



WELCOME
to
PAYSON PINES

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New Homeowners Booklet**

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PAYSON PINES HOMEOWNERS ASSOCIATION

Homeowners Guide and References

The Payson Pines HOA (PPHOA) welcomes you to the Payson Pines community! The following pages are suitable for download as a handy reference to PPHOA information, guidance, governing documents, and forms needed for the Architectural Review Board and Rentals.

The Payson Pines HOA is self-managed and relies on homeowner volunteers to staff committees and serve on the PPHOA Board of Directors. Please consider supporting this vital, community-based association. It is a great way to get acquainted with the neighborhood and to help keep Payson Pines a healthy, thriving, beautiful place to live.

PPHOA Contact Information

PPHOA address: 1000 N. Beeline Hwy., # 195, Payson, AZ 85541

Cellular number: 928-951-3408 – This is the PPHOA number that will be answered by the president or assigned member of the PP Board of Directors.

PPHOA email: pphoabod@gmail.com

PPHOA website: <https://paysonpineshoa.homestead.com/index.html>

PPHOA Officers, Board of Directors and Committee Chairs

President -Jackie Draves

Vice President – Rodney Tang

Architectural Review Board – Bruce Halvarson, email: pphoarb.0105@gmail.com

Secretary – Carol Taska Smith

Treasurer – Mary Wadsworth, email: pphoatrea@gmail.com

COMMITTEES

Property Chair: Ben Lindley

Members: Robert Rick

Architectural Review Board Chair: Bruce Halvarson

Firewise Chair: Robert (Bob) Rick

Entertainment Chair: Sally Glenn

Members: Mary Schmall

Welcoming Committee: Mary Schmall and Lynn Larson

The PPHOA invites you to become a part of this vital, community-based association. It is a great way to get acquainted with the neighborhood and to help keep Payson Pines a healthy, thriving, beautiful place to live.

Community Contacts	
Alliant Gas - Propane 200 W. Longhorn 928-474-2294	Arizona Public Service – Electricity 400 W. Longhorn 928-474-2204
Eastern Arizona College Payson Campus 925-474-5242	Gila County Public Health & Emergency Management www.readygila.com 5515 Apache Ave., Globe, AZ 928-402-8811
Gila County Sheriff 108 W. Main Street 928-474-2208	Green Valley Water – Sanitary District 2200 W. Baby Doll Ranch Rd. Greenvalleywater.org 928-474-5257
Motor Vehicle Department -- ADOT 122 East Hwy 260 1-800-251-5866	Payson Fire Department 400 W. Main Street Emergency: 911 Non-emergency: 928-474-3369
Payson Police 303 N. Beeline Highway Emergency: 911 Non-emergency: 928-474-5177	Payson Public Library 328 N. McLane Rd. 928-474-9260
Payson Roundup – Newspaper 708 N. Beeline Hwy. 928-474-5251	Payson Town Hall – Administrative offices 303 N. Beeline Hwy 928-474-5242
Payson Unified School District P.O. Box 919, Payson, AZ 85547 928-474-2070	Payson Water Dept. 303 N. Beeline Hwy. www.paysonaz.gov 928-474-5242
U. S. Post Office (Payson branch) 100 W. Frontier St. 928-474-2972	

The PPHOA Common Area, the “Commons”

The gathering place for residents and their families, and for community events, is the Payson Pines Commons. You will find ramadas, sitting areas, a walking path and two horseshoe pits. The Commons is only available to residents and their immediate family.

If you want to host a family gathering of 25 or more people, please contact the Entertainment Committee at pphoabod@gmail.com at least three weeks in advance of the event. The PPHOA has written regulations for large group use, and the resident must always be the host, and primary point of contact.

For the health and safety of the community, always remove your trash and pet waste.

There are three entrances to the ‘Commons’:

- 400 block of Houston Mesa Road
- The end of the Ask Creek cul-de-sac
- 500 block of Christopher Point

Community bulletin boards are found at each entrance, please check them regularly for community information updates.



Welcome to the Tonto National Forest, Payson Ranger District

The Payson Pines community is surrounded on three sides by the Tonto National Forest. There are many trails to explore and enjoy near the two forest entrances at the north end of Florence Road and at the west end of Houston Mesa Road. No motorized vehicles are allowed in the forest areas around Payson Pines. If you see a truck, side-by-side or other vehicle, get the license plate number if you can, otherwise, stay clear, stay safe and call the Payson Ranger station, 928-474-7900.

Elk, deer, coyote, fox, and a variety of birds call this part of the forest home, and you will often see them when you enjoy these beautiful areas. The Forest Service asks that you do not feed the wildlife, for their own protection and yours. They also recommend that pets always stay on-leash for their safety, and the safety of other hikers and wildlife.

Fire Season: Being so close to the forest means that all residents should be aware and follow Forest Service alerts during fire season or other times when there may be restrictions to visiting the forest. Local media and the Payson Pines website, paysonpineshoa.homestead.com will keep you apprised.

Participating in the Payson Pines HOA **Firewise** program is a way to protect our homes in the event a fire comes our way. We are fortunate that the community has not been threatened by a wildfire and the best defense is to make sure your home is Firewise compliant.

Every year the community comes together for a Firewise collection of ladder fuels, dead trees, and other fire fuels. The Firewise event typically occurs in May so keep an eye on the website and email for details. The Firewise committee is always looking for volunteers, if you are interested, please send an email to pphoabod@gmail.com.

There is a Firewise brochure available to download on the PPHOA website. We suggest you become familiar with the information.

HOA Governing Documents

Rules and Regulations



Payson Pines Homeowners Association

Rules and Regulations

Revised 1 January 2021

PAYSON PINES HOMEOWNERS ASSOCIATION
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PAYSON PINES HOMEOWNERS, ASSOCIATION RULES AND REGULATIONS

Revised 1 January 2021

AUTHORITY

The Declaration of the Association, referred to as the CC&Rs, establishes the authorization for publication of the Rules and Regulations as Association Governing documents.

Pursuant to the provisions of Section 3.3 of the Declaration of the Association the Board of Directors hereby promulgates and adopts these Rules and Regulations.

In addition to Association documents, the Rules of the Association take into consideration the Federal, County, State of Arizona Revised Statutes (ARS) Title 10 and Title 33, and the Town of Payson Code of Ordinances.

The Board of Directors has the right to suspend the use and enjoyment of any provisions of the Declaration by the Owner, or their family, or guests and may levy fines as determined by the Board of Directors. To enforce the rules and regulations and the provisions of this document, the Association or any Owner may bring an action for specific performance, declaratory decree or injunction, and the successful prevailing party may recover its costs and attorneys' fees in such suit.

The Board of Directors hereby delegates authority to the Architectural Review Board and its members or designee, to carry out the responsibilities of supervision for compliance of these adopted Rules and Regulations of the Association.

All or any Association Rules and Regulation may be amended or repealed by the Board of Directors.

These Rules and Regulations supersede any Rules and Regulations revised or distributed by the Association prior to 1 January 2021.

CERTIFICATION

I hereby certify that the Board of Directors of the Association on 1 January 2021 duly adopted the foregoing Rules and Regulations

Jackie Draves
Secretary of Association

INTRODUCTION

The Payson Pines Homeowners Association, Inc., a registered Non-Profit Corporation under Arizona Law, the Board of Directors and the Officers of the Association are resolved to protect the rights and privileges of all Association members and to promote fair and equitable use of all properties for the benefit of Association members and their guests. It is the responsibility of each Association member to make it's family, guests or tenants aware of these Rules and Regulations and to ensure their compliance when using any facilities within a member's parcel as well as the Community Common Area within the Association.

Each Association member, tenants, family members, and authorized guests shall be responsible for their own safety and well being. All persons using Association Common Areas within the Payson Pines Association do so at their own risk. The Association assumes no responsibility for injuries, damages or loss to individuals or the private property of an individual. Members will be held financially responsible for damage to any Community Common Area within the Payson Pines Development caused by them, members of their family, their guests or tenants through theft, vandalism or any rules violation with fines imposed.

AMENDMENTS

The Board of Directors of the Payson Pines Homeowners Association, Inc. may amend these Rules and Regulations from time to time as pursuant to Article III, Section 3.3 of the Declaration of the Association.

Amendments shall be implemented using a replacement page method. Under the replacement page method, pages that are affected by an amendment (i.e. language which appears on a page has been changed) shall be replaced with a new page which has the changes incorporated.

Document pages will have a revision date on each page.

This set of Rules and Regulations adopted by the Board of Directors for the Payson Pines Homeowners Association, Inc. on 1 January 2021. All previous versions and amendments to the document have been included in this revision.

<u>Page</u>	<u>Section</u>	<u>Article</u>	<u>Subject</u>	<u>Date Amended</u>	<u>.</u>
All			Complete revision to reflect ARS	1 January 2021	

I. COMMUNITY GENERAL RULES INFORMATION

Use of Payson Pines Community Common Areas within the Development and all areas of access to these common areas are to be used and enjoyed by the following persons:

1. Property Owners:

Owners of a parcel or residential unit within the boundaries of the Payson Pines Development are subject to the rules and privileges of the Association Properties as established by the Board of Directors of the Association.

2. Resident Tenants:

All Tenants who lease or rent a residential unit within the boundaries of the Payson Pines Development are subject to the same privileges and rules of enjoyment as the property owners.

3. Guests:

The Association grants the same privileges to all guests, which are residing or visiting with a Property owner or Resident Tenant within the Development of Payson Pines. The conduct of guests is the responsibility of the Association member hosting the guest, and the member may be responsible for damages incurred by the guest.

II. SPECIFIC RULES AND REGULATIONS:

2.1 RESIDENTIAL USE

Each Parcel shall be used, improved and devoted exclusively to a single family residential use as defined within the Declaration Sect 1.14, and not for openly commercial purpose or use. No time-share or short term rental of any Parcel is permitted. Long term rentals for over a 180 day contract are documented on an approved Leasing of Property Requirements Form, are in compliance with stated restrictions, and the completed form must be submitted to the Association. An owner using a Management Company or Agent for rentals must ensure tenant is furnished with Association Governing Documents to ensure residential compliance.

2.2 MEMBERSHIP RIGHTS

No member of the Association shall authorize the use of any Association facilities or common area to a person or persons not under their direct control or responsibility.

2.3 USE OF EQUIPMENT

Use of skateboards, roller skates, bicycles, scooters, roller blades, powered devices, by gasoline, electric or other fuels, and other similar devices within the development of Payson Pines is restricted to those areas where permitted by Town code and those areas where their use will not create a hazard or nuisance.

2.4 USE OF MOTORIZED VEHICLES

Movement of vehicles, motorcycles, golf carts, all terrain vehicles, or other power devices within the Payson Pines Development shall be limited to the posted limit at all times and shall not be permitted on any property under the control of the Association. Exception is made for handicap access to the common area.

2.5 GENERAL CONDUCT

Fighting, drunkenness, urination, defecation, cursing, loud music, or other activities that may be or become a nuisance to members of the Association are prohibited at all times.

2.6 MEMBER CONDUCT

A member of the Association, property owner and all residents, any members of any resident's household or a guest or other persons affiliated with the resident:

1. Shall not engage in criminal activity including drug related criminal activity, within the confines of the Association.
2. Shall not engage in any act intended to facilitate criminal activity.
3. Shall not allow the dwelling unit to be used for or facilitate criminal activity.
4. Shall not allow threatening or aggressive behavior or conduct directed at another member of the Association or at an Association Representative during performance of their Association duties.
5. Shall not trespass onto another member's property without invitation.

2.7 NUISANCES AND OTHER IMPROPER USE

No nuisance as defined within the Declaration shall be permitted to exist on any Parcel or Common Property so as to be detrimental to any other Parcel in the vicinity thereof or its occupants. No immoral, offensive, or unlawful use shall be made of the Property or any part thereof. All laws, zoning ordinances, orders, rules, regulations, or requirements of any governmental agency having jurisdiction shall be complied with at all times.

2.8 INSURANCE

Nothing shall be done or kept in any residence, yard, and parcel or in the Common Property, which will increase the rate of insurance for any other parcel.

2.9 SOLICITING

No soliciting will be allowed at any time for any reason.

2.10 FIREARMS

Discharging a firearm, BB gun, Pellet gun, using a slingshot to propel missiles of any description, or using a bow and arrows within the Association Community or Common Areas of Payson Pines Developments is prohibited.

ARS 13-3107 prohibits the discharge of any firearm within Town Limits. Violations will be reported to the Town of Payson Police Department.

2.11 FIREWORKS

The use of fireworks within the Payson Pines Development or Common Area is prohibited at all times.

2.12 POLLUTION

Any and all pollution that would drain into any storm drain or other area that drains into the Common Area, Retention Basins, or any other area of County, Town of Payson, or Association control is prohibited at all times.

2.13 OIL AND MINING OPERATIONS

No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Parcel at any time for any purpose.

