

FIRST AMENDMENT
TO
REVISED AND RESTATED BY LAWS
OF
TUCSON NATIONAL TOWNHOMES WEST, INC.

KNOW ALL MEN BY THESE PRESENTS:

This FIRST AMENDMENT, made this 2nd day of May, 1994, by TUCSON NATIONAL TOWNHOMES WEST, INC., an Arizona non-profit corporation, being properly authorized to act by the terms of the Revised And Restated By Laws of TUCSON NATIONAL TOWNHOMES WEST, INC., dated April 3, 1985, and executes this FIRST AMENDMENT by its President and Secretary as provided for in said Revised And Restated By Laws.

RECITALS:

WHEREAS: Article VI, Section 6.01 "Amendments" provides that "These By Laws may be amended in the same method and manner as the Declaration, specifically as provided for in Section 8.02 of the Declaration.. ;" and

WHEREAS on March 2, 1994, pursuant to notice given as required by the Revised And Restated By Laws of the Association, the Annual Meeting was convened at 9:00 a.m., at 2727 west Club Drive, Tucson, Arizona, at which time and place this First Amendment to the Revised And Restated By Laws was submitted to the membership and was approved by a majority of the Owners entitled to vote:

NOW, THEREFORE, the Association does hereby make the following amendment to the Revised and Restated By Laws of TUCSON NATIONAL TOWNHOMES WEST, INC:

1. The terms and phrases used herein shall have the same meaning as defined in Article I of the Revised And Restated By Laws of TUCSON NATIONAL TOWNHOMES WEST, INC.

2. Article IV, Section 4.02 is hereby amended in its entirety and shall read as follows;

Article IV, Section 4.02 Election and Term of Office.

Subject to the requirements of Section 4.01 of these By Laws, the Directors shall be elected in an annual meeting of the Association by a vote of owners present either in person or by proxy constituting a quorum. The term of office shall be three (3) years, except for those Directors elected in the first annual meeting following approval of these revised and restated By Laws, at which meeting two (2) Directors shall be elected for a term of three (3) years, two (2) shall be elected for a term of two (2) years, and one (1) shall be elected for a term of one (1) year. Directors so elected shall hold office until their successors are elected and qualify. The members of the Board may succeed themselves indefinitely, but in no instance shall there be more than one (1) board member from any dwelling unit or lot.

Prior to mailing or delivering a notice of an annual meeting, the Board shall appoint a nominating committee to obtain a list of names of individuals who desire to serve on

the Board to be elected at the forthcoming annual meeting and the nominating committee shall inform the owners, in writing, that it is accepting names of persons to serve on the Board. After the nominating committee has determined which individuals are willing to serve on the Board, it shall prepare a ballot listing such names which shall be mailed or delivered with the notice of the next annual meeting. Such ballots shall provide for adding and voting for eligible homeowners not listed on the ballot (write-ins). All elections to the Board shall be made on a written ballot returned prior to the meeting or collected at the meeting and the nominating committee shall count and verify the ballots collected at the annual meetings. Those nominees receiving the highest number of votes shall be elected to fill the vacancies existing.

Except as amended herein, the Revised And Restated By Laws of TUCSON NATIONAL TOWNHOMES, INC., dated the 3rd day of April, 1985, shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned parties, being President and Secretary of the Association by executing this First Amendment to the Revised And Restated By Laws of TUCSON NATIONAL TOWNHOMES WEST, INC., the day, month, and year first above written, hereby certify that such Amendment has been approved by the vote of a majority of Owners entitled to vote at the annual meeting.

TUCSON NATIONAL TOWNHOMES WEST,
INC. an Arizona non-profit corporation

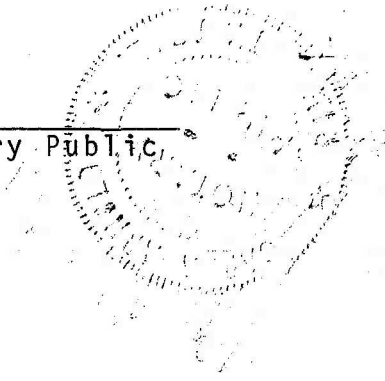
By H. Gary Orlich President

By Martha A. Strayer Secretary

STATE OF ARIZONA)
COUNTY OF PIMA) ss.

