



**VERDE SANTA FE COMMUNITY ASSOCIATION**

**AMENDED & RESTATED BYLAWS**

(These Bylaws replace the Verde Santa Fe Community Association Bylaws  
adopted by the Board of Directors on February 3, 1997)

# VERDE SANTA FE COMMUNITY ASSOCIATION

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**BYLAWS**  
**OF**  
**VERDE SANTE FE COMMUNITY ASSOCIATION**

**ARTICLE 1**

**GENERAL PROVISIONS**

1.1 **Principal Office.** The principal office of this corporation shall be located at the offices of the Association's Management Company or such other place as the Association may designate from time to time in accordance with the Arizona statutes governing nonprofit corporations, but meetings of members and directors may be held at such other place within the State of Arizona as may be designated by the Board of Directors.

1.2 **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 Verde Santa Fe, recorded at Recorder's No. 2061097, records of Yavapai County, Arizona, as amended from time to time.

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 Association may have a seal in a form approved by the Board.

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

1.6 **Books and Records.** The Association books, records and papers and Association Documents shall be available for inspection by any Member during reasonable business hours at the principal office of the Association. Copies may be purchased at a cost not to exceed the amount permitted by State law.

1.7 **Amendment.**

1.7.1 These Bylaws may be amended, at a regular or special meeting of the Members, by an affirmative vote of a majority of the Members present in person or by absentee ballot or as otherwise provided in applicable law. A quorum at any such meeting shall be fifty (50%) percent of the total authorized votes in the Association.

1.7.2 The Board, without a vote of the Members and without the consent of any First Mortgagee, may amend these Bylaws in order to conform these Bylaws to the requirements or guidelines of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration, the Veterans Administration or any federal, state or local governmental agency whose approval of the Development, the Plat or the Association Documents is required by law or requested by the Board.

1.8 **Gender and Number.** Wherever the context of these Bylaws so requires, any word used in the masculine, feminine or neuter genders shall include each of the other genders, words in the singular shall include the plural, and words in the plural shall include the singular.

1.9 **Indemnification.** To the extent it has the power to do so under the Arizona Nonprofit Corporation Act, current applicable sections of Arizona Revised Statutes (A.R.S.) as may be revised from time to time, the Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of the Association, by reason of the fact that they are or were a member, director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a member, director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorneys' fees, and against judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted, or failed to act, in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the Association and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. Indemnification of any such person shall be made in accordance with the procedures set forth in the Arizona Nonprofit Corporation Act, as may be amended from time to time.

1.10 **Severability.** Any determination by any court of competent jurisdiction that any provision of these Bylaws are invalid or unenforceable shall not affect the validity or enforceability of any of the other provisions hereof.

1.11 **Open Meetings.** All meetings of the Members, Board of Directors meetings and committee meetings shall be open to all Members of the Association in accordance with A.R.S. 33-1804. A closed meeting may be held to discuss those topics listed in A.R.S. 33-1804 (A) 1-5.

1.12 **Electronic Recording of Meetings.** An Owner or his designated representative may electronically record the open portion of any meeting of the Members, Board of Directors meeting or committee meeting, subject to the provisions of A.R.S. 33-1804 A. The Resolution adopted by the Board on is on the Association's website.

## **ARTICLE 2**

### **MEMBERSHIP**

2.1 **Qualification.** The Owner of each Lot within Verde Santa Fe shall be a member of the Association. Not more than one (1) membership shall exist based on the ownership of a single Lot.

2.1.1 "Owner" means the Person or Persons who individually or collectively own fee title to a Lot as evidenced by a Recorded instrument. Owner does include trustees who hold title pursuant to A.R.S. 33-1801, and following, and trustors under deeds of trust.

2.1.2 Owner does not include (i) persons or entities having an interest in a Lot merely as security for the performance of an obligation, or (ii) a lessee or tenant of a Lot. Owner does not include a purchaser under a purchase contract and receipt, escrow instruction or similar executor contract intended to control the rights and obligation of the parties thereto pending the closing of the sale or purchase transaction.

2.2 **Voting Rights.** Subject to the provisions of Section 2.3, the Owner of a Lot shall be entitled to one (1) vote on each matter submitted to a vote of the Members. In the event that a Lot is owned by two (2) or more persons or entities, the joint or common owners shall designate to the Association in writing which person or entity shall have the right to cast a vote with respect to such Lot. In the event that an Owner owns more than one (1) Lot, such Owner shall be entitled, subject to the provisions of Section 2.3 to one (1) vote for each Lot owned.

2.3 **Good Standing.** If a Member otherwise entitled to vote is delinquent in the payment of Assessments or other monies owed to the Association or is not in compliance with the Declaration, the Bylaws or the Association Rules, the Board of Directors may, in its sole discretion, certify such Member as not being in good standing and deny such Member's right to vote until the delinquency or breach is cured.

2.4 **Transfer of Membership.** Membership in the Association belongs with ownership of a Lot and is otherwise not transferrable or assignable.