2.14 DRONES (Also known as Unmanned Aircraft Systems)

The flight of recreational drones is not authorized within the Association property limits. Drones can constitute a violation of the privacy rights of individuals and may also be in violation of FAA requirements due to the close proximity of the airport. National Forest requirements do not allow harassment of animals with drones. Drones may also cause restrictions on Public Safety operations such as firefighting and police efforts. The noise generated may also be categorized as a nuisance.

2.15 DARK SKY

The Town of Payson and the Association have adopted the practice of maintaining the dark sky environment by elimination of light pollution and skyglow. Members are encouraged to install environmentally responsible downward pointed and shaded external fixtures using low watt or warm colored bulbs. Lights should be turned off when not in use for personal movement safety. All lighting except low voltage lights should be extinguished after 10 PM.

The Town of Payson has incorporated sections in the Code that include the recognition of bright residential lighting being a public nuisance and as such is enforceable on complaint.

Lighting that intrudes onto the property of nearby residents is enforceable by ARB action as a nuisance as defined by the declaration.

2.16 FIREWISE

The Association has been registered as a NFPA Firewise community. Cooperative cleanup of community areas and private property can gain benefits for every homeowner in improved safety and reduced premiums on homeowners insurance.

The Association has established a Firewise Committee to aid members in determining compliance with initiatives to keep area in good and safe condition and eliminate fire hazards on and around individual properties. Town of Payson Fire Department will also assist owners in determining fire hazards on an individual parcel.

The Firewise Committee has been delegated authority by the Board of Directors to cite residents when a property has issues that can jeopardize the entire neighborhood.

2.17 DELEGATED AUTHORITY

The Board of Directors delegates authority to the ARB Committee to note violations to the rules, and to notify members of those violations. Notification of violations will be done in writing to the resident on record with the Association. Enforcement of the Declaration, Bylaws, and Rules is done through Board action in accordance with the declaration and applicable State laws.

III. COMMON PROPERTY, YARDS, AND SERVICES

3.1 LANDSCAPING

The Association shall maintain such improvements and the cost thereof shall be paid as a part of the General Assessment. Irrigation systems are maintained as part of the landscaping.

3.2 FENCING

The Association maintains fencing around the perimeter of common areas for definition of foot traffic limits, aesthetics and safety. Owners should not assume that common area fencing defines legal property boundaries.

3.3 STRUCTURES AND COMMUNITY PROPERTY

The association maintains structures on the common areas. Recreational items, ramadas, patio gathering areas, and walkways are available for use by residents and are encouraged to be used.

3.4 UTILITIES

Each Parcel has been supplied with connections for water, sewer, electricity, telephone and cable television systems. The Owner is responsible for all cost associated with their service if utilized.

3.5 OWNER'S RESPONSIBILITY

Each Owner shall keep all parts of their Parcel in good order and clean and free of all debris. Each Owner shall be responsible for the periodic restoration, repainting of doors and trim, and re-staining or painting of the exterior of the residence. Approved colors and materials information may be found on the Board Approved Project Request Form. Deviations from approved colors or material must be approved by Board action.

3.6 TRASH COLLECTION

Each parcel shall have trash collection either as supplied by the Town of Payson or its designee or by other legal disposal. Homeowner shall be responsible for the costs thereof. All trash should be kept in closed containers and not allowed to accumulate on property, and removed promptly. Large storage bins may only be utilized during construction or major cleanup and must be removed promptly when task is completed. Placement of large bins may require Town of Payson approval.

3.7 VISIBILITY AT STREET INTERSECTIONS

Owners may not allow shrubbery or structures to obstruct visibility at intersections of streets. Individual lighting on properties shall not be directed towards intersections or streets to possibly blind drivers to hazards. Individual property landscaping must be trimmed to allow safety visibility.

IV. ARCHITECTURAL CONTROL

4.1 CONSTRUCTION SUBJECT TO ARCHITECTURAL CONTROL

No construction, modification, alteration or improvement of any nature whatsoever, except for interior alterations not affecting the external structure or appearance of any

residence, shall be undertaken on any Parcel unless approval in writing by the ARB has been granted. ARB will review proposed alterations or construction for compliance with Association documents and verify Government permits have been properly issued, if required, before approving project.

4.2 LIABILITY

Approval by the ARB of an application by an Owner shall not constitute a basis for any liability of the members of the ARB, the Board of Directors or the Association for any reason. If plans should require building construction permits from the authority having jurisdiction, it shall be the responsibility of the Owner to obtain all necessary permits required for the project prior to initiation of any work.

4.3 APPLICATION

The documents, materials and items to be submitted to the ARB for approval shall include:

- * Construction plans and specifications
- * Landscaping plans
- * Elevation or rendering of all proposed improvements
- * Samples of materials, exterior coatings and colors
- * Other items as the ARB may deem appropriate including Government permits if required.

No new construction on any Parcel or Property shall be commenced until a Project Request Form has been obtained, filled out, submitted to the ARB Committee, approved, and returned to the Property Owner.

Once construction has obtained final inspection by Town or County the Form is returned to the ARB for filing into property records.

V. USE OF PROPERTY

5.1 PROTECTIVE COVENANTS

In order to keep the Property a desirable place to live for all Owners, the following protective covenants are made a part of this document.

1. VISIBLE DECORATIONS

All Seasonal or Special Occasion decorations displayed on any Parcel or Common Area may not be displayed more than 30 days before an occasion and shall be removed within 15 days after the occasion or celebration date has past.

2. YARD ART

Decorative items used by an individual resident to beautify their property must be tasteful and not intrusive to other residents. Lighted installations must be nonintrusive, Dark Sky compliant, and only shine directly onto the object and not onto nearby shrubbery or homes.

3. **GARAGE SALES**

Each residence may have one (1) garage sale, estate sale, etc., every six (6) months. All of these sales will require permission, in writing, from the ARB Committee to ensure proper disposition of signage and placement location. These sales must be for the sole purpose of the property owners or tenant who reside within the Payson Pines Developments. All signs pertaining to personal sales listed above shall be removed from posted locations by 6:00 p.m. on the last authorized day of the sale.

4. **PROPERTY FENCING**

Owners may install fencing on the perimeter of their property for screening or decorative purposes; however, all fences must meet Town Codes. Owners shall not be permitted to erect perimeter fencing without express prior written approval of the ARB and documented by an executed Project Request Form. The ARB approval of fencing shall take into consideration the aesthetic quality impact on the adjoining neighbors and the property as a whole. No metal fencing, chain link fencing, barbed wire, or cement block walls, designed as a fence, of any height shall be permitted on any parcel. Pet restraint fencing may be approved if hidden from view by approved wood fencing.

If fences are not shared by nearby residents then they must be placed well within the individual resident's property. Fences intruding onto another resident's property will be removed at the cost of the violating owner.

5. **PETS**

The Town of Payson Municipal Code, Chapter 90, as implemented by the Town Council, determines the allowance of pets within the Town limits. All animals not properly controlled within an owner's individual property must be leashed or otherwise restrained. Pets must be properly taken care of by the owner, and may not become a nuisance to others, either by noise or odors. It is the owner's responsibility to remove any waste generated by the animal. While the Association attempts to provide waste bags at the entrances to our common area for waste removal, the Association does not provide containers for that waste, and owners must remove the waste from all areas and properly dispose of it. Violations of the Town Code will be reported to the Town of Payson for possible action that could involve animal detention and possible fines.

6. **FLAG DISPLAYS**

Members may display a maximum of two (2) flags on the property at any time. American and military flag displays must be consistent with Federal Flag code P.L 94-344 of the US Code and ARS 33-1808. Flagpoles may not exceed the height of the roofline of the home. Location of pole installations must be approved by ARB action using a Project Request Form, and cannot be placed within property setbacks.

Lighting must be approved. Flag lighting must meet Dark Sky conditions. Posttop flagpole lighting is acceptable as long as lighting is aimed directly at flag and not at adjoining properties. Flag up lighting, if used must be directed away from adjoining properties, roadways, and shielded by onsite structures.

7. **PARKING**

On street parking is discouraged due to interference with public service utility service such as trash pickup, street sweeping, and snow removal. No vehicles or equipment of any kind may be parked on any part of the Property not designed for vehicle traffic. Only motorized vehicles bearing current license and registration tags, as required pursuant to state law, shall be permitted on that part of the property designed for vehicle traffic. Disabled vehicles may not be disassembled while visible from other properties and must be enclosed within property garage or carport.

Per ARS 33-1809 Public Service and Public Utility vehicles bearing official license or emblems with a gross weight of 20,000 pounds or less may be parked on the street.

8. **RECREATIONAL VEHICLES**

No recreational vehicle of any kind, motorized or other wise shall be visibly stored, parked, or used for lodging of any persons for any purpose at any time. All recreational vehicles may be parked in the street or driveway in front of the owner's residence only for the purpose of loading or unloading of material and supplies or charging operational equipment from an outside source. Parked vehicles may not impede normal traffic flow on the street. A time limit of no more than 24 hours for the purpose of loading and unloading is permitted. Successive overnight parking for any type of recreational vehicle or trailer is not permitted. Exceptions to the above must be requested from a member of the ARB Board. ARB exception permits once issued must be visibly displayed on unit while parked.

9. **RECREATIONAL FIRES**

A recreational fire is defined as an outdoor fire burning materials other than rubbish. All fires within the Town of Payson limits are required to be a minimum of 25 feet away from any structure or trees with a clear 10 foot radius around the fire area. Fires should not be laid onto the ground but should be contained within a firepit or screened container. Fires that generate sparks or objectionable smoke are prohibited. All fires must be constantly attended until fire is extinguished. A minimum of one fire extinguisher and other things like dirt, sand and a charged garden hose shall be immediately available.

Decorative firepits or other social gathering devices must be attended by at least one adult while operating.

It should be noted that when seasonal or other fire restrictions are put into effect by either the Town of Payson or the Forest Service that all fires are prohibited.

Fire restrictions do not normally apply to the safe use of covered outdoor grills utilized specifically for cooking on private property.

10. CLOTHESLINES

No permanent clotheslines or other clothes-drying facility shall be permitted on the property and visible from any road or disturb another parcel. Day use of temporary clotheslines is permitted but must be removed after use.

11. GARBAGE AND TRASH CONTAINERS

All garbage and trash containers must be stored so as to not be visible from the street. No part of the parcel shall be used for the dumping or storage of refuse. Containers stored outside and disrupted by animals must be cleaned up by owner immediately. All trash and garbage containers shall not be placed at the curb for pick-up any more than 24-hrs prior to collection, and shall be removed from the curb no later than 24-hrs after pick-up.

12. ANTENNA INSTALLATIONS

Direct broadcast, TV, and Internet antennas are considered as Over-the-Air Reception Devices (OTARD) and as such are controlled by the FCC under CFR 47, Section 1.4000. This code allows installation of antennas no larger than 3 meters (39.37 inches) diameter. This can include wireless antennas or transmitters.

Antennas should be securely mounted onto a vertical mast or directly mounted onto the structure of the home. If a mast is used to provide mounting for the antenna it cannot exceed 12 feet in height. Antennas should be mounted where they are not visible from the street if possible but can be limited in location position based on reception of the signal.

ARB review of antenna installations should be done in advance to ensure safety and security of mounting and placement does not interfere with neighboring properties.

13. WINDOW AIR CONDITIONERS

No window air conditioning unit shall be installed or permitted in any of the residences without the prior written approval of the ARB. Installations must not present a nuisance to nearby parcels.

14. TEMPORARY STRUCTURES

No structure of a temporary character, including, without limitation, any travel trailer, Pop-up trailer, utility trailer, tent, shack, barn, shed, or other outbuilding, shall be permitted on any Parcel at any time, except temporary structures maintained for the purpose of construction and pre-approved on the Project Request. Temporary containers placed on property for internal construction or cleanup are acceptable and should be removed once task is completed.

15. WATER SUPPLY AND SEWAGE

No individual well or septic tank will be permitted on any Parcel at any time for any reason. Town of Payson provides water and Gila County provides sewage. It is the owner's responsibility to pay for services provided.

16. FUEL STORAGE TANKS

No fuel or gasoline storage tanks shall be permitted on any Parcel at any time for any reason. Small containers for yard equipment or generators are acceptable and must be properly stored.

17. TREES

Every property owner shall take such steps as are reasonable and necessary to prevent their trees from endangering other vegetation on their property, or that of adjoining property owners. No trees shall be cut or removed from the property or new trees planted without approval of the ARB, which may be conditioned upon such factors as the overall landscape plans for the Parcel.

Town of Payson Code 153.31 requires a Town permit for removal of any tree in excess of 6 inches diameter measured 4.5 feet above ground level. Prior to submitting an ARB request, the member must obtain the Town permit, which gets submitted along with the Association Project Request form.

In some cases, the planting of a replacement tree or shrub may be required.

18. HAZARDOUS MATERIALS

No hazardous or toxic materials or pollutants shall be discharged, maintained, stored, released or disposed of on the Property.

19. LEASING

Owners are permitted to lease their Residences on such terms and conditions as they may determine, provided however, all tenants shall be required to comply with all terms and conditions of the Declarations, By-Laws and these Rules and Regulations.