On this 2nd day of May 1994, before me, the undersigned notary public, personally appeared H. Gary Orlich and Martha A. Strayer, who acknowledged themselves to be the President and Secretary, respectively, of TUCSON NATIONAL TOWNHOMES WEST, INC., an Arizona non-profit corporation, and that they, as such officers, having been authorized so to do, executed the foregoing instrument for the purpose therein contained by signing the name of the corporation by

IN WITNESS WHEREOF,
official seal have hereunto set my hand and

Carma Arnold Notary Public, 

My Commission
Expires: January 13,
1997

themselves as such officers.

REVISED AND RESTATED
BY-LAWS
OF
TUCSON NATIONAL TOWNHOMES WEST, INC.

ARTICLE I
DEFINITIONS AND APPLICABILITY

Section 1.01. Definitions. Unless the context otherwise specifies or requires, the words and phrases used in these By-Laws shall have the same meaning as defined in Article I of the Restatement of Amended Declaration of Covenants, Conditions and Restrictions of Tucson National Townhomes West, Inc., recorded in Docket Book 7504 at pages 900 to 946 inclusive in the office of the County Recorder of Pima County, State of Arizona.

Section 1.02. By-Law Applicability. The provisions of these By-Laws shall be applicable to the Property which shall include all buildings erected, and all improvements made or to be made thereon. The mere acquisition or rental of any dwelling unit or lot will signify that these By-Laws are accepted, ratified and will be adhered to by such Purchaser or tenant.

Section 1.03. Personal Application. All present or future owners, tenants, or their employees, or any other person that might use the facilities on the Property in any manner, are subject to the regulations set forth by these By-Laws.

Section 1.04. Interpretation. These By-Laws shall be interpreted and construed pursuant to and in accordance with all matters set forth in the Declaration.

ARTICLE II

MEMBERSHIP AND VOTING

Section 2.01.

A. Certificates of Membership. Each owner is automatically a member of the Association. The Association shall issue the same number of certificates of membership in the Association as there are dwelling units and lots. In the event any dwelling unit or lot is owned by two or more persons, a single certificate shall be issued in the name of all of said persons, and said persons shall designate to the Association, in writing, the one of their number authorized to vote said certificate at any and all meetings of the Association. No certificate shall be transferred to any person or persons other than a purchaser of that dwelling unit or lot. Any member who has disposed of all his interest in any dwelling unit or lot shall forthwith surrender his certificate evidencing membership in the Association, and a new certificate shall be issued in the name of the person or persons or entity acquiring his interest in a dwelling unit or lot. In the event an owner shall fail or refuse to transfer the certificate registered in his name to the purchaser of his dwelling unit or lot, the Association shall have the right to record the transfer upon the books of the Association and issue a new certificate to such purchaser, and thereupon the old certificate outstanding in the name of seller shall automatically be null and void as though it had been surrendered.

Section 2.02. Voting. Owners shall have one (1) vote for each dwelling unit or lot owned, except that any owner in arrears in the payment of assessments as authorized by these By-Laws and the Declaration shall not be entitled to vote.

Section 2.03. Proxies. Votes may be cast by proxy provided that proxies are filed with the Secretary of the Association before the appointed time of the meeting. A proxy, properly filed with the Secretary of the Association, shall be valid for a maximum period of twelve (12) months from the date of such filing; provided however, no proxy shall extend beyond a fiscal year of the Association, and each proxy shall automatically terminate upon sale by the member of his interest in his dwelling unit or lot.

ARTICLE III

ADMINISTRATION

Section 3.01. Association Responsibilities. The Association shall have the responsibility of administering the Common Property, approving the annual budget, establishing and collecting assessments together with such other responsibilities as set forth in these By-Laws and the Declaration. In general, the Association shall be the representative of each owner for every problem which affects more than one dwelling unit or lot.

Section 3.02. Annual Meetings of Owners. There shall be an annual meeting of the owners on the first Tuesday in February. of each year at such time and place convenient to the owners as may be designated by the Board. The Board may designate another date for such annual meeting not more than thirty (30) days before or after the date fixed for said meeting by written notice of the Board given to the owners not less than ten (10) nor more than sixty (60) days prior to the date fixed for said annual meeting specifying the date, time and place thereof.

Section 3.03. Special Meeting of Owners. A special meeting of the owners may be called at any reasonable time and place by written notice of the Board or by the owners having one-fifth (1/5) of the total votes, mailed or delivered to all other owners not less than ten (10) days nor more than sixty (60) days prior to the date fixed for said meeting, specifying the date, time and place thereof, and the nature of the business to be undertaken.

