W. Dufiy and Velora J. Duffv, husband and wife. shall hereinafter be referred to as "DEVELOPERS".

ARTICLE II - MEMBERSHIP

Every person or entity who becomes a record owner of a fee, or undivided fee interest in any lot or living unit which is subject by covenants of record to assessment by the Corporation shall be a member of the Corporation, provided that any such person or entity who holds such interest merely as a security for the performance of an obligation shall not be a member, but may exercise the voting rights of such member under such terms and conditions as provided herein or as the member and the holder of such security interest shall agree.

ARTICLE III - VOTING RIGHTS

The Corporation shall have two classes of voting members:

CLASS A - Class A voting members shall be all those owners as defined in Article II with the exception of the Developers. Class A members shall be entitled to one vote for each lot or living unit in which they hold the interests required for membership in Article II. When more than one person holds such interest or interests in any lot or living unit, all such persons shall be members, and the vote for such lot or living unit shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such lot or living unit.

CLASS B - Class B members shall be the Developers. The Class B members shall be entitled to three votes for each lot in which they hold the interest required for membership in Article II and for every living unit in any multifamily structure owned by them until such unit is first sold or leased.

For the purposes of determining the votes allowed under this Article, when living units are counted, the lot or lots upon which such living units are situated shall not be counted. Developers will be entitled to cast votes for up to 160 lots less those lots sold whether a plat or plot of lots is recorded or not.

Members with delinquent assessments shall not be entitled to vote unless all sums due are paid prior to the exercise of such voting rights.

The holder of any security interest in a lot in LA BUENA VIDA ESTATES, whether as mortgagee or as holder of legal title under a contract for sale of real property or otherwise, who, by the terms of such mortgage, contract or other security instrument has the right to exercise the voting rights of any member, whether Class A or Class B. shall have All those rights granted to members herein by virtue of the Articles of Incorporation of the Corporation, the By-Laws or otherwise unless such rights are expressly excluded by the security agreement under which such rights are exercised. Upon notice in writing to the Secretary of the Corporation, a copy of which is directed to a member hereof, that a secured party claims the right to exercise the voting rights of such members, the Corporation shall, for all purposes treat the secured party as a member hereof. Such notice shall not relieve the member of any obligation to the

Corporation, and shall not obligate the secured party to the Corporation unless such intention is expressed in such notice.

ARTICLE IV - BOARD OF DIRECTORS

The business and property of the Corporation shall be managed and controlled by a Board of not less than three (3) nor more than twenty-five (25) Directors. The Board of Directors shall not be more than three (3) in number for the calendar years 1968 and 1969, and the Board of Directors may be changed after the calendar year 1969 to such number as the membership of this Corporation shall denote at the time of the annual meeting of the membership in the year 1970. The Directors shall be elected by ballot by plurality vote of the membership at the annual meeting of the members, and each Director shall be elected to serve for the term of one (1) year and until his successor shall be elected and shall quality [sic], except as hereinafter otherwise provided for filling vacancies. In the event of any increase in the number of Directors by the membership in advance of any annual meeting of members at a special meeting called for such purpose, each additional Director shall be elected by the Directors then in office, to hold office until the next annual meeting of members and until his successor shall have been duly elected and qualified.

In case of any vacancy in the Board of Directors through death, resignation, disqualification or other cause, the remaining Directors by an affirmative vote of a majority thereof, may elect a successor to hold office for the unexpired portion of the term, and until the election of his successor.

Regular meetings of the Board of Directors shall be held on the first Tuesday in August, if not a legal holiday, and if a legal holiday, then on the next day not a legal holiday, unless otherwise determined by resolution of the Board of Directors, or of the members. The meeting of the Board of Directors for the election of officers and the transaction of such other business as may come before the meeting shall be held following the annual meeting of the members at a time and place to be fixed by resolution adopted at the annual meeting of the members, and no notice thereof shall be required to be given to the newly elected Directors.

Special meetings of the Board of Directors shall be held whenever called by direction of its Chairman or of the President, or by one-third (1/3) of the Directors for the time being in office, or upon notice of the Developers.

The Secretary shall give notice of the time and place of holding each meeting (except where the meeting held pursuant to a resolution adopted at the annual meeting of members)' by mailing such notice at least two (2) days before the meeting to each Director. Unless otherwise indicated in the notice thereof, any an all business may be transacted at a special meeting. At any meeting in which every Director shall be present, even though without notice, any business may be transacted.