## ARTICLE 3

### MEETINGS OF MEMBERS

3.1 **Annual Meeting.** An annual meeting of the Members of the Association shall be held at least once every twelve (12) months at such time and place as is determined by the Board.

3.2 **Special Meetings.** Special meetings of the Members may be called at any time by the president or by a majority of the Board or upon written request signed by Members having at least twenty-five percent (25%) of the total authorized votes in the Association.

3.3 **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 mailing a notice, postage paid, at least thirty (30) days before such meeting to each Member entitled to vote. The notice shall be addressed to the Member's address last appearing on the books of the Association or supplied by such Member to the Association for the purpose of such notice. The notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting. 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 Association may transact any business which might have been transacted during 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. By attending a the meeting, a Member waives any right to object to the meeting on the basis that the proper notice of the meeting was not given in accordance with these Bylaws or the statutes of the State of Arizona.

3.4 **Quorum.** Except as otherwise provided in the Articles, the Declaration or these Bylaws, the presence in person or by absentee ballot of Members entitled to cast one-tenth (1/10<sup>th</sup>) of the total authorized votes in the 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 ~~thereat~~ shall have the power to adjourn the meeting, without notice other than announcement at the meeting, until a quorum shall be present.

3.5 **Absentee Ballots.** At all meetings of the Members a vote may be cast in person or by absentee ballot. An absentee ballot shall set forth each proposed action and shall provide an opportunity to vote for or against each proposed action. An absentee ballot is valid only for one specified election or meeting of the Members and expires automatically after the completion of the election or meeting. An absentee ballot shall specify the time and date by which it must be delivered to the Board of Directors in order to be counted, which shall be at least fifteen (15) days after the date that the Board delivers the unvoted absentee ballot to the Member. An absentee ballot may not authorize another person to cast a vote or votes on behalf of the member. Absentee ballots may be delivered by all means permitted by A.R.S. 33-1812.

## **ARTICLE 4**

### **BOARD OF DIRECTORS**

4.1 **Number.** The affairs of this Association shall be managed by a board of no less than five (5) directors. All directors must be Members of the Association. The Board may increase the number of directors on the Board but the number of directors must always be an odd number and shall not exceed nine (9) directors.

4.2 **Term of Office.**

4.2.1 Board members (Directors) shall be elected for a term of three (3) years by a majority of valid ballots received from Association members. Elections shall take place at each Annual Meeting. Terms shall be staggered so that no more than one-third ( $1/3^{\text{rd}}$ ) of the Board is elected each year to replace those whose term has expired.

4.2.2 If the Board changes the number of Directors pursuant to Article 4.1, the Board shall preserve the staggered terms by structuring the initial term of the new Directors so that no more than one-third ( $1/3^{\text{rd}}$ ) of the Directors shall be elected at each Annual Meeting.

4.3 **Removal.**

4.3.1 Any Member of the Board of Directors may be removed with or without cause, by a majority vote of the Members entitled to vote, at an annual or special meeting of the Members at which a quorum is present (A.R.S. 33-1813).

4.3.2 On receipt of a petition that calls for the removal of a Member of the Board of Directors that is signed by at least one hundred (100) Members entitled to vote, the Board shall call a special meeting of the Members. The special meeting shall be held within thirty (30) days after receipt of the petition.

4.3.3 For purposes of a special meeting called pursuant to this article, a quorum is present if at least twenty percent (20%) of the Members entitled to vote in the Association are present in person or by absentee ballot at the meeting.

4.3.4 A petition that calls for the removal of the same member of the Board of Directors shall not be submitted more than once during each term of office for that member.

4.4 **Compensation.** No director shall receive compensation for any service the director 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 duties.

4.5 **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.



4.6 **Vacancies.** Except for vacancies on the Board caused by the removal of a director in accordance with the provisions of Section 4.3 of these Bylaws, any vacancy occurring in the Board may be filled by the affirmative vote of a majority of the remaining directors though less than a quorum or by a sole remaining director, and any director so chosen shall hold office for the remainder the unexpired term of the director who is being replaced. 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 Association has no directors in office, any Member may call a special meeting of the Members of the Association for the purpose of electing the Board of Directors.

4.7 **Meetings.**

4.7.1 Regular or special meetings of the Board 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.

4.7.2 Regular meetings of the Board may be held at such time and place as is determined from time to time by the Board. Notice of the meeting shall be given to Members at least forty-eight (48) hours in advance of the meeting by newsletter, conspicuous posting or any other reasonable means as determined by the Board.

4.7.3 Special meetings of the Board may be called by the president on three (3) business days notice to each director, in writing, by hand delivery, mail, electronic mail or facsimile. The 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 a majority of the directors.

4.7.4 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.

4.8 **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.

4.9 **Attendance at Meetings.** If any director fails to attend three (3) or more successive meetings of the Board of Directors, including special meetings of which they have been given notice as provided in Section 4.7, or misses four (4) or more meetings out of six (6) successive meetings of the Board, including special meetings of which they have been given notice as provided in Section 4.7, the Board may request that said director resigns.