No business shall be transacted at a special meeting except as stated in said notice.

Section 3.04. Notice of Meeting. It shall be the duty of the Secretary of the Association to mail or deliver a notice of each annual or special meeting within the time period specified above stating the purpose thereof as well as the date, time and place where it is to be held to each owner of record. The mailing or delivery of such notice to each owner shall be considered notice served.

Section 3.05. Quorum and Adjourned Meeting. The presence at any meeting, in person or by proxy, of 51% or more of the owners entitled to vote shall constitute a quorum. If any meeting cannot be held because a quorum is not present, the owners present, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight hours nor more than thirty (30) days from the time and date the original meeting was called, at which meeting the presence, in person or by proxy, of twenty-five percent (25%) or more of the owners entitled to vote shall constitute a quorum. Except as otherwise provided herein, or in Section 6.05 and 7.01 of the Declaration, any action may be taken at any meeting of the owners

upon the affirmative vote of the owners having a majority of the total votes present at such meeting either in person or by proxy.

Section 3.06. Business of the Annual Meeting. The business at all annual meetings of the Association shall consist of the following:

Roll Call.

Proof of notice of meeting or waiver of notice.

Reading of the minutes of preceding meetings.

Report of officers.

Report of committees.

Election of Directors.

Unfinished business.

New business.

ARTICLE IV

BOARD OF DIRECTORS

Section 4.01. Number and Qualifications. The affairs of the Association shall be governed by a Board of Directors, comprised of five (5) individuals, who need not be owners.

, Section 4.02. Election and Term of Office. Subject \

to the requireme\ of Section 4.01. of these By-Laws, the Directors shall be elected in\ .annual meeting of the Association by a vote of owners present eithe'çin person or by proxy constituting a quorum. The term of office shall\ three (3) years, except for those Directors elected in the first annual meting following approval of these revised and restated By-Laws, at.hich meeting two (2) Directors

shall be elected for a term of three (3) years, two (2) shall be

elected for a term of two (2) years and one (1) shall be elected for a term of one (1) year. Directors so elected shall hold office until their successors are elected and qualify. The members of the

Board may succeed themselves indefinitely, but in no instance, //lll there be more than one (1) board member from any dwelling. 4t or lot.

an annual meeting, the Board. all appoint a nominating committee to obtain a list of narn, /'of individuals who desire to serve on the Board to be elec'y' at the forthcoming annual meeting and the nominating commity'e shall inform the owners that it is accepting names of persons, to serve on the Board. After the nominating committee has deter/4'ned which individuals are willing to serve on the Board, it shall, /-epare a list of such names and submit it at the next annual, (eeting for a vote of the owners. An individual may be elected7t' the Board even though his name doesnot appear on the list, Aepared by the nominating committee. Prior to voting, the pres)d'ng chairman of the annual meeting shall accept nominations forytc Board from the floor which shall be added to the list prep(ed by the nominating committee. All elections tothe Board/icall be made on a written ballot and the nominating cornmittee/all count and verify the ballots collected at the annual meet/4gs. Those nominees receiving the highest number. of votes shall

elected to fill the vacancies existing.

Section4.03.Vacancies. Vacancies inthe Board causedby any reason other than the renoval of a Director by vote of the owners shall be filled by vote of the majority of the remaining Directors for the balance of the unexpired term, even though theyconstitute less than a quorum.

Section 4.04. Removal of Directors. At any regular or special meeting duly called, any one or more of the Directors may be removed with or without cause by a majority of the owners and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed shall be given an opportunity to be heard at the meeting.

Section 4.05. Organization Meeting. The first organization meeting of a newly elected Board shall be held immediately following the annual meeting, and notice shall be necessary to the newly elected Directors in order to legally constitute such meeting.

Section 4.06. Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least two (2) meetings shall be held during each fiscal year. Notice of regular meetings of the Board shall be given to each Director, personally by mail or telephone at least three (3) days prior to the day set for such meeting.