1) Requirements

No lease/rental agreement of property shall be for less than 180 days. Per ARS 33-1806.01 it shall be the responsibility of the owner/landlord/agent to provide the HOA Board with the name of the adult tenant(s), the tenant's contact telephone number(s) and/or email information, the term of the lease (dates), and the vehicle(s) description and license plate numbers of the tenant's vehicles normally parked at the parcel.

If an agent is used, the owner shall designate who shall conduct business with the Association except for voting in Association elections and serving on the Association Board of Directors. On receipt of such designation, any communication sent to the designated agent constitutes notice to the member. The owner shall be responsible to ensure the agent has current copies of the Association Governing documents to furnish to the lessee.

This information shall be provided on the approved form (Leasing of Property Requirements), of this document, to the HOA Board no later than 10 days from the beginning of the lease/rental agreement. Failure by the owner/landlord/agent to provide the requested information within the time

period will result in a monetary penalty described in sub-section 2 of this section.

2) MONETARY FEES AND PENALTY

It shall be the policy of the Board of Directors of the Payson Pines Homeowners Association Inc. to impose an application fee for a new tenant of \$25, due within fifteen (15) days submission of the Lease form. Per ARS 33-1806.01, a penalty of an additional \$15 may be imposed for late or incomplete information submittal. No fee is charged on lease renewal for same tenant.

20. FLAMMABLE OR COMBUSTIBLE MATERIALS

The use of any device that will project an explosive material into the air or across the ground that may be considered combustible or flammable is prohibited in the community of Payson Pines whether within the common area or on a parcel.

21. BASKETBALL GOALS AND BACKBOARDS

Only basketball Goals mounted on a designed pole, which can be moved and stored upon the Parcel from the street side of the parcel, will be permitted for use within the Payson Pines community. Said Goals shall be removed from the front side of the Parcel when not in use and may not be stored on the street side of the parcel. Basketball backboards may not be mounted on a structure within the parcel.

22. SOLAR ENERGY DEVICES

Solar energy collectors absorb solar radiation and convert it to heat or electricity. Installations of solar panels require location in areas of best availability of sunlight. Solar collectors may be placed on the roof of a structure or on the ground. No ground installations may be done on the front of the structure and visible from the street. Location positioning should not allow reflections to shine directly onto another property. All solar installation should be pre-approved by the ARB on a Project Request Form to ensure proper placement on the property.

23. SECURITY

Security system installations such as cameras and motion activated lighting may be installed. Mounting of cameras may not cause noise or lights to impact other properties. Camera may not be aimed at other properties or cause privacy violations.

Motion activated lighting must be aimed downward and may not project onto street or nearby properties.

Alarms, either noise or light items, may not remain on long enough to be a nuisance to nearby residents. Random or frequent nuisance activation must be corrected immediately or system must be deactivated by owner.

5.2 COMPLIANCE

It shall be the responsibility of all Owners, family members of Owners, and their authorized guests and tenants to conform with and abide by the Rules and Regulations in regard to the use of the Residences, Yards, Parcels and Common Property which may be adopted in writing from time to time.

Upon violation of any of the Rules and Regulations adopted as herein provided, or upon violations of any of the provisions of the Declaration and By-Laws of the Association, the Association may levy fines as determined by the Board of Directors. To enforce the Rules and Regulations and the Provisions of the Declarations of the Association, the Association or any Owner may bring an action for specific performance, declaratory decree or injunction, and the successful prevailing party may recover its costs and attorneys' fees in such suit.

The Board of Directors shall have the right to waive the application of one or more of these rules and restrictions or to permit a deviation from these restrictions as to any portion of the Property where, in the discretion of the Board, circumstances may exist to justify such waiver or deviation.

5.3 OWNER RESPONSIBLE MAINTENANCE

Each Owner shall keep all parts of his Parcel in good order, clean and free of debris, repair or replacement of roofing, repair or replacement of windows and doors including repair or replacement of glass or screen, repair or replacement of building materials on the exterior of the Residence.

Each Owner shall be responsible for the periodic restoration, repainting and re-staining of the exteriors of the Residence. Color or material changes must be pre-approved by the ARB on a Project Request Form.

If an Owner fails to maintain the Parcel in good order and attractive manner, the Association, under the time limits and provisions of ARS 33-1803, and by approval of the Board of Directors, shall have the right to enter upon such parcel to correct, repair, restore, paint, stain and maintain any part of such Structure or Parcel. All costs related to such correction, repair or restoration shall be recorded as a Parcel Assessment.

RANGE OF PENALTIES

The Board of Directors has the authority to impose reasonable monetary penalties for violations of the Declaration, the Bylaws, and the Rules of the Association. The Association has found that a static fine schedule is not as effective as a flexible range of penalties in encouraging proper conduct. The Association does not want individuals to believe they cannot simply pay to violate the rules nor does the Association want the fines structure to be so rigid that it cannot consider mitigating factors. Accordingly, the Association has adopted a range of penalties. Any violation of these Rules and Regulations is subject to a penalty of up to five thousand dollars (\$5,000.00) for each violation.

The Association has delegated the authority to conduct initial hearings on alleged violations to the Architectural Review Board (ARB). Per ARS 33-1803 members may appeal a decision of the ARB by submitting a written statement sent to the Association address of record via certified mail asking the Board of Directors to review the matter. Any such appeal should be submitted to the Association, in

writing, not later than twenty-one (21) calendar days after the written notice of the decision of the Architectural Review Board. The Board of Directors will respond within ten (10) business days. The response will include the member's option of additional appeal to the State Real Estate Department. The Board of Directors may impose a fine for non-compliance based on the circumstances and the violation.

In determining what range of penalties to impose following a determination of a rules violation, the Board of Directors will consider a variety of factors relative to any violation, including:

1. Whether the violation was in interference with Association Officers performing their duties
2. The severity of the violation
3. Prior/subsequent incidents
4. Prior fines
5. Prior warnings
6. Any personal injury resulting from the misconduct
7. Any property damage resulting from the misconduct
8. Interference with the enjoyment of other residents
9. The attitude of the violator
10. Any mitigating circumstances

The Board of Directors may, in its sole discretion, determine what is appropriate action to protect the Association and/or enforce its governing documents, including, but not limited to, proceeding with the initiation of legal action to compel compliance.

PAYSON PINES HOMEOWNERS, ASSOCIATION

FEE AND FINE SCHEDULES

FEES

Assessment

Assessment levels are developed by the Board of Directors during annual budget development and are due and payable per the declaration at a specific designated date published on the notice of assessment. ARS 33-1803 allows a late fee to be charged 15 days after the published due date however it has been the practice of the Association to allow a 30 day time frame. A late fee will be added to any assessment not paid by the published grace period date.

Fee for late payment of assessment: \$15

Property Transfers

The Association charges a property transfer fee for generation and execution of the documents and mailings required by ARS 33-1806. This fee is paid thru escrow Title Company transactions.

Fee for property transfer transactions: \$172

Lease or Rental document fees

Per ARS 33-1806.01 the association charges a rental agreement initiation fee for lease or rental agreements with a new tenant. No fee is charged for subsequent agreements with same tenant.

Fee for lease or rental agreement initiation: \$25

Fine for late or incomplete submittal of documents: \$15

FINE SCHEDULE FOR VIOLATIONS

As directed by the By-Laws under Article 3 titled Powers and Duties, Section 3.9.12 and ARS 33-1803, this flow of notice and fines schedule is developed to impose fines for violations of the Declaration, By-Laws, Rules and Regulations, Firewise, Dark Sky, and the Architectural Rules of the Payson Pines Homeowners Association.

FIRST NOTICE:

A notice of violation is sent via standard mail to the homeowner explaining the infraction of the rules and what necessary steps are required to correct the violation. This notice will also state which Article and Section of the documents are in violation and the amount of time the resident or homeowner has to come in compliance with the rules and regulations. Extensions to a specific citation may be allowed based on circumstances surrounding the violation by request back to the ARB or Firewise Committee issuing the notice.

If the member corrects the violation they should notify the Association when item cited is completed to remove it from the pending files and terminate all subsequent actions.

Per ARS 33-1803 (C), members may provide a written response by **certified** mail within 21 days of the date of the notice. This response may also include a request for a hearing by the Board of Directors. Upon receipt, the Board will schedule a Closed Meeting hearing at which time the member may present any rebuttal of the citation. If a hearing is scheduled, the Board will respond to the hearing request within 10 days via certified mail. Upon hearing and review of the member response the Board can discuss and possibly cancel or revise the citation if so decided. The Association will respond in writing by certified mail to the member within 10 days of the Board's decision. The response may include a specific completion date for the violation if violation is enforced. The results of the Board hearing are final.

TIME PERMITTED FOR CORRECTION: **31-DAYS**

SECOND NOTICE

At expiration of the due date of the violation cited or the date established by Board Review Hearing, if the violation has not been corrected and no hearing was requested by the member after the first notice, the ARB will notify the Board of Directors. The Board will schedule a Closed Meeting where a decision will be decided on ramifications for the citation. The Board meeting results will be sent to the member cited via certified mail within 10 days of the meeting.

The results of this Board decision will always include a fine. Depending on circumstances of the citation the fine may be up to \$5,000. The fine will be accompanied by a Board directed Special Assessment on the parcel for the amount of the fine.

ARS 33-1807 states that any assessment is a lien against the parcel. Any Special assessment directed by the Board in compliance with ARS 33-1803 for violations or other actions is legally enforceable.

TIME PERMITTED FOR CORRECTION AND REMITTANCE OF THE FINE – **30 days**

THIRD NOTICE

After expiration of the time limits of the second notice with no resolution, the Association will turn the information over to the Association's Legal representation for either collections action or lien application. The member will receive a letter via certified mail from the Association advising them of the legal contact information.

From the point of turnover, all communications with the member must be done thru the Legal process. No further direct communication with the Association or Board will be allowed.

All costs to the Association from this action will be additive to the parcel assessment.

APPEAL PROCESS:

A member of the Association may appeal any notice of violation in writing and sent by **certified** mail to the Board of Directors of the Payson Pines Homeowners Association, and they in turn will review the appeal submitted for review and render a decision.

All appeal requests must state specifically why you are in dispute with the Notice of violation.

Once the appeal or Board hearing is completed, if the member disagrees they may file an appeal to the Arizona Real Estate Commissioner for review pursuant to Section 32-2199.01.

**LEASING OF PROPERTY REQUIREMENTS FORM
PAYSON PINES HOMEOWNERS ASSOCIATION
Revised 11/22/2021**

Date: _____

This form is documenting the lease between the legal Owner or their documented designated Agent and a tenant who will be residing on a parcel within the Payson Pines Homeowners Association (“Association”). These parcels are to be used for a single family dwelling only.

Property Address: _____

Name of Owner/Agent: _____

Owner/Agent Address: _____

Owner/Agent Phone Number(s): _____

Beginning & Ending dates of Lease/Rental Agreement:

From _____ To _____.

Ref: A.R.S. §33-1806.01(A) and PPHOA Rules & Regulations (“Rules”), V5.19
180 days minimum lease duration

Name(s) and Contact Information, voice & email, of all adult RESIDENT TENANT(s):

Number of Total Adult Occupants of Residence: _____

Ref: A.R.S. §33-1806.01(C)

Description and License number of all vehicles belonging to RESIDENT TENANT(s):

Ref: A.R.S. §33-1806.01(C)

There is a \$25.00 new tenancy fee payable to the Association for the initial application; the fee will be waived for lease renewals *to the same tenant(s)*. This fee is due within 15 days of lease commencement. An additional fee of \$15.00 may be charged for incomplete or late information for this document.

Ref: A.R.S. §33-1806.01(D) and Rules V5.19

LEASING OF PROPERTY REQUIREMENTS FORM
PAYSON PINES HOMEOWNERS ASSOCIATION
Revised 11/22/2021

In consideration of the execution of renewal of a lease of the dwelling unit identified in the Lease, Owner and Resident Tenant shall agree as follows:

Resident Tenant, any members of the Resident Tenant's household or a guest or other persons affiliated with the Resident Tenant:

1. Shall not engage in criminal activity, including drug-related criminal activity, on or near the said premises. "Drug related activity" means the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute, or use an illegal or controlled substance (as defined in Section 102 of the Controlled Substance Act [21 U.S.C. 802])
2. Shall not engage in any act intended to facilitate criminal activity.
3. Shall not permit the dwelling unit to be used for, or to facilitate criminal activity, regardless of whether the individual engaging in such activity is a member of the household, or a guest
4. Shall not engage in the unlawful manufacturing, selling, using, storing, keeping, or giving of an illegal or controlled substance as defined in A.R.S. §13-3451, at any locations, whether on or near the dwelling unit premises
5. Shall not engage in any illegal activity, including prostitution, as defined in A.R.S. §13-3211, criminal street gang activity as defined in A.R.S. §§13-105 and 13-2308, threatening or intimidating as prohibited in A.R.S. §13-1202, assault as prohibited in A.R.S. §13-1203, including but not limited to the unlawful discharge of a weapon, on or near the dwelling unit premises, or any breach of the lease agreement that otherwise jeopardizes the health, safety, and welfare of the landlord, his agent, or other tenant, or involving imminent or actual serious property damage, as defined in A.R.S. §33-1368.
6. Shall not allow any resident of this property that is required to be registered pursuant to A.R.S. §13-3821 and who are classed as Level two or Level three offenders.
7. Violation of these provisions will be a cause for action by the Association that may include legal action.