A majority of the Board of Directors shall constitute a quorum for the transaction of business, but if at any meeting of the Board there be less than a quorum present, a majority of those present may adjourn the meeting from time to time.

In addition to the powers and authorities by these By-Laws expressly conferred upon them, the Board of Directors may exercise all such powers of the Corporation and so [sic] all such lawful acts and things as are not by statute or the Certificate of Incorporation or by these By-Laws directed or required to be exercised or done by the members.

Directors, as such, shall not receive any salary for their services, but that nothing herein contained shall be construed to preclude any Director from serving the Corporation in any other capacity and receiving compensation therefore, [sic]

ARTICLE V - ASSESSMENTS

The base monthly assessment of all Class A members of this Corporation shall be Sixteen and 67/100ths Dollars (\$16.67) per month, which shall be payable to the Corporation on the last day of each calendar month, and shall not be altered without the consent of three-fourths (3/4) of all members of this Corporation.

Special assessments may be assessed against all Class A members of this Corporation at any meeting of the members of this Corporation called for that purpose and where not less than three-fourths (3/4) of all members of the Corporation are present and the resolution for the special assessment against all Class A members of the Corporation shall be by a majority vote of all members then present.

The determination and count of members for this Article shall be pursuant to Article III herein.

Class B members shall not be subject to either base assessment or special assessments by this Corporation at any time. The funds received by the Corporation from any and all assessments shall be used to maintain, alter, repair, construct and otherwise pay for the maintenance and care in LA BUENA VIDA ESTATES subdivision; liability and casualty insurance; real property taxes; and repair, alteration, maintenance and construction of the subdivision's electronic gate and streets.

ARTICLE VI - MEETINGS OF MEMBERS

The annual meeting of the membership of this Corporation shall be the first Tuesday in October of each and every year and shall be at such time and place on said day as the President of the Corporation shall direct. The Board of Directors may postpone the annual meeting of the membership for a period not to exceed three (3) months.

Upon direction by the President, the Secretary shall cause written notice of the time and place of the annual meeting of the membership to be mailed to each member entitled to vote therein at least ten (10) days prior to the meeting, to the address which appears on the records of the Corporation.

Special meetings of the membership may be called by the President, and shall be so called upon the written request therefor signed by the majority of the Board of Directors, or upon written request of the members of the Corporation having not less than fifteen (15) votes pursuant to Article III. Such request shall indicate the purpose of the meeting, and the Secretary shall give notice to all members entitled to vote therein as provided above, and indicating the purpose of the meeting. Such meeting shall be held at such time and place as the President of the Corporation shall determine. At any meeting of the membership a majority of the member lot owners and those members being entitled to vote shall be present in person or by proxy, and shall constitute a quorum unless the representation of a larger number be required by law, by the Articles of Incorporation or by these By-Laws, and in that case the representation of the number so required shall constitute a quorum.

If the owners of the lots and members of this Corporation necessary to constitute a quorum shall fail to attend, in person or by proxy, at the time and place of the meeting, the President of the Corporation shall adjourn the meeting from time to time without notice other than by announcement at the meeting, until the requisite lot owners and members of the Corporation requisite to constitute a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified.

The President shall call meetings of the members to order and shall act as Chairman of such meetings. The Board of Directors or the membership may appoint any member to act as Chairman of any meeting in the absence of the President and Vice-president. The Secretary of the Corporation shall act as Secretary at all meetings of the membership; but, in the absence of the Secretary, the presiding officer may appoint any person to act as Secretary of the meeting. At each meeting of the membership every member shall be entitled to vote as in the By-Laws provided in person or by a proxy appointed by an instrument in writing, subscribed by such member or his duly authorized attorney and delivered to the President of the Corporation at that particular meeting.

ARTICLE VII - OFFICERS

The executive officers of the Corporation shall be a President, Vice-president, a Secretary and a Treasurer, all of whom shall be elected by and subject to the Board of Directors. The Board of Directors, immediately after each annual meeting of the membership shall elect by ballot a President, a Vice-president, a Treasurer and a Secretary. The Board of Directors may appoint such other officers as they may deem necessary, who shall have such authority and shall perform such duties as from time to time may be prescribed by the Board of Directors. The Secretary and Treasurer may be the same person. In its discretion, the Board of Directors, by the vote of a majority thereof, may leave unfilled for any such period as it may fix by resolution, any office except that of President, Treasurer, or Secretary.