Section 4.07. Special Meetings. Special meetings of the Board may be called by the President on three (3) days' notice to each Director, given personally, by mail or telephone, which notice shall state the date, time, place and purpose of the meeting. On the written request of at least two (2) Directors, special meetings of the Board shall be called by the President or Secretary in a like manner and on like notice. Notwithstanding the foregoing, a majority of the Directors may waive the three (3) days' notice requirement for calling a special meeting and convene a special meeting at such date, time and place as agreed upon by the majority of

Directors, provided all Directors have been given notice. Notwithstanding the announced purpose of the meeting, the Board at a Special Meeting shall have the right to take any action which could be taken at a regular meeting.

Section 4.08. Board of Directors Quorum. At all meetings of the Board, a majority of the Directors present in person, shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board. If, at any meeting of the Board, there be less than a quorum present, the majority of those present may adjourn the meeting, from time to time. At any such adjourned meeting, providing a quorum is present, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 4.09. Action taken without a Meeting.

A. 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 though taken at a meeting of the Directors.

B. The Directors shall have the right by telephone conference to transact any business which they have the power and authority to transact at a regular or special meeting providing a quorum is obtained after appropriate notice.

Section .4.10. Powers and Duties of the Board. The Board 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 Associations Articles of Incorporation.

tion, these By-Laws and the Declaration. The Board shall have the power to do any and all lawful things which may be authorized, required or permitted to be done by the Association under and by virtue of said Articles, these By-Laws and the Declaration, and to do and perform any and all acts which may be necessary or proper for or incidental to the exercise of any of, the express powers of the Association. Without in any way limiting the generality of any of the foregoing provisions, the Board shall have the following powers, authority, and duties:

- A. Cause the Cimon Area to be maintained.
- B. Determine and collect assessments from owners.
- C. Employ and supervise such employees or independent contractors as they deem necessary and prescribe their duties.
- D. Maintain insurance coverage as provided for in Section 4.05 of the Declaration and to use the insurance proceeds to repair and replace any damage or destruction of property, real or personal, covered by such insurance and pay any balance remaining to the Developer and owners and their mortgagees as their interest may appear.
- E. Grant and convey to any person easements, rights-of-way, parcels or strips of land in, on, over or under
- F. Retain and pay for accounting and legal services, including court costs, necessary for enforcement of these By-Laws, the Declaration and the Rules, or in any of the other duties or rights of the Associa

tion provided that all costs incurred for the enforcement of the provisions of these By-Laws, the Declaration, and the Rules against any owner shall be assessed against such owner.

- G. Maintain and repair any drainage and other easements, roads, roadways, roadway rights-of-way, parkinglots, median strips, walls or other areas not maintained by governmental entities.
- H. Obtain or pay for, as the case may be, any property or services, which the Board deems necessary.
- I. Enter at any reasonable time upon any exterior portion of any dwelling unit or lot for the purpose of carrying out its duties and obligations for ror mnt n n c e and landscaping pursuant to Section 4 of the Declaration.
- J. Cause an owner to repair in a good and workmanlike manner and in conformance with the original plans and specifications any damage to property owned by the Association or .tc the exterior of any dwellingunit owned by him caused by an owner or any of his guests, agents or members of his family. In the event that the Association .rquires such owner to repair suth damage and such owner fails to makeor complete such repairs within a reasonable lengthof **time, such owner does hereby irrevocably** authorizethe AssociatIon to repair such damage, and the Association shall so repair said damage in a good workmanlike

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manner in conformance with the original plans and specifications. Said owner shall then repay the Association in the amount actually expended for said repairs.

In the event of a dispute between an owner and the Board with respect to the cause of damage or the extent of repairs necessitated or with respect to the cost thereof, then upon written request of the owner delivered to the Association, the matter shall be submitted to arbitration under such rules as may from time to time be adopted by the Association. If no such rules have been adopted, then the matter shall be submitted to three (3) arbitrators, one chosen by the Board, one chosen by said owner and these two arbitrators shall choose a third arbitrator. If the two arbitrators cannot agree as to the selection of the third arbitrator, then the same shall be selected by the presiding Judge of the Superior Court of Pima County, Arizona. A determination by any two of the three arbitrators shall be binding upon said owner and the Association who shall share the cost of arbitration equally. In the event one party fails to choose any arbitrator within ten(10) days after receipt of a request in writing for arbitration from the other party, then said other party shall have the right and authority to choose both arbitrators.

K. Adopt and publish such rules and regulations as

the Board deems necessary governing the use of all private roadways and parking areas including, but not limited to, safety measures and overnight parking; and establish penalties for the violation thereof.