It is understood that any violation shall be good cause for immediate termination of the lease under A.R.S. §33-1377, as provided in A.R.S. §33-1368. Unless otherwise provided by law, proof of violation shall not require a criminal conviction, but shall be by a preponderance of the evidence.

8. In case of conflict between the provisions of this addendum and any other provisions of the Owner's lease, the provisions of this document shall govern.

Tenant Initial _____

Owner Initial _____

Per the Declaration Section 10.6, I, _____,
(Owner/Agent) have provided the TENANT of the foregoing lease/rental agreement with copies of the **CC&R's**, **By-Laws**, and **Rules and Regulations** of the HOA of Payson Pines.

As owner, I understand that it is my responsibility to abate criminal activity as authorized in A.R.S. 12-991.

LEASING OF PROPERTY REQUIREMENTS FORM
PAYSON PINES HOMEOWNERS ASSOCIATION
Revised 11/22/2021

Signature of Owner/Agent

Date: _____

.....

TENANT must Sign "Lease/rental Agreement" and initial the "Crime Free Addendum" which is made part of this Lease/Rental Agreement.

I, _____, (TENANT) have received copies of the *CC&R's*, *By-Laws*, and *Rules and Regulations* of the HOA of Payson Pines and will abide by these rules accordingly as long as the Lease/rental agreement is in force.

Signature of TENANT

Date: _____

Mail completed form and \$25.00 payment to:

Payson Pines Homeowners Association
1000 N. Beeline Hwy #195
Payson, AZ 85541

PAYSON PINES HOMEOWNERS ASSOCIATION

TEMPORARY PARKING PERMIT

**Payson Pines Homeowners Association, Rules and Regulations, Section V
(Use of Property), Articles 7 & 8 (Parking & Recreational Vehicles)**

HOMEOWNER NAME

ADDRESS

TYPE OF EQUIPMENT (VEHICLE, BOAT, TRAILER, ETC.)

OWNER OF EQUIPMENT

DATE PERMIT ISSUED

DATE PERMIT EXPIRES

REASON FOR PERMIT BEING ISSUED

ARB MEMBER APPROVAL

DATE

Payson Pines Homeowners Association Inc.

Architectural Review Board

Project Request Form

Revised: October 11, 2021

Name: _____ Telephone: _____

Project Address: _____

Mailing Address: _____

Project Description (**see page two for Fence Only Section of this form**):

Reference: PPHOA CC&Rs, Article VII and VIII and Association Rules

Section 7.1 _____ **Construction subject to Architectural control**
Section 7.2 _____ **Application: Documents that would be furnished for review**

- _____ Construction Plans and specifications
- _____ Landscaping Plans
- _____ Samples or photos of materials to be used

Check each item that applies and circle the colors to be used.

Section 7.2 (a) **Approved exterior translucent stain & finish**
Amber Hue Golden Honey Autumn Brown
(Light natural) (Medium natural) (Dark natural)

Section 7.2(b) **Approved exterior paint and paint colors**
#1 Turkey #2 Cedar #3 Autumn #4 Dark Autumn
Creek Chest Brown Brown

Approved garage door/entry door/side door paint colors

- Evergreen #OE 6284
- Rustic Brown (Chocolate brown) DEC 756
- Buckskin Brown (Medium Brown) DET 695 Satin
- Beige Option #1 Beige Option #2 Beige Option #3
- DEC 743 DEC 6172 Semi-Gloss

The house **MUST** be 100% stain or paint, a mix of stain and paint on exterior walls is not allowed. Entry and patio ceilings may be either. Deck flooring, steps, hand rails may be painted on stained houses.

NOTE: Paint numbers will vary when Satin, Semi-Gloss, or Gloss are used.

Article VIII Sections that apply: _____

Date received by ARB: _____

ARB Representative: _____ Review Date: _____

Board Review Results: _____

If Project not approved: Basis or Reason: _____

Permits Required by: Town of Payson: YES _____ NO _____

ARB Approval: YES _____ NO _____

ARB Representative Signature & Date: _____

Please contact ARB at pphoaarb.0105@gmail.com upon completion of your project.

ARB Inspection Review after project completion:

Approved: YES _____ NO _____ By: _____ Date: _____

Submit this form to: pphoaarb.0105@gmail.com or mail to:

Payson Pines HOA, Attn. ARB. 1000 N. Beeline Hwy, #195, Payson, AZ 85541

**Payson Pines Homeowners Association Inc.
Architectural Review Board**

FENCE ONLY Project Request Form

ARB Fence Requirements:

1. Please submit an elevation or rendering of proposed fence project;
2. Fences cannot be higher than six feet (6');
3. Dog-ears must always be on top;
4. Fence must meet ARB standards of color and visual appearance; and
5. Fence Only Project Request Forms include the signed written acknowledgement provided below, between requesting homeowner and any adjoining neighbor.

Type of Fence: _____

Area to be Fenced: _____

* * * * *

Adjoining Neighbor Acknowledgement of Fence Project

Requesting Homeowner (printed name): _____

Project Address: _____

Signed:

Requesting Homeowner

Date

Adjoining Neighbor Address Name and Address: _____

.

I acknowledge that I have been informed of the requesting homeowner's fence project and have listed any agreements below that pertain to it.

Adjoining Neighbor Signature

Date

List specifications of the fence project, if any, agreed to with requesting homeowner: _____

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Adjoining Neighbor Address Name and Address: _____

.

I acknowledge that I have been informed of the requesting homeowner's fence project and have listed any agreements below that pertain to it.

Adjoining Neighbor Signature

Date

List any specifications of the fence, if any, agreed to with requesting homeowner: _____

.

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CC&Rs

When recorded, return to:

**Ekmark & Ekmark, LLC
6720 North Scottsdale Road
Suite 261
Scottsdale, AZ 85253**

**SECOND AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR PAYSON PINES**

**SECOND AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR PAYSON PINES**

THIS SECOND AMENDED AND RESATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR PAYSON PINES (“Declaration”), is made as of the day hereinafter set forth by the PAYSON PINES HOMEOWNERS ASSOCIATION, INC., an Arizona non-profit corporation (“Association”).

RECITALS

WHEREAS, Payson Pines, LLC (“Declarant”) recorded a Revised, Restated and Consolidated Declaration of Easements, Covenants, Conditions and Restrictions for Payson Pines on March 24, 2000 at Fee # 2000-4475, official records of Gila County, Arizona Recorder (“First Amended and Restated Declaration”);

WHEREAS, the First Amended and Restated Declaration governs the real property located in Gila County, Arizona, legally described on Exhibit “A”, attached hereto and made apart hereof (the “Property”);

WHEREAS, the Association desires to maintain the beauty of the Property to assure high quality standards for the enjoyment of the Property, to promote the interest of each Property owner, to provide for the preservation and enhancement of the Property and for the maintenance of the property and the improvements thereon, to provide for the efficient management of the Property.

WHEREAS, the Association, by and through its Members, wishes to amend and restate the First Amended and Restated Declaration in its entirety as set forth herein;

NOW THEREFORE, the Association hereby declares that all of the Property shall be held, sold, and conveyed subject to the following easements, covenants, conditions, and restrictions, all of which run with the land and shall be binding upon all persons owning, leasing, or occupying any Parcel or Parcels and all of which are for the purpose of enhancing and protecting the value, desirability, and attractiveness of the real property, and all of which are hereby declared to be for the benefit of all of the property described herein and the Owners thereof, their heirs, successors, grantees, and assigns.

ARTICLE I

DEFINITIONS

The following definitions shall apply wherever these capitalized terms appear in this Declaration:

Section 1.1 “ARB” shall mean the Payson Pines Homeowners Association “Architectural Review Board,” as established by the Board of Directors of the Association.

Section 1.2 “Articles” shall mean the Articles of Incorporation for the Association, as amended from time to time, which are filed with the State of Arizona.

Section 1.3 “Assessment(s)” shall mean and include all types of charges to which a Parcel is subject, including, and without limitation; (a) Annual Assessments, (b) Special Assessments, (c) Working Capital Fee Assessments and (d) Individual Assessments (as more fully defined in Article VI).

Section 1.4 “Association” shall mean Payson Pines Homeowners Association, Inc., an Arizona Corporation, its successors and assigns.

Section 1.5 “Board of Directors” shall mean the Board of Directors of the Payson Pines Homeowners Association, Inc.

Section 1.6 “Bylaws” shall mean the Bylaws of the Association as amended from time to time.

Section 1.7 “Common Area” shall mean all of the Property, except the Parcels and publicly dedicated roads and easements, together with any improvements thereon and all personal property intended for the common use and enjoyment of the Owners and any areas within the Property, which the Association is obligated to maintain, notwithstanding that it may not own such area. The Common Area is not dedicated for general public use. The Common Area may consist of directional and identification signage, landscaping, pedestrian pathways, mailboxes, buildings and open areas.

Section 1.8 “Declaration” shall mean this Second Amended and Restated Declaration of Covenants, Conditions and Restrictions, recorded in the office of the Gila County, Arizona recorder, as it may hereafter be amended and supplemented from time to time.

Section 1.9 “Member” shall mean a person entitled to membership in the Association, as provided in Article III of this Declaration.

Section 1.10 “Owner” shall mean the record holder of fee title to any Parcel, any purchaser under an agreement of sale or contract of purchase and, in the case of a Parcel owned in trust, the Owner shall be the trustor if the trust is revocable and the Owner shall be the trustee if the trust is irrevocable. Owners shall not include those having such interest merely as security for the payment or repayment of a debt obligation.

Section 1.11 “Parcel” shall mean any parcel of land or dwelling unit intended as a site for a Residence. A Parcel may include a single Parcel as shown on the recorded plat or may include a dwelling unit as shown on a tract declaration or tract of un-platted land.

Section 1.12 “Property” shall mean the real property located in Gila County, Arizona, legally described on Exhibit “A”, attached hereto and made apart hereof.

Section 1.13 “Residence” shall mean any Single-Family Residential dwelling constructed within any Parcel.

Section 1.14 “Single-Family” shall mean a group of one or more persons each related to the other by blood, marriage or legal adoption, or a group of not more than three (3) persons not all so related, who maintain a common household in a Residence.

Section 1.15 “Visible From Neighboring Property” shall mean, with respect to any given object, that such object is or would be visible to a person six feet tall standing on neighboring property, on the level of the base of the object being viewed.

ARTICLE II

ADDITIONAL PROPERTY

Section 2.1 Annexation of Additional Property. Additional property may be annexed to the Property, with the consent of each owner of the additional property and with the written consent of Owners representing seventy-five percent (75%) of the Parcels. Residences constructed on the additional property may be different in appearance from existing Residences, and may be constructed as attached or detached housing.

Section 2.2 Supplemental Declaration. Any such annexations authorized in Section 2.1 shall be made by the filing of record of one or more supplemental declarations with respect to the additional property. A supplemental declaration may contain any additions to or modifications of the provisions hereof applicable to the additional property as may be necessary to reflect the different character, if any, of the additional property that is the subject of the supplemental declaration, including, without limitation, any differences in the method or level of Assessments to be levied upon such additional property, taking into account the different nature or amount of services to be rendered to its Owners by the Association. A supplemental declaration shall be approved by three-fourths (3/4) of the Directors then in office, signed by the President of the Association and by every owner of the additional property, and shall become effective upon being recorded in the public records of Gila, Arizona. Thereafter, such additional property shall be considered within the definition of the term "Property" for all purposes of this Declaration.

ARTICLE III

ASSOCIATION; MEMBERSHIP; VOTING RIGHTS

Section 3.1 The Association. The Association is an Arizona corporation charged with the duties and invested with the powers prescribed by law and set forth in the Articles, Bylaws, and this Declaration. The Association may exercise any right or privilege given to the Association expressly by applicable law and the Articles, Bylaws, and this Declaration and every

other right or privilege reasonably to be implied from the existence of any right or privilege given to the Association by applicable law and the Articles, Bylaws, and this Declaration or reasonably necessary to effectuate any such right or privilege.

Section 3.2 Board of Directors. The affairs of the Association shall be conducted by a Board of Directors and such officers as the Directors may elect or appoint, in accordance with the Articles and the Bylaws, as same may be amended from time to time. Unless the Articles, Bylaws, or this Declaration specifically require the vote or written consent of the Members, approvals or actions to be given or taken by the Association shall be valid if given or taken by the Board of Directors.