4.10 **Powers and Duties.** The Board shall have all of the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by the Association Documents 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:

4.10.1 Open bank accounts on behalf of the Association and designate the signatories thereon;

4.10.2 Make, or contract for the making, of repairs, additions to, improvements to or alterations of the Common Areas, in accordance with the Association Documents, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings;

4.10.3 In the exercise of its discretion, enforce by legal means the provisions of the Association Documents;

4.10.4 Designate, hire and dismiss the personnel necessary for the maintenance, operation, repair, replacement of the Common Areas and provide services for the members, and, where appropriate, provide for the compensation of such personnel and for the purchase of equipment, supplies and materials to be used by such personnel in the performance of their duties;

4.10.5 Provide for the operation, care, upkeep and maintenance of all of the Common Areas and borrow money on behalf of the Association when required in connection with the operation, upkeep and maintenance for the Common Areas; provided, however, the consent of Members having at least two-thirds (2/3) of the total votes in the 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 Association to borrow in excess of \$5,000;

4.10.6 Prepare and adopt an annual budget for the Association prior to the commencement of each fiscal year;

4.10.7 Adopt and publish rules and regulations governing the use of the Common Areas and facilities and the personal conduct of the members and their family members, guests, lessees and invitees thereon;

4.10.8 Suspend the voting rights of a Member during any period in which such Member shall be in default in the payment of any Assessment or other amounts due under the terms of the Association Documents until the delinquency is corrected;

4.10.9 Exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions of the Association Documents;

4.10.10 Declare the position of a Board member to be vacant in the event such member has been removed from office pursuant to Section 4.9;

4.10.11 Employ, hire and dismiss such employees as the Board deems necessary and to prescribe their duties and their compensation;

4.10.12 Cause to be kept a complete record of all its acts and corporate affairs;

4.10.13 Supervise all officers, agents and employees of the Association and see that their duties are properly performed;

4.10.14 Levy, collect and enforce the payment of Assessments in accordance with the provisions of the Declaration;

4.10.15 Issue, or cause an appropriate officer to issue upon demand to any person, a certificate setting forth whether or not any Assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an Assessment has been paid, such certificate shall be conclusive evidence of such payment;

4.10.16 Procure and maintain adequate property, liability and other insurance as required by the Declaration;

4.10.17 Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

4.10.18 Cause the Common Areas to be maintained, as more fully set forth in the Declaration; and

4.10.19 After notice and an opportunity to be heard, impose fines on Owners and residents for violations of the Declaration, the Association Rules or the Design Guidelines, as interpreted and implemented by the Architectural Review Committee.

4.10.20 The Board may appoint such other ad hoc or standing committees as deemed necessary.

4.11 **Managing Agent.** The Board may employ for the Association 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 Association Documents except for such duties and services that under the Association Documents 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 Association by the Association Documents other than the power to: (i) adopt the annual budget, or any amendment thereto; (ii) levy Assessments; (iii) adopt, repeal or amend Association Rules; (iv) borrow money on behalf of the Association; (v) acquire real property.

## ARTICLE 5

### **OFFICERS AND THEIR DUTIES**

5.1 **Enumeration of Officers.** The principal officers of the Association shall be the president, the vice president, the secretary, and the treasurer all of whom shall be elected by the Board. All officers must be members of the Board.

5.2 **Election of Officers.** The election of officers shall take place at a meeting of the Board immediately following each annual meeting of the Members.

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

5.4 **Special Appointments.** 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 may, from time to time, determine.

5.5 **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.

5.6 **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.

5.7 **Multiple Offices.** Any two or more offices may be held simultaneously by the same person except no principal officer of this Association may simultaneously serve as a principal officer on any Neighborhood Association.

5.8 **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:

5.8.1 **President.** The president shall be the chief executive officer of the 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; and have general and active management of the business of the Association;

5.8.2 **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;

5.8.3 **Secretary.** The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and the Members; keep the corporate seal of the 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 Association together with their addresses, and shall perform such other duties as required by the Board;

5.8.4 **Treasurer.** The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds for appropriate Association purposes as set forth in the Association Documents; keep proper books of account; and 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.

**ARTICLE 6**

**APPLICABILITY OF ARIZONA REVISED STATUTES**

Notwithstanding anything herein to the contrary, the Arizona Revised Statutes (A.R.S.) as amended from time to time shall always prevail.

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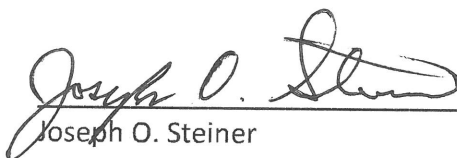
**CERTIFICATION**

I, the undersigned, do hereby certify:

THAT I am the duly elected President of the Board of Directors of Verde Santa Fe Community Association, a nonprofit corporation duly organized and existing under the laws of the State of Arizona;

THAT the foregoing Amended & Restated Bylaws constitute the Bylaws of said Association, approved by votes of the Members received by the corporation as of August 31, 2019, and duly adopted by the Board of Directors of the Association at a meeting November 18, 2019.

IN WITNESS WHEREOF, I have subscribed my name January 23, 2020.

  
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Joseph O. Steiner