- L. Construct new improvements or additions to the Common Areas, demolish or replace existing improvements, provided that should any one project involve the expenditure of more than five thousand dollars (\$5,000.00), or require a special assessment, such project must be approved by a vote of owners at annual meeting or at a special meeting called for the purpose of approving the project, the maximum amount to be spent therefor, and the amount, if any, of a special assessment on all owners for the cost of the project.
- M. Assign guest parking spaces.
- N. Select a federally insured commercial or savings bank to serve as a depository for the funds of the Association.
- O. Issue such certificates concerning the current status of an owner's assessments which may be required by any licensed title insurance company or lending institution.
- P. Employ, at their sole discretion, a professional property management agent or Company, at a compensation agreed to by the Board to perform such duties and services as the Board shall direct; provided, however, that the Board shall not obligate the Association

to employ such management agent nor shall the Board enter into any contracts which would bind the Association for a term of more than two (2) years, unless reasonable cancellation provisions are included in such contracts.

- Q. To require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate bonds. The premiums on such bonds shall be paid by the Association.
- R. Levy and collect assessments pursuant to the provisions of these By-Laws and Article VI of the Declaration.
- S. Provide for the keeping of books with detailed accounts affecting the administration of the Common Property. The books and vouchers shall be made available for examination to any of the owners during regular business hours on working days. Within thirty (30) days prior to the end of each fiscal year, the Board shall appoint a finance committee consisting of at least two members of the Association, who are not directors, to review the books, vouchers, bank statements, operating expenses, reserve account, etc., of the Association for that fiscal year, which shall submit to the Board their written report of the financial condition of the Association, stating therein whether the account is in order, or if not in order, the particulars thereof together with

their recommendation whether or not an audit of the financial records of the Association is required. In the event the finance committee or the Board recommends an audit of the financial records of the Association, then the Board shall cause such audit to be performed at the expense of the Association. The results of any such audit shall be provided to each owner within thirty (30) days after receipt thereof by the Board.

- T. Adopt and publish such rules and regulations as the Board deems necessary governing the use of common property and establish penalties for the violation thereof.
- U. Make payments out of the Association's funds as authorized in these By-Laws and by the Declarations for the benefit of the owners.
- V. Pay all taxes levied upon common areas or any property conveyed, leased or otherwise transferred to the Association.

Section 4.11. Taxes. Owners shall pay all real estate and personal property taxes which may be assessed against their respective dwelling units or lots.

Section 4.12. Insurance Proceeds. In the case of damage by fire or other casualty to the Common Property or the structure of dwelling units, all insurance proceeds arising out of such damage shall be paid to the Association, and upon receipt of such insurance proceeds, the Association shall rebuild the damaged property to

its former condition. Any exception to the foregoing must be approved by three-fourths (3/4) of the owners eligible to vote, at a special meeting called for the purpose of considering the matter.

Section 4.13. Liability of Board Members. No member of the Board shall be personally liable to any owner for any damage, loss or prejudice suffered or claimed on account of any act or omission of the Association, its representatives, or employees, provided that such Board member has, upon the basis of such information as may be possessed by him, acted in good faith.

ARTICLE V

OFFICERS

Section 5.01. Designation. The principal officers of the Association shall be a President, a Vice President, a Secretary and Treasurer, all of whom shall be Directors. Any office may be combined with any other office, except the offices of President and Secretary.

Section 5.02. Election of Officers. The officers of the Association shall, be elected annually by the Board at the organizational meeting of each year and shall hold office at the pleasure of the Board.

Section 5.03. Removal of Officers. Upon an affirmative vote of a majority of the members of the Board, any officer may be removed either with or without cause, and his successor elected at any regular meeting of the Board, or at any special meeting of the Board called for such purpose.

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Section 5.04. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and the Board. He shall have all of the general powers and duties which are usually vested in the office of President of a corporation, including but not limited to the power to appoint committees from among the owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

Section 5.05. Vice-President. the Vice-President shall take the place of the President and perform duties whenever the President shall be absent or unable to act. If neither the President or the Vice-President is able to act, the Board shall appoint some other member of the Board to do so on any interim basis. The Vice-President shall also perform such other duties as shall from time to time be imposed upon him by the Board.

Section 5.06. Secretary. The Secretary shall keep the minutes of all meetings of the Board and the minutes of all meetings of the Association; the Secretary shall have charge of such books and papers as the Board shall direct, and shall in general perform all the duties incident to the office of the Secretary.