Section 3.3 Rules. By a majority vote of the Board, the Association may, from time to time and subject to the provisions of this Declaration, adopt, amend, and repeal rules and regulations to be known as the "Association Rules" or "Rules". The Association Rules may restrict and govern the use of any area by any Owner, or by any invitee, licensee, or lessee of such Owner; provided, however, that the Rules may not discriminate among Owners and shall not be inconsistent with this Declaration, the Articles or Bylaws. A copy of the Rules as they may from time to time be adopted, amended or repealed, shall be mailed or otherwise delivered to each Owner and may be recorded. The Rules shall have the same force and effect as if they were set forth in and were a part of the Declaration.

Section 3.4 Membership. Every Owner of a Parcel shall be a Member of the Association. Although all persons who are Owners of a Parcel shall be Members of the Association, only one (1) membership shall exist for a single Parcel. Membership shall be appurtenant to and may not be separated from ownership of any Parcel. The rights and obligations of an Owner and a membership in the Association shall not be assigned, transferred, pledged or alienated in any way, except upon the transfer of the Parcel, whether by sale, intestate succession, testamentary disposition, foreclosure of a mortgage or other legal process transferring fee simple title to such Parcel. Any attempt to make a prohibited transfer shall be void. Each Member shall have such other rights, duties, and obligations as set forth in the Articles, Bylaws and applicable law, as same may be amended from time to time.

Section 3.5 Voting Rights and Procedures. All Members shall be entitled to one (1) vote for each Parcel owned. When more than one person owns a Parcel, the vote for the Parcel shall be exercised as they themselves determine, but in no event shall more than one (1) vote be cast with respect to any Parcel and fractional votes shall not be permitted. If the Owners are unable to agree among themselves as to how their vote(s) shall be cast, they shall lose their right to cast their vote(s) on the matter in question. If any Member casts a vote representing a certain Parcel, it will thereupon conclusively be presumed for all purposes that he or she was acting with the authority and consent of all other Owners of the same Parcel unless objection thereto is made prior to the deadline for casting the vote. In the event that more than one vote is cast for a particular Parcel, and one or more conflicting votes are cast, then none of the votes shall be counted and all of the votes for the Parcel shall be deemed void.

Section 3.6 Suspension of Voting Rights. A Member's voting rights may be suspended by the Board for any period during which any assessment levied by the Association

against his or her Parcel remains unpaid. In addition, the Board shall have the power, after giving a Member notice and an opportunity to be heard, to suspend a Member's voting rights for a reasonable time period for each infraction or violation of the Declaration and/or the Rules; provided, however, that if the violation is of a continuing nature, the Member's rights shall remain suspended until such violation has been cured.

Section 3.7 Contracts. The Association may contract for the management and operation of the Association and designate to such contractors all or a portion of the powers and duties of the Association, as permitted by law. In the case of any construction that is required to be performed by a licensed contractor with the State of Arizona, the Association shall only contract with a licensed contractor. The costs for management and operation of the Association shall be paid by the Association as part of the Assessments.

ARTICLE IV

EASEMENTS

Section 4.1 Owners' Easements of Enjoyment. Subject to the limitations provided elsewhere in this Declaration, every Owner is hereby granted a nonexclusive right and perpetual easement of enjoyment in and to the Common Area, together with a nonexclusive perpetual right and easement to utilize all publicly dedicated roads within the Property, which easements are appurtenant and shall pass with the title to every Parcel, subject to the following provisions:

(a) The right of the Association to limit the number of guests of Members and to impose other requirements on use by guests of Members;

(b) The right of the Association to restrict the uses and activities on the Common Area through the Rules;

(c) The right of the Association to restrict or prohibit access or use of certain portions of the Common Area, such as landscaped areas, as may be necessary for maintenance or preservation of the Common Area; and

(d) The right of the Association to grant easements upon, over, and/or under all or any part of the Common Areas to any public agency, authority or utility and the right of the Association to enter into temporary leases, rentals or licenses of the Common Area for such purposes, and subject to such conditions, as may be agreed to by the Board of Directors.

Section 4.2 Delegation of Use. Each Owner may delegate, subject to the Articles, Bylaws, Rules and Declaration, his or her right of enjoyment of the Common Area and facilities to the members of his family, tenants, or his guests who occupy the Parcel.

Section 4.3 Utility Easements. The Association hereby reserves for itself, its successors and assigns, a nonexclusive, perpetual, alienable blanket easement and right for the benefit of the Property, across, over, through, and under the Property for ingress, egress, installation, replacement, repair, use and maintenance of all utility and service lines and service

systems, public and private, including, but not limited to; water, sewer, drainage, irrigation systems, telephones, electricity, television cable or communication lines and systems, and police powers and services supplied by the local, state and federal governments. By virtue of this easement, it shall be expressly permissible for the Association to install and maintain facilities and equipment on the Property, and to excavate for such purposes. The easement shall in no way affect any other recorded easements on the Property.

ARTICLE V

MAINTENANCE

Section 5.1 Common Area. The Association, or its duly delegated representative, agent, or contractor, shall manage, maintain, repair and replace the Common Area and all improvements thereon, except the Association shall not maintain areas which any governmental entity is obligated to maintain. The Board shall be the sole judge as to the appropriate maintenance of the Common Area. The Association may, at any time, as to any Common Area, conveyed, leased, or transferred to it, or otherwise placed under its jurisdiction, in the discretion of the Board, without any approval of the Owners being required, perform all such acts which the Board deems necessary to preserve and protect the Common Area and the beauty thereof, in accordance with the general purposes specified in this Declaration.

Section 5.2 Parcels. Each Owner shall keep all parts of his or her Parcel in good order and clean and free of weeds and debris. No improvements or structures upon any Owner's Parcel shall be permitted to fall into disrepair. Each improvement and structure on a Parcel shall at all times be kept in good working condition and repair. Notwithstanding the generality of the foregoing, each Owner is responsible for the maintenance, repair and replacement of roofs, windows and doors (including repair or replacement of glass or screens), and all portions of the interior and exterior of the Residence. Further, each Owner shall be responsible for the periodic restoration, repainting and re-staining of the exterior of the Residence. Each Owner shall further maintain the Parcel and all landscaping and improvements thereon in accordance with the Association Rules.

Section 5.3 Improper Maintenance and Use of Parcels. In the event (i) an Owner of any Parcel fails to maintain their Parcel and the improvements thereon in accordance with the standards set forth in this Declaration or the Association Rules, (ii) a Parcel is maintained as to present a public or private nuisance or an unreasonable condition, or as to substantially detract from the appearance or quality of the surrounding Parcels or other areas of the Property, or (iii) any portion of a Parcel is being used in a manner which violates this Declaration or the Association Rules, the Association shall have the right and option to take action as may be necessary, in the discretion of the Board, to correct such violation, breach or default. Except in emergency circumstances that pose a danger or hazard to any of the Parcels or the residents thereon, before taking such action, the Association shall give the Owner written notice of the corrective action required and a time frame to complete the corrective action. All costs and expenses, including reasonable attorneys' fees, incurred by the Association shall be paid by the Owner to the Association on demand. Any sum not paid by an Owner may be levied and collected as an Individual Assessment.

Section 5.4 Damage or Destruction of Common Area By Owners. In the event that the need for any maintenance or repairs to the Common Areas (or other area for which the Association is responsible) is caused through the willful or negligent act of the Owner, his agents, tenants, family, guests or invitees, the Association's cost of maintenance and/or repairs shall be paid by the Owner to the Association on demand. Any sum not paid by an Owner may be levied and collected as an Individual Assessment.

Section 5.5 Utilities. Each Parcel shall be supplied with connections for water, sewer, and electricity, and may be supplied with connections for telephone and cable television and/or satellite device systems. Each Owner shall pay all costs for the services supplied to his or her Parcel. The Association is not responsible for the quality or availability of utility services.

Section 5.6 Trash Collection. The Town of Payson or its designee will supply trash collection and each Owner shall be required to pay the costs thereof to the entity providing the services.

ARTICLE VI

ASSESSMENTS

Section 6.1 Creation of the Lien and Personal Obligation of Assessments. The Owner of each Parcel, by acceptance of a deed or other instrument therefor, whether or not it should be so expressed in any such deed or other conveyance is deemed to covenant and agrees to pay to the Association: (a) Annual Assessments, (b) Special Assessments, (c) Working Capital Fee Assessments and (d) Individual Assessments, all as provided for under this Article VI (collectively or individually referred to herein as "Assessments"). The Assessments, together with late fees, interest, collection costs, court costs, and reasonable attorneys' fees shall be a charge on the land and shall be a continuing lien (hereinafter sometimes called an "Assessment lien") upon the Parcel against which each such Assessment is made. Such amounts shall immediately become a lien upon said Owner's Parcel from the date the Assessment is made and/or levied and from the date such interest, collection costs, court costs, and reasonable attorneys' fees are incurred, and shall continue to be a lien until fully paid. Each such Assessment, together with late fees, interest, collection costs, court costs, and reasonable attorneys' fees, shall also be the personal obligation of the person who is the Owner of such Parcel at the time when the Assessment became due. No Owner may exempt himself from liability for the Assessments which become due while he is the Owner by failure or waiver of the use or enjoyment of any of the Common Areas or by the abandonment of his Parcel, or otherwise.

Section 6.2 Purpose of Assessments. The Assessments levied by the Association shall be used to promote the recreation, health, safety and welfare of the Owners of the Property and for the preservation, improvement and maintenance of the Common Area.

Section 6.3 Reserves. The Association may, in its discretion, maintain reserves for; (i) capital improvements, (ii) replacements (iii) major repairs, and (iv) contingency for

emergencies related to the condition of the Property. The reserves included in the Common Expenses which are collected as part of the Regular Assessments shall be deposited by the Association in a separate bank account to be held in trust for the purposes for which they are collected and are to be segregated from and not commingled with any other funds of the Association, except to the extent that the Association's regularly employed accountant deems it desirable to do otherwise on the basis of standard accounting principles in similar contexts or the laws, tax or otherwise, of the State of Arizona or the United States relating to non-profit corporations or homeowners associations. The responsibility of the Board shall be only to provide for such reserves as the Board in good faith deems reasonable, and neither the Board nor any member thereof shall have any liability to any Owner or Member or to the Association if such reserves prove to be inadequate. Extraordinary unexpected or emergency expenditures not originally included in the annual budget, which may become necessary during the year, shall be charged first, against such reserves. If the reserves are inadequate for any reason, including nonpayment of any Owner's Assessment, the Board of Directors may, at any time, levy an Emergency General Assessment in accordance with the provisions of Section 6.5 of this Article, which may be payable in a lump sum or in installments as the Board of Directors may determine.

Section 6.4 Annual Assessments.

(a) Commencing on or before November 15th of each year the Board of Directors shall adopt a budget for the coming year containing an estimate of the total amount which it considers necessary to pay the costs of all expenses to be incurred by the Association to carry out the responsibilities and obligations of the Association, including, without limitation; the cost of wages, materials, taxes, insurance premiums, services, supplies and other expenses for the rendering to the Owners of all services required or permitted hereunder. Such budget shall also include such reasonable amounts, as the Board of Directors considers desirable, to provide working capital for the Association and to provide for a general operating reserve and reserves for contingencies and replacements. Such budget shall constitute the basis for determining each Owner's Annual Assessment. The Annual Assessments shall be determined by dividing the amount of the budget by the number of Parcels subject to the Declaration. The Board of Directors shall send to each Owner a copy of the budget, in a reasonably itemized form, which sets forth the amount of the Annual Assessment payable by each Owner, on or before December 1st preceding the fiscal year to which the budget applies. However, the failure to give such notice shall not affect the validity of the Annual Assessment established by the Board nor relieve any Owner from its obligation to pay the Annual Assessment equal to the Annual Assessment for the year immediately preceding until the Owner has been given thirty (30) days' notice of the new Annual Assessment amount.

(b) The Board shall not impose an Annual Assessment in any Annual Assessment period that is more than twenty percent (20%) greater than the immediately preceding fiscal year's Annual Assessment without the approval of the majority of the Members, or as otherwise provided by Arizona law.

(c) Subject to the restrictions contained in Subsection (b) herein, the Board may increase or decrease the Annual Assessments as deemed necessary or desirable by the Board and the Annual Assessments may be changed or modified during any fiscal or calendar year.

Section 6.5 Special Assessments.

(a) **General Special Assessments.** In addition to the Annual Assessments, the Association may levy in any fiscal year a General Special Assessment applicable to that year and not more than the next four (4) succeeding years for any proper Association purpose, provided any such Special General Assessment shall have the consent of Owners holding two thirds (2/3) of the votes that are cast, in person or by absentee ballot, at a regular meeting or special meeting called for that purpose at which a quorum of membership is present. Written notice of any such special meeting shall be sent to all Members not less than fifteen (15) days or more than thirty (30) days in advance of the meeting. At the first meeting called, the presence at the meeting of Members, in person or by absentee ballot, entitled to cast fifty-one percent (51%) of all the votes shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the same notice requirement, and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting.