Except where otherwise expressly provided, all officers and agents shall be subject to removal at any time by the affirmative vote of a majority of the whole Board of Directors. All officers, agents and employees, other than officers elected or appointed by the Board of Directors, shall hold office at the discretion of the committee or of the officer appointing them.

The President shall preside at all meetings of the membership and, in the absence of the Chairman of the Board of Directors, at all meetings of the Directors. He shall have general and active management of the business of the Corporation and shall perform all duties usually incident to the office of President.

The Vice-president shall have such powers and perform such duties as may be delegated to him by the Board of Directors. In the absence or disability of the President, the Vice-president may perform the duties and exercise the powers of the President.

The Treasurer shall have the custody of all funds which may come into his hands, and, when necessary, he shall endorse on behalf of the Corporation for collection, checks, notes and other obligations and shall deposit the same to the credit of the Corporation in such bank or banks or depository as the Board of Directors may designate.

Whenever required by the Board of Directors he shall render a statement of his cash account; he shall enter regularly in the books of the Corporation, to be

kept by him for that purpose, a full and accurate account of all monies received and paid by him on the account of the Corporation; he shall at all reasonable times exhibit his books and accounts to any Director of the Corporation upon application therefor; he shall perform all acts incident to the position of Treasurer, subject to the control of the Board of Directors. No funds shall be paid from the account of the Corporation unless said check has been signed by both the Treasurer and one other officer of the board of directors.

The Secretary shall keep the minutes of all meetings of the Board of Directors, and the minutes of all meetings of the members, and also (unless otherwise directed) the minutes of all meetings of Committees in books provided for that purpose; he shall attend to the giving and serving of all notices; he shall have charge of the membership list and a member roster, and such other books and papers as the Board of Directors may direct, all of which shall, at all reasonable times, be opened to the examination of any Director, upon application therefor; and he shall in general perform all of the duties incident to the office of Secretary, subject to the control of the Board of Directors. He shall submit such reports to the Board of Directors as may be requested by them, and perform all other duties required by him of the Board of Directors.

ARTICLE VIII - MISCELLANEOUS

Whenever under the provisions of these By-Laws notice is required to be given to any members. Director of officer, unless otherwise provided, such notice may be given personally, or it may be given in writing by depositing the same in the Post Office or letter box in a postpaid sealed envelope addressed to such member, director or officers, at such address as appears on the books of the Corporation, or, in default of other address, to such member. Director or officer at the general Post Office in the City of Tucson, Arizona, and such notice shall be deemed to be given at the time when the same shall be thus mailed. Whenever any notice whatever is required to be given by law, or under the provisions of the Articles of Incorporation or by these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

The Board of Directors shall appoint an Architectural Review Committee ("A.R.C.") consisting of three (3) members of the corporation whose duties are to carry out those provisions of the applicable portion of the Declarations, subject to the ratification of the Board. Appeals of decisions by the A.R.C. may be made to the Board of Directors.

ARTICLE IX - AMENDMENTS

Except as to Articles I, II, III, IV, V and IX hereof, the Board of Directors shall have power to make, amend and repeal the By-Laws of the Corporation, by vote of a majority of all of the Directors, at any regular or special meeting of the Board of Directors.

Articles I, II, III, IV, V and IX hereof may be amended or repealed only by the affirmative vote of a majority of the membership appearing upon the books of the Corporation, and entitled to vote at any regular meeting or any special meeting called for the purpose of amending these Articles, provided the notice of any such general or special meeting specifically sets forth the Article to be amended or repealed and the exact language of the amendment proposed. A majority of the membership as that term is used herein does not mean a majority of any quorum that may be present, rather it means a majority vote of all of the votes which Class A and Class B members in the aggregate are entitled to cast pursuant to these By-Laws.

STATE OF .ARIZONA
COUNTY OF PIMA

Sherman L. Madere, President of the Association of La Buena Vida Estates, Inc. being duly sworn hereby certifies that the above Amended and Restated By-Laws were duly adopted and enacted under the provisions of Laws Chapter 236, Second Regular Session, 42nd Legislature of the State of Arizona, by a majority of the membership of the Corporation eligible to vote.
SIGNED

Sherman L. Madere
President

Subscribed and sworn to before me this 21st day of November 1997
SIGNED

NOTARY PUBLIC
My commission expires January 31, 1998