Section 5.07. Treasurer. The Treasurer shall have responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association unless such function is delegated by the Board to a property management company as authorized under Section 4.10. P. of these By-Laws. The Treasurer shall be responsible for the deposit of all monies and other valuable

effects which he personally collects in the name, and to the credit of the Association, in such depositories as may from time to time be designated by the Board. All funds of the Association over which the Treasurer has direct control shall only be withdrawn upon his signature, or such other persons as may be designated by the Board.

ARTICLE VI

AMENDMENTS

Section 6.01. By-Laws. These By-Laws may be amended in the same method and manner as the Declaration, specifically as provided for in Section 8.02 of the Declaration. These By-Laws shall not be amended as to be inconsistent with or in opposition to any provisions in the Declaration.

ARTICLE VII

MORTGAGES

Section 7.01. Notice to Association. An owner who mortgages his dwelling unit or lot shall notify the Association through the management agent, if any, or the President or Secretary of the Association in the event there is no management agent, giving the name and address of his mortgagee; and the Association shall maintain such information in a book entitled, "Mortgagees of Dwelling Units."

Section 7.02. Notice of Unpaid Assessments. The Association shall at the request of a mortgagee of a dwelling unit or lot, report any unpaid assessments due from an owner.

IN WITNESS WHEREOF, the Association, a non-profit Arizona Corporation, has hereunto caused its corporate name to be signed,

JAN 17 1985

its corporate seal affixed, and the same to be attested by the signature
of its duly authorized officer this 17 day of JAN / 1985 .

TUCSON NATIONAL TOWNHOMES WEST, INC.

By *Kay F. Fowler*
President

ATTEST:

Secretary

SECOND AMENDMENT
TO
REVISED AND RESTATED BY-LAWS
OF
TUCSON NATIONAL TOWNHOMES WEST, INC.

KNOW ALL MEN BY THESE PRESENTS:

This SECOND AMENDMENT, made this If day of
..... 1997, by TUCSON NATIONAL TOWNHOMES WEST, INC.,

an Arizona non-profit corporation, being properly authorized to act by the terms of the Revised and Restated By-Laws of TUCSON NATIONAL TOWNHOMES WEST, INC., dated April 3,, 1985, subsequently amended by the FIRST AMENDMENT, dated May 2, 1994, hereby executes this SECOND AMENDMENT by its President and its Secretary as provided for in said Revised and Restated By- Laws, as amended.

RECITALS:

WHEREAS Section 6.01 of the Revised and Restated By-Laws of the Association provides that "These By-Laws may be amended in the same method and manner as the Declaration, specifically as provided for in Section 8.02 of the Declaration...", and

WHEREAS Section 8.02 of the Declaration provides that "This Declaration may be amended at an annual meeting, or at a special meeting called for that purpose, upon approval by a majority of Owners entitled to vote pursuant to Section 4.03., provided that a copy of the proposed amendment to be considered had been mailed or delivered to each Owner at least thirty (30) days prior to the meeting at which it is considered.", and

**T U R D AMENDMENT TO REVISED AND RESTATED BYLAWS
OF TUCSON NATIONAL TOWNHOMES WEST, INC.**

THIS AMENDMENT is made as of December 8, 2003, by TUCSON NATIONAL TOWNHOMES WEST, INC. (the "Association"), an Arizona non-profit corporation, with respect to those certain Revised and Restated Bylaws of Tucson National Townhomes West, Inc., as previously amended by a First Amendment dated May 2, 1994, and a Second Amendment date March 17, 1997 (collectively, the "Bylaws").

WHEREAS, concurrently herewith, the Association has made certain changes to its Revised and Restated Declaration of Covenants, Conditions and Restrictions regarding insurance on Dwelling Units.

WHEREAS, certain changes are necessary to the Bylaws to conform them to the changes made to the Declaration.

NOW, THEREFORE, the Association hereby amends the Bylaws as follows:

(1) Section 4.12 of the Bylaws hereby is deleted and the following is inserted in its place:

"Section 4.12 Insurance Proceeds. In the case of damage by fire or other casualty to the Common Area, all proceeds of insurance carried by the Association arising out of such damage shall be paid to the Association, and upon receipt of such insurance proceeds, the Association shall repair or rebuild the damaged property to its former condition. In the case of damage by fire or other casualty to any Dwelling Unit, all proceeds of insurance carried by the Association or the Owner of such Dwelling Unit shall be paid to the Owner of such Dwelling Unit, and upon receipt of such insurance proceeds, such Owner shall repair or rebuild the damaged property to its former condition. Any exception to the foregoing must be approved by the vote of seventy-five percent (75%) of the Owners eligible to vote at a special meeting called for the purpose of considering the matter."