(b) **Emergency Special Assessments.** The Association may also levy an Emergency Special Assessment at any time by a majority vote of the Board of Directors, for the purpose of defraying, in whole or in part, the cost of any extraordinary, unexpected or emergency matters that affect the Common Area or all Members of the Association (including, after depletion of any applicable reserves as provided in Section 6.3 of this Article, any unexpected expenditures not provided for in the budget or unanticipated increases in the amounts budgeted) (“Emergency Special Assessment”). Any such Emergency Special Assessment shall be due and payable at the time and in the manner specified by the Board of Directors.

Section 6.6 Uniform Rate of Assessments. Both Annual Assessments and Special Assessments shall be fixed at a uniform rate for all Parcels.

Section 6.7 Due Dates for Assessments. Both Annual Assessments and Special Assessments shall have due dates as established by the Board and may be collected on a monthly or other periodic basis as determined by the Board of Directors.

Section 6.8 Individual Assessment. Individual Assessments shall be levied by the Association against a Parcel and its Owner to reimburse the Association for costs incurred in bringing an Owner and such Owner's Parcel into compliance with the provisions of the Declaration or Rules, any costs incurred by the Association due to the Owner's willful or negligent conduct, any other charge designated as an individual assessment in this Declaration, and all attorneys' fees, interest, and other charges relating thereto.

Section 6.9 Working Capital Fee Assessment. In addition to all other assessments, each Owner, upon acquiring a Parcel, shall pay to the Association a Working Capital Fee Assessment. The Working Capital Fee Assessment shall be equal to one-sixth (1/6) of the then Annual Assessments. Such payment shall become due at the close of escrow or immediately upon the transfer of title to the Parcel, whichever occurs first. Such payment shall be required upon each transfer of title to each Parcel except with respect to (1) transfer of a Parcel among

family members, as defined in A.R.S. § 42-12053 (as amended, repealed, or recodified) or (2) transfer of a Parcel into a revocable living trust for the benefit of the trustor, where the Owner(s) of the Parcel becomes the trustor of the trust. Any Working Capital Fee Assessment not paid as required under this Section shall become a part of the Assessment Lien on the Parcel and collectible in the same manner as Assessments. Funds paid to the Association pursuant to this Section may be used by the Association for payment of maintenance, repairs, replacements and additions to the Common Area and for operating expenses of the Common Area. Payments made pursuant to this Section shall be nonrefundable and shall not be offset or credited against or considered as advance payment of the Annual Assessment or any other Assessments levied by the Association pursuant to this Declaration.

Section 6.10 Effect of Nonpayment of Assessment; Remedies of the Association.

Any Assessments which are not paid when due shall be delinquent. In the event any Assessment is not paid within thirty (30) days from the due date, the Assessment shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum, and may be subject to a late fee established by the Board and as permitted by applicable law. In the event the Owner of any Parcel fails to pay an Assessment due, the Association, by and through its Board of Directors, may enforce the payment of the Assessment in any manner provided by law or in equity or, without any limitation of the foregoing, by either or both of the following actions concurrently or separately (and by exercising any of the remedies hereinafter set forth the Association does not prejudice or waive its right to exercise any other remedies):

(a) Enforcement by Suit. Commence a suit at law in the name of the Association against the Owner (or former Owner) personally obligated to pay the Assessment, to enforce each such Assessment obligation. Any judgment rendered in any such action shall include the amount of the delinquency, together with interest thereon at the rate of twelve percent (12%) per annum from the date of delinquency, late fees, collection costs, lien fees, court costs, and reasonable attorneys' fees in such amount as the court may adjudge against the delinquent Owner (or former Owner).

(b) Enforcement by Foreclosure. Foreclose the Assessment lien against the Parcel in accordance with the then prevailing Arizona law relating to the foreclosure of realty mortgages (including the right to recover any deficiency), subject to the right of redemption of the Parcel after foreclosure sale as provided by law. The Association, acting on behalf of the Owners, shall have the power to bid on an interest foreclosed at foreclosure sale and to acquire and hold, lease, mortgage and convey the Parcel.

Section 6.11 Certificate of Payment of Assessments. The Association shall, upon written request, furnish to a person acquiring an interest in any Parcel and to a lienholder, escrow agent, Owner or person designated by an Owner, a certificate in writing signed by an officer of the Association setting forth whether the Assessments on a specified Parcel have been paid. A reasonable charge may be made by the Board for the issuance of these certificates. Such certificate will be provided within the time period required by law. Such certificates shall be conclusive evidence of payment of any Assessment therein stated to have been paid.

ARTICLE VII

ARCHITECTURAL CONTROL

Section 7.1 Construction Subject to Architectural Control. No landscaping, construction, modification, alteration or improvement of any nature whatsoever, that is or will be Visible From Neighboring Property shall be commenced, undertaken or maintained on any Parcel unless and until a project request form for such construction, modification, alteration or improvement has been submitted and approved in writing by the ARB. Construction, modifications and improvements subject to ARB approval specifically include, but are not limited to, painting of doors and trim, staining exterior or other alteration of the exterior appearance of a Residence (including doors, windows and roof), solar panels or other devices, fountains, swimming pools, whirlpools, or other pools, construction of walls or other fences, signs, whether located on the Parcel or in windows of the Residence, gates, flower boxes, shelves, statues, or other outdoor ornamentation patterned or brightly colored window coverings including awnings, alteration of the landscaping or topography of the Property, including, without limitation, any adding or removal of trees, and all other modifications, alterations or improvements Visible From Neighboring Property, all of the foregoing being jointly referred to herein as “Proposed Improvements”.

Section 7.2 ARB Membership. The ARB shall consist of three (3) members. At least one member of the ARB must be a member of the Board of Directors, who shall serve as chairperson of the ARB. The right to appoint and remove all regular members of the ARB at any time is vested solely in the Board of Directors. Any member of the ARB may at any time resign from the ARB by giving written notice thereof to the Board. Vacancies on the ARB, however caused, shall be filled by the Board. The members of the ARB shall not be entitled to any compensation for services performed pursuant to this Declaration, but shall be entitled to reimbursement for reasonable costs expended, as approved by the Board.

Section 7.3 Procedures.

(a) **Application.** The documents, materials and items to be submitted to the ARB for approval shall include: (1) the construction plans and specifications, if any, (2) samples of materials, and (3) such other items as the ARB may deem appropriate. No construction on any Parcel or the Property shall be commenced and no Parcel shall be modified, except in accordance with such plan or modification thereof that has also been approved in accordance with the applicable application. If construction permits are necessary from the authority having jurisdiction, they must be obtained before construction is started.

(b) **Basis for Decision.** Approval shall be granted or denied by the ARB, in its sole and absolute discretion, based upon compliance with the provisions of this Declaration, the quality of workmanship and materials, the harmony of external design with its surrounds, the effect of the construction on the appearance from surrounding Parcels, and all other factors guidelines and standards promulgated from time to time including purely aesthetic

considerations, which, in the sole opinion of the ARB, will affect the desirability or suitability of the construction.

In connection with its approval or disapproval of an application, the ARB shall evaluate each application for total effect. The evaluation relates to matters of judgment and taste, which cannot be reduced to a simple list of measurable criteria. It is possible; therefore, that an application may meet individual criteria and still not receive approval, if in the sole judgment of the ARB its overall aesthetic impact is unacceptable. The approval of an application shall not be construed as creating any obligation on the part of the ARB to approve applications involving similar designs for different Parcels.

(c) **Uniform Procedures.** The ARB may establish uniform procedures for the review of applications. The ARB shall consider no application unless and until such application is submitted in compliance with the provisions of this Article or procedures established by the ARB. In the event that there shall be a disagreement with respect to approval, the Proposed Improvement shall be deemed disapproved.

(d) **Notification.** Approval or disapproval of applications to the ARB shall be given to the applicant in writing within sixty (60) after the ARB has received the application and all other required specifications and materials in accordance with the procedures adopted by the ARB. In the event approval or disapproval is not forthcoming within sixty (60) days, unless an extension is agreed to by the applicant, the application shall be deemed approved and the construction of the proposed improvements applied for may be commenced provided that all such construction is in accordance with the submitted plans and provided further that such plans conform in all respects to the other terms and provisions of state and local codes and ordinances and of this Declaration.

Section 7.4 Liability. Approval by the ARB of an application by an Owner shall not constitute a basis for any liability of the members of the ARB, the Board of Directors, or the Association for any reason, including, without limitation, (1) failure of the plans to conform to any applicable building codes, or (2) inadequacy or deficiency in the plans resulting in defects in the Proposed Improvements.

Section 7.5 Appeal. Any Owner whose plans or specifications have been denied may appeal the decision to the Board in accordance with procedures to be established by the Board. The Board shall have absolute discretion as to whether to approve or deny any plans or specifications. In the event the decision of the ARB is overruled by the Board on any issue or question, the decision of the Board shall govern. The decision of the Board shall be final.

ARTICLE VIII

USE OF PARCELS

Section 8.1 Parcel Re-subdivision. No Parcel shall be further subdivided or separated into smaller Parcels by any Owner, unless such Owner obtains the prior written approval of the

Board, and the resulting subdivided Parcels meet all governmental restrictions and requirements for Parcels within the Plat. Any subdivided Parcel shall have proportionate fraction of a vote from the original Parcel and a proportionate fractional Assessment obligation from the original Parcel, as determined by the Board.

Section 8.2 Residential Use. All Parcels shall be for residential use by a Single Family. No occupation, profession, trade, business, or other non-residential use shall be conducted upon or from any Parcel provided that an Owner or any resident may conduct limited business activities in the residence on a Parcel so long as (a) the existence or operation of the business activity is not apparent or detectible by sight, sound or smell from outside the Parcel, (b) the business activity conforms to all applicable zoning requirements, (c) the business activity does not involve door-to-door solicitation of other Owners or residents, (d) the business activity does not generate drive-up traffic or customer or client parking, and (e) the business activity is consistent with the residential character of the Property, does not constitute a nuisance or a hazardous or offensive use, and does not threaten the security or safety of other Owners or residents, as may be determined in the sole discretion of the Board. No time-share or fractional interest ownership of Parcels is permitted. Nothing herein shall be deemed to prevent the Owner from leasing a Parcel and the Residence thereon, subject to all of the provisions of the Declaration, Articles, Bylaws and Rules.

Section 8.3 Nuisances; Other Improper Use. No nuisance shall be permitted to exist on any Parcel or Common Area so as to be detrimental to any other Parcel in the vicinity thereof or to its occupants, or to the Common Area. No activity or materials may be carried on or permitted on any of the Parcels which will or might disturb the peace, quiet, comfort or serenity of the occupants of the Property or may be or become an annoyance, embarrassment or nuisance to the Association, the Property or the occupants therein, including without limitation annoying, offensive, foul or obnoxious odors or sounds. No hazardous activities shall be conducted upon any of the Parcels or Common Area. No improvements which are unsafe or hazardous to any person or property shall be permitted. No unlawful use shall be made of the Property or any part thereof. No waste will be committed upon the Common Area. Owners hereby acknowledge that construction activity on or about the Property during daylight hours shall no be deemed to be a nuisance. The Board of Directors in its sole discretion shall have the right to determine the existence of any such nuisance.

Section 8.4 Insurance. Nothing shall be done or kept on any Parcel or in the Common Area that will increase the rate of insurance for any other Parcel, or the contents thereof, without the prior written consent of the Association. No Owner shall permit anything to be done or kept on his Parcel or in the Common Area, which will result in the cancellation of insurance on the Property or any other Parcel, or the contents thereof.

Section 8.5 Animals and Pets. No reptiles, birds, fish, livestock or other animals, other than a reasonable number of commonly accepted and usual household pets, shall be permitted on any Parcel so long as such pets are at all times kept within the boundaries of the Parcel of their owner or under the control of their owner, such pets do not make an unreasonable amount of noise and do not offend or annoy other Parcel Owners and such pets are not kept, bred or maintained for any commercial purpose. All owners of pets shall be held strictly responsible to immediately collect and properly dispose of the wastes and litter of their pets. Any structure

for the care, housing or confinement of any animal may only be constructed so as to be Visible from Neighboring Property if the Owner first receives the prior written approval of the Board. Upon written request of any Owner, the Board may conclusively determine, in its sole and absolute discretion, whether any animal as described herein is a commonly accepted household pet, whether the number of pets on the Parcel is reasonable, and whether one or more pets constitutes a nuisance. The Board may require the removal of any animal that does not meet the qualifications of this Section. Any decision rendered by the Board shall be enforceable as are other restrictions contained herein. Owners shall be liable for any and all damage to property and injuries to persons and other animals caused by their household pets.

Section 8.6 Signs. No signs whatsoever which are Visible From Neighboring Property shall be erected or maintained on any Parcel except:

(a) Signs required by legal proceedings and signs required by law to be allowed on the Parcel;

(b) Commercially-produced “For Sale”, “For Lease” and temporary “Open House” signs, each no larger than eighteen by twenty-four inches (18" x 24") and sign riders no larger than six by twenty-four inches (6" x 24") erected in connection with the marketing of any Parcel;

(c) Political signs as permitted by Gila County may be placed on the Parcel up to seventy-one (71) days before an election and up to three (3) days after an election;

(d) Signs permitted by the Rules or approved in writing by Board of Directors.

Section 8.7 Parking and Vehicles. The Board shall have the authority to adopt Rules restricting or prohibiting the parking or storage of Commercial Vehicles, Inoperative Vehicles, motor homes, boats, recreational vehicles, ATVs, dune buggies, go karts, trailers of any kind, permanent tents, vehicles exceeding factory settings of three-quarter (3/4) ton in carry load or cargo capacity, or similar vehicles, equipment or structures. For purposes of this Declaration, “Commercial Vehicle” shall be defined as any vehicle that meets any one or more of the following criteria: displays any type of exterior signage, design or lettering for advertising, commercial utility racks located on the vehicle, or work equipment stored on the vehicle that is visible from outside of the vehicle. For purposes of this Declaration, an Inoperative Vehicle is one that is not running, has one or more flat tire(s) for ten (10) or more days, is up on blocks, is not properly licensed, is not currently registered, or does not carry insurance required by law. Vehicles that are not otherwise prohibited may be parked in driveways or other uncovered parking areas so as to be Visible From Neighboring Property so long as they are parked in accordance with any Rules adopted by the Board. All vehicles operated within the Property shall be operated at or below the posted speed limits. Vehicles may be operated only on the areas designated and maintained as roads or on the Owner’s Parcel.

Section 8.8 Visibility at Street Intersections. Nothing shall be erected, constructed, planted, or otherwise placed on a Parcel in such a position so as to create a hazard or block the

vision of motorists upon any of the roads, which are part of, adjacent to, or near the Property. The ARB shall have the right to adopt additional restrictions implementing and clarifying the provisions hereof.

Section 8.9 Drainage. Under no circumstances shall an Owner alter or obstruct existing drainage channels on the Property. Paving, piping or canalization shall not increase the runoff in such a manner as to cause flooding or flood related damage to adjacent Parcels or the Common Area.

Section 8.10 Screening Unsightly Items. Any and all clotheslines, equipment, garbage containers, service areas, wood piles, storage tanks, and storage areas shall be kept screened by adequate planting, fencing, or by existing trees and shrubs so as to conceal them from being Visible From Neighboring Property. Notwithstanding the foregoing, small piles of firewood may be kept neatly stacked on a Parcel without being screened, so long as they are not unsightly and do not present a fire hazard. The Board shall have the discretion to determine what is considered a small pile of firewood that does not require screening. All additions, alterations or changes to screening or fencing must be approved by the ARB.

Section 8.11 Garbage and Refuse Disposal. No Parcel shall be used or maintained as a dumping ground for rubbish or hazardous or toxic waste or materials. Trash, garbage, or other waste shall be kept in closed containers and removed at least weekly. No outdoor burning of trash is permitted on any Parcel.

Section 8.12 Antennas and Satellite Dishes. No radio, television or other antennas or devices of any kind or nature, or device for the reception or transmission of television, radio, microwave or other similar signals, shall be placed or maintained upon any Parcel except in compliance with the Association Rules and the Architectural Committee Rules and except those devices covered by 47 C.F.R. § 1.400 (Over-the-Air Reception Devices Rule), as amended, repealed, or recodified, will be permitted. Any such device shall comply with the applicable antenna installation rules of the Association and shall be mounted, to the extent reasonably possible, so as to not be Visible From Neighboring Property. The devices governed by 47 C.F.R. § 1.400 (Over-the-Air Reception Devices Rule) as of the date of the recording of this Declaration are as follows: (i) Direct Broadcast Satellite (“DBS”) antennas one meter in diameter or less, and designed to receive direct broadcast satellite service, including direct-to-home satellite service, or receive or transmit fixed wireless signals via satellite; (ii) Multi-point Distribution Service (“MDS”) antennas one meter or less in diameter or diagonal measurement, designed to receive video programming services (wireless cable) or to receive or transmit fixed wireless signals other than via satellite; (iii) Antennas designed to receive local television broadcast signals (“TVBS”); and (iv) Antennas designed to receive and/or transmit data services, including Internet access. If the FCC expands the types of antennas that fall under the FCC Rule, this Section 8.12 shall encompass those antennas as well.

Section 8.13 Flags and Flagpoles. An Owner may install one (1) flagpole on the Parcel with the prior written approval of the ARB in accordance with Article VII herein and in accordance with the Association Rules. Flags that are required by law to be permitted may be flown on the Parcel Visible From Neighboring Property in accordance with the Federal Flag

Code (P.L. 94-344); however, the Rules may limit the number of flags displayed to two (2) at a time. Other flags may be flown only with the prior written approval of the Board or as specifically permitted by the Rules.

Section 8.14 Temporary Structures. No structure of a temporary character, including, without limitation, any trailer, tent, shack, barn, shed, or other outbuilding shall be permitted on any Parcel at any time, except temporary structures maintained in connection with construction of improvements, additions or alterations approved by the ARB, and only for so long as permitted by the ARB.

Section 8.15 Oil and Mining Operations. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any parcel, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any parcel. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Parcel or on the Property.

Section 8.16 Water Supply and Sewer. No individual well or septic tank will be permitted on any Parcel, without prior written consent of the ARB, and the utility company and/or governmental authority having regulatory jurisdiction.

Section 8.17 Fuel Storage Tanks. No fuel or gas storage tanks shall be permitted on any parcel, except for tanks for use in connection with the Residence on a Parcel, but only as permitted in accordance with the Association Rules.

Section 8.18 Soliciting. No soliciting will be allowed at any time within the Property.

Section 8.19 Trees. No trees shall be cut or removed from the Parcel without approval of the ARB, which may be conditioned upon such factors as the Owner's mitigation of the loss of the tree and the overall landscaping on the Parcel.

Section 8.20 No Obstruction of Drainage and Utility Easements. No structure of any kind shall be erected, permitted or maintained which interferes with utility easements or drainage easements, whether now existing or hereafter established, whether shown on the recorded Plat or reserved or dedicated by a separate recorded instrument. Utilities may be relocated from time to time with the approval of the Board, so long as doing so does not interfere with any drainage easements or any improvements on a Parcel or the Common Area.

Section 8.21 Ancillary Structures. Any ancillary structures, such as detached car ports, guest quarters or storage building shall only be constructed after the Residence is complete, shall have the prior written approval of the ARB shall be constructed of the same materials and in the same architectural style as the Residence, and shall be subject to the same set back lines and other restrictions applicable to the Residence itself. Due to the type of construction within the Property, not all Owners will be permitted to construct ancillary structures on their Parcels. The fact that the ARB approves an ancillary structure in one instance shall not be construed to obligate the ARB to approve such an ancillary structure for another Parcel. Such approval or denial shall be in the sole and absolute discretion of the ARB.

Section 8.22 Hazardous Materials. No hazardous or toxic materials or pollutants shall be discharged, maintained, stored, released or disposed of on the Property, except for ordinary household use and in strict compliance with the Rules. Flammable, combustible or explosive materials for ordinary household use may be stored or used within the Parcel, provided such materials are utilized in strict compliance with manufacturers' directions and applicable safety cones and are stored in containers specifically designed for such purposes.

Section 8.23 Leasing. No Parcel or the improvements thereon shall be used for timeshare, fractional interest ownership, hotel or other similar lodging or transient service or purpose. An entire Parcel, together with the improvements thereon, may, from time to time, be rented by the Owner to a Single Family in accordance with the restrictions of this Declaration. All leases shall be in writing and shall provide that the terms of the lease shall be subject in all respects to the provisions of this Declaration and Association Rules, and any failure by the lessee to comply with the terms of this Declaration and Association Rules shall be a default under the lease and grounds for eviction. A completed rental registration form(s) adopted by the Board, along with an administrative fee as set by the Board in accordance with Arizona law, must be delivered to the Association within ten (10) days of the commencement of the lease term or renewal term. An Owner who leases his Parcel shall be responsible for assuring compliance by the lessee(s) with all of the provisions of this Declaration and Association Rules and shall be jointly and severally responsible for any violations by such lessee(s).

Section 8.24 Waiver. The Board shall have the right to waive the application of one or more of the restrictions of this Article VIII or to permit a deviation from the restrictions of this Article VIII as to any portion of the Property where, in the sole and absolute discretion of the Board, circumstances exist that justify such waiver or deviation. In the event of any such waiver or permitted deviation, or in the event that any party fails to enforce any violation of these restrictions, such action or inaction shall not be deemed to prohibit or restrict the right of the Board to enforce these restrictions or from insisting upon strict compliance with respect to all other portions of the Property, nor shall such actions be deemed a waiver of the restrictions contained herein as they may be applied in the future.

ARTICLE IX

INSURANCE

Section 9.1 Types of Coverage.

(a) **Insurance of Common Area.** The Board of Directors shall obtain casualty and liability insurance on the Common Area, as a common expense payable from Assessments as further described below:

(1) Fire and other casualty insurance on the Common Area and any improvements constructed thereon, with extended coverage, vandalism, malicious mischief and windstorm endorsements in an amount not less than that necessary to comply with the insurable value (based upon replacement costs) of the improvements constructed on the Common Area, as

determined from time to time by the Board, with the assistance of the Association's insurance carrier; and

(2) General liability insurance in such limits as the Board of Directors may from time to time determine, insuring against any liability arising out of, or incident to, the ownership and use of the Common Area. Such insurance shall be issued on a comprehensive liability basis and shall contain a "severability of interest" endorsement, which shall preclude the insurer from denying the claim of an Owner because of negligent acts of the Association, the Board of Directors or other Owners.

(b) Insurance of the Parcels. It shall be the responsibility of each Owner to obtain, at their own expense and as they deem proper, liability and casualty insurance with respect to the ownership and use of their Parcel, including their Residence, and the Association shall not be responsible for obtaining such insurance or have any liability whatsoever in connection therewith.

(c) Other Coverage. The Association may also carry such other insurance as the Board deems necessary or appropriate, including, but not limited to, fidelity coverage, directors' and officers' insurance, and workers' compensation insurance. Such insurance shall be of the type and amount determined by the Board of Directors, in its sole and absolute discretion.

Section 9.2 Repair and Reconstruction after Fire or Other Casualty.

(a) Common Area. In the event of damage to or destruction of all or any of the improvements on the Common Area as a result of fire or other casualty, the Board of Directors shall arrange for and supervise the prompt repair and restoration of such improvements substantially in accordance with the plans and specifications under which the improvements were originally constructed, or any modification thereof approved by the Board. The Board of Directors shall proceed towards reconstruction of such improvements as quickly as practicable under the circumstances and shall obtain funds for such reconstruction from the insurance proceeds and any Special Assessments that may be necessary after exhaustion of reserves for the repair and replacement of such improvements.

(b) Residences. Any Owner whose Residence is destroyed or damaged by fire or other casualty shall immediately proceed to rebuild and restore their Residence to the conditions existing immediately prior to such damage or destruction, unless other plans are approved in accordance with the provisions of Article VII within.

ARTICLE X

GENERAL PROVISIONS

Section 10.1 Duration. This Declaration, as amended and supplemented from time to time, shall run with and bind the Property and shall insure to the benefit of and be binding upon the Association, the Owners, their respective legal representatives, heirs, successors or assigns, until March 24, 2030, after which time all of said provisions shall be extended automatically for successive periods of ten (10) years unless an instrument or instruments signed by the then

Owners holding seventy-five (75%) of the total votes in the Association shall have been recorded, agreeing to terminate all of said provisions as of a specified date.

Section 10.2 Amendment. This Declaration may be amended at any time by an instrument signed by the President or Vice President of the Association, certifying that such amendment has been adopted with the affirmative vote, written consent, or any combination thereof, of Owners representing seventy-five percent (75%) of the Parcels, which amendments shall become effective upon its filing in the public records of Gila County, Arizona.

Section 10.3 Enforcement. This Declaration and the Rules may be enforced by the Association, through its Board of Directors, and any Owner of any Parcel. This right of enforcement shall be in any manner provided for in this Declaration, the Rules, by law or in equity, including, but not limited to, an action to obtain an injunction to compel removal of any improvements constructed in violation of this Declaration or to otherwise compel compliance with this Declaration or the Rules. Nothing herein shall be construed as meaning that damages are an adequate remedy where equitable relief is sought. In the event the Association acts to enforce this Declaration or the Rules, regardless of whether suit is filed, the Association shall be entitled to recover, in addition to any other remedy, reimbursement for attorneys' fees, court costs, costs of investigation and other related expenses incurred in connection therewith including but not limited to the Association's administrative costs and fees. Such attorneys' fees, costs and expenses shall be an Individual Assessment. If, however, a lawsuit is filed, and the Owner is the prevailing party in such lawsuit, the Owner shall not be required to pay the Association's attorneys' fees, court costs, costs of investigation and other related expenses incurred therewith. If any lawsuit is filed by any Owner to enforce the provisions of this Declaration or the Rules or in any other manner arising out of this Declaration or the Rules or the operations of the Association, the prevailing party in such action shall be entitled to recover from the other party all attorneys' fees incurred by the prevailing party in the action.