(2) Terms that are defined in the Declaration shall have the same meanings when used herein with initial capital letters.

(3) Except as modified, the Bylaws shall remain in full force and effect according to their terms.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the undersigned, as President and Secretary of the Association, certifi that the Association adopted this Amendment as of the date first above written.

TUCSON NATIONAL TOWN} {OMES WEST, INC.

By

Jeremy V. Wisot, President

By

Perce B. Judd, Secretary

State of Arizona) County of Pima)

On _____)ss.

December _ , 2003, before me, a Notary Public in and for said County and State, personally appeared JEREMY V. WISOT and PERCE E. JUDD, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same.

WITNESS my hand and official seal.

Notary Public

(Seal)

WHEREAS, having complied with all provisions of the Governing Documents of the Association relating to Amendments, and pursuant to notice given as required by the Revised and Restated By-Laws of the Association, on February 11, 1997, the Annual Meeting was convened at 9:00 A.M., at 2727 West Club Drive, Tucson, Arizona, at which time and place the following amendments to the Revised and Restated By-Laws were approved by a majority vote of the Owners eligible to vote,

NOW, THEREFORE, the Association does hereby make the following Amendments to the By-Laws:

1. ARTICLE IV, Section 4.01, is hereby amended to read as follows:

Section 4.01. Number and Qualifications. The affairs of the Association shall be governed by a Board of Directors, comprised of five (5) individuals, who must be owners. Any Director who ceases to be an Owner during his term in office shall be deemed to have resigned on the date that his or her ownership ceased.

2. ARTICLE IV, Section 4.03, is hereby amended to read as follows: Section 4.03. Vacancies.

A. Vacancies in the Board caused by any reason other than the removal of a Director by vote of the owners shall be filled by vote of the majority of the remaining Directors for the balance of the unexpired term even though they constitute less than a quorum.

B. In the case of a vacancy caused by the resignation of a Director, such vacancy shall be deemed to have occurred on the date the resignation is submitted. A Director who has submitted his or her resignation shall not be eligible to vote on filling the vacancy created by his or her resignation.

3. ARTICLE V, Section 5,06 is amended to read
asfollows:

Section 5.06. Secretary. The Secretary shall keep the minutes of all meetings of the Board and the minutes of all meetings of the Association; the Secretary shall have charge of such books and papers as the Board shall direct, and shall in general perform all the duties incident to the office of the Secretary. Upon written request, the Secretary's records shall be made available for examination by any Owner at any reasonable time.

Except as amended herein and as amended by the First Amendment dated May 2, 1994, the Revised and Restated By-Laws of TUCSON NATIONAL TOWNHOMES WEST, INC., dated the 3d day of April, 1985 shall remain in full force and effect; the terms and phrases used herein shall having the same meaning as defined in Article I of the Revised and Restated By-Laws of TUCSON NATIONAL TOWNHOMES WEST, INC.

IN WITNESS WHEREOF the undersigned parties, being President and Secretary of the Association by executing this Second Amendment to the Revised and Restated By-Laws of TUCSON NATIONAL TOWNHOMES WEST, INC., the day, month, and year first above written, hereby certify that such Amendment has been approved by the vote of a majority of Owners entitled to vote at the annual meeting held February 11, 1997.

TUCSON NATIONAL TOWNHOMES WEST, INC.

an Arizona non-profit Corporation

By Gerald B. Pettford
President

Carstone M. Day
Secretary

TATE OF ARIZONA)
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OUNTY OF PIMA)

On this _____day of Lf 1 a 4 I L J 1997, before me, the undersigned nota:y public, personally appeared Gerald Retford and Constance Huff, who acknowledged themselves to be the President and Secretary, respectively, of TUCSON NATIONAL TOWNHOMES WEST, INC. an Arizona non-profit corporation, and that they do, as such officers, having been authorized so to do, executed the foregoing instrument for the purpose therein contained by signing the name of the Corporation bythemselves as such officers.

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


Notary Public

MyCommission Expires: My
Commission lcp1rs October15, 1997