Section 10.4 Notice of Violation. Notwithstanding the generality of the foregoing, the Association shall have the right to record a written notice of a violation by any Owner or resident of any restriction or other provision of this Declaration or the Rules. The notice shall be executed by an officer of the Association and shall contain substantially the following information: (i) the name of the Owner or resident violating, or responsible for the violation of, this Declaration or the Rules; (ii) the legal description of the Parcel against which the notice is being recorded; (iii) a brief description of the nature of the violation; (iv) a statement that the notice is being recorded by the Association pursuant to this Declaration; and (v) a statement of the specific steps which must be taken by the Owner or occupant to cure the violation. Recordation of a notice of violation shall serve as notice to the Owner and resident(s), and any subsequent purchaser of the Parcel, that there is such a violation. If, after the recordation of such notice, it is determined by the Association that the violation referred to in the notice does not exist or that the violation referred to in the notice has been cured, the Association shall record a notice of compliance which shall state the legal description of the Parcel against which the notice of violation was recorded, and the recording data of the notice of violation, and shall state that the violation referred to in the notice of violation has been cured or that the violation did not exist.

Section 10.5 Non-Waiver. No delay or failure to enforce any breach of the conditions, restrictions, covenants or reservations herein contained and no delay or failure to exercise any

rights, power or remedy herein provided shall be construed as a waiver thereof or acquiescence to any further or succeeding breach or violation thereof.

Section 10.6 Guests and Tenants. Each Owner shall be responsible for compliance by his or her tenants, guests, invitees, licensees, agents and their respective servants, agents and employees with the provisions of this Declaration and the Rules. An Owner's failure to insure compliance by such persons shall be grounds for the same action available to the Association or any other Owner by reason of such Owner's own noncompliance.

Section 10.7 Joint and Several Liability. In the case of joint ownership of a Parcel, the liabilities and obligations of each of the joint Owners set forth in, or imposed by, the Articles, Bylaws, Declaration and Rules shall be joint and several.

Section 10.8 Statutes, Ordinances and Regulations. All use restrictions contained in this Declaration are in addition to applicable statutes, ordinances and regulations and, in the case of conflict, the more restrictive must be followed. The requirement for approval of plans and specifications by the Architectural Control Committee is in addition to any requirement for approval by governmental authorities. No Parcel shall be occupied, maintained or used in such a manner as to violate any statute, ordinance or regulation applicable to the occupancy, maintenance or use of the Parcels. Any such violation is hereby declared to be a violation of this Declaration and subject to any or all of the enforcement procedures set forth in this Declaration.

Section 10.9 Condemnation. The term "Taking" shall mean condemnation by eminent domain or sale under threat of condemnation of all or any portion of the Common Areas. The Owners hereby appoint the Association, through such persons as the Board may delegate, to represent all of the Owners in connection with any Taking. The Board shall act in its sole discretion with respect to any proceeds received in connection with the Taking. The Board may, in its sole discretion, retain any award in the general funds of the Association or issue credits for all or any portion thereof to the Owners' Assessment accounts in the ratio they would pay Special Assessments, or as their interests otherwise may appear, subject to any requirements of applicable law.

Section 10.10 Notices. Any written notice or other documents relating to or required by this Declaration may be delivered personally, by mail, or any other electronic means allowed by law. Such written notices or documents shall be addressed to the address of the Parcel Owner designated by such Owner for purposes of notice; however, if no such designation has been made, to the last known address of the Parcel Owner in the files of the Association or to the address of the Parcel owned by the Owner.

Section 10.11 Severability. Invalidation of any one of these covenants, conditions, or restrictions by judgment or court order shall in no way affect any of the other provisions which shall remain in full force and effect as written.

Section 10.12 Conflicts. In the event of any discrepancies, inconsistencies or conflicts between the provisions of this Declaration and the Articles, Bylaws or Association Rules, the provisions of this Declaration shall prevail.

Section 10.13 Construction. Wherever the context of this Declaration so requires, words used in the masculine gender shall include the feminine and the neuter genders; words used in the neuter gender shall include the masculine and feminine genders; words in the singular shall include the plural; and words in the plural shall include the singular. The headings of the sections contained in this Declaration are for convenience only and do not define, limit or construe the contents of the sections or of this Declaration.

Section 10.14 Interpretation. Except for judicial construction, the Association shall have the exclusive right to construe and interpret the provisions of this Declaration and the Rules. In the absence of any adjudication to the contrary by a court of competent jurisdiction, the Association's construction or interpretation of the provisions hereof shall be final, conclusive and binding as to all persons and Properties benefited or bound by this Declaration and the Rules.

Section 10.15 Attorneys' Fees in Administrative Proceedings. In the event the Association incurs legal expenses and costs, including, but not limited to, attorney's fees, in bringing claims against Owners or defending claims brought by Owners in an administrative action or proceeding, including but not limited to, proceedings before an Administrative Law Judge, and any appeal thereof, the Association shall be entitled to recover its attorney's fees and costs from the Owner involved in the administrative proceeding if the Association is the prevailing party in such action, and the amount of such attorneys' fees and costs shall be an Individual Assessment with respect to the Parcel(s) involved in the action.

Section 10.16 Committees. In addition to other committees specifically provided for in this Declaration, committees comprised of such persons, formed to perform such tasks, and to serve for such periods as may be designated by the Board of Directors are hereby authorized. All committees shall be responsible for carrying out the duties and responsibilities which have been established by Board and no committee may take action which exceeds its responsibilities. Each committee shall operate in accordance with any terms, limitations, or rules adopted by the Board of Directors. Each committee will elect a chairperson who will be responsible for reporting all committee activities to the Board prior to each regular meeting of the Board.

CERTIFICATION

IN WITNESS WHEREOF, the President of the Association hereby certifies that the provisions contained with this Second Amended and Restated Declaration have been approved by the required percentage of Owners.

DATED this ____ day of _____, 201__.

PAYSON PINES HOMEOWNERS ASSOCIATION, INC.

By _____
Its: President

STATE OF ARIZONA)
) ss.
County of Gila)

On this ____ day of _____, 201__, before me personally appeared _____, whose identity was proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to this document, and who acknowledged that he/she signed this document.

Notary Public

Notary Seal:

EXHIBIT "A"

Legal Description of Property

PAYSON PINES

All of PAYSON PINES, according to the plat of records in the office of the County Recorder of Gila County, Arizona, recorded in Map No. 703, except Tract "D".

Being a subdivision of a portion of Government Lot 4, located in SE 'A, NE 'A, Section 28, Township 11 North, Range 10 East, Gila and Slat River Meridian, Gila County, Arizona

Bylaws



Payson Pines Homeowners Association, Inc.

BY-LAWS

Association Governing Documents of Operation

Revised May 28, 2021

**PAYSON PINES HOMEOWNERS ASSOCIATION
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ARTICLE 1 - GENERAL PROVISIONS

1.1. Principal Office. The principal office of this Association shall be located at the place as is designated in the Articles of Incorporation or such other place as the Association designates from time to time in accordance with the Arizona statutes governing nonprofit planned community 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 By-Laws without definition shall have the meanings specified for such terms in the Declaration.

1.2.1. Association. “Association” shall mean and refer to the Payson Pines Homeowners Association, an Arizona nonprofit corporation, referred to as Payson Pines. It is created pursuant to a declaration to own and operate portions of a planned community and has power under that declaration to assess Association Members to pay the costs and expenses incurred under the Association’s obligations under the declaration.

1.2.2. Board. “Board” shall mean and refer to the Board of Directors of the Association.

1.2.3. Director. “Director” shall mean a member of the Board of Directors, elected or appointed in accordance with these By-Laws and Arizona State law.

1.2.4. Declaration. “Declaration” shall mean the Revised, Restated and Consolidated Declaration of Easements, Covenants, Conditions and Restrictions for Payson Pines, recorded at Fee No.2000-4475 records of Gila County, Arizona as amended from time to time.

1.2.5. Planned Community. “Planned Community” means any real estate development that includes real estate owned and operated by a nonprofit corporation that is created for the purpose of managing, maintaining, or improving the property in which the owners of separately owned lots are mandatory Members and are required to pay assessments to the Association for these purposes.

1.2.6. Community Governing Documents. “Documents” means the Declaration, By-Laws, Articles of Incorporation and Rules generated by the Association to govern the Association.

1.3. Conflicting Provisions. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control. Rules are developed and used to document and define Member responsibilities within the Association.

1.4. Corporate Seal. The Payson Pines Homeowners Association may have a seal or logo in a form approved by the Board of Directors.

1.5. Designation of Fiscal Year. The fiscal year of the Association shall begin on the 1st day of January and end on the 31st day of December of every year, except as otherwise designated by the Board of Directors.

1.6. Books and Records. Except for books, records and papers that may be withheld per A.R.S. § 33-1805, the books, records and papers of the Association shall be available for inspection by any Member, or any person designated by the Member in writing within ten (10) business days after receipt of that request during reasonable business hours. Copies may be purchased at 15 cents per page within ten (10) business days of a written request for specific Association information. Some information may not be disclosed in accordance with applicable laws.

1.7. Amendments. These By-Laws may be prepared by the Board of Directors or an assigned Committee and submitted at a regular or special meeting of the Members, for a vote and approval of two-thirds (2/3) of the votes cast or a majority of the total votes in the Association, whichever is less. Notwithstanding the foregoing, the Board may amend these By-Laws in order to conform these By-Laws to Arizona law, without a vote of the Membership.

1.8. Indemnification. To the extent it has the power to do so under the Arizona Nonprofit Corporation Act, Title 10, Chapter 24, as may be amended from time to time, the Association shall indemnify every officer, director, and agent of the Association against any and all expenses, including attorneys' fees, reasonably incurred by or imposed upon any officer or director of the Association in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer, director, or an agent of the Association, except for their own individual willful misfeasance, malfeasance, misconduct or bad faith. The officers, directors, and agents shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except indirectly to the extent that such officers or directors may also be Owners of the Association and therefore subject to Assessment to fund a liability of the Association), and the Association shall indemnify and forever hold each such officer, director, and agent free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer, director, agent or former officer, director, or agent of the Association, may be entitled. This indemnification shall be mandatory in all circumstances in which indemnification is permitted by law: provided, however, that the Association shall have the right to refuse indemnification if the person to whom indemnification would otherwise have been applicable shall have unreasonably refused to permit the Association, at its own expense and through counsel of its own choosing, to defend him or her in the action. Indemnification of any such person shall be made in accordance with the procedures set forth in the Arizona Nonprofit Corporation Act, Title 10, Chapter 24.

ARTICLE 2 - MEETINGS OF MEMBERS

2.1. 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 of Directors, providing group gatherings are authorized by Government regulations.

2.2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors or upon written request signed by Members having at least one-tenth (1/10) of the total authorized votes in the Association, which is Members having a least fifteen (15) of the votes in the Association.

2.3. Notice of Meetings. Notice of the annual 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 copy of notice, postage prepaid, at least ten (10) but no more than fifty (50) days before such meeting to each Member entitled to vote at the Member's address last appearing on the books of the Association or supplied by such Member to the Association for the purpose of notice. Arizona Corporation Commission Non-Profit Corporation Act, 10-3141 provides for electronic communications when directed to a Member's email address documented on the Corporation's current list of Members. Notice to Members of other scheduled meetings of the Board of Directors shall be published on a yearly schedule and communicated to each Member. Additionally, notices shall be posted conspicuously around the community, electronically, or by any other reasonable means including hand delivery at least forty-eight (48) hours in advance of those scheduled meetings. Notices shall state the date, time, and place of the meeting, along with a meeting agenda.

Per A.R.S. § 33-1804, emergency meetings of the Board of Directors may be called to discuss business or take action without the forty-eight (48) hour notice. The action may be done electronically with a documented vote by the Board members. The minutes of the emergency action shall be documented at the time of the action then read and approved at the next regularly scheduled meeting of the Board of Directors.

2.4. Voting Rights. Each Member of the Association shall be an Owner of a Parcel, documented on the Association current database of Members. All Members shall have one vote for each Parcel owned. The vote for each such Parcel must be cast as a unit, and fractional votes shall not be allowed. In the event that a Parcel is owned by more than one person or entity and such Owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question. If any Member casts a vote representing a certain Parcel, it will thereafter be conclusively presumed for all purposes that he was acting with the authority and consent of all other Owners of the same Parcel unless objection thereto is made at the time the vote is cast. In the

event more than one vote is cast by a Member for a particular Parcel, and there is any conflict among the votes, none of the votes shall be counted and all of the votes shall be deemed void.

2.5. Quorum. Except as otherwise provided in the Articles, the Declaration or these By-Laws, the presence of Members entitled to cast one-tenth (1/10th) of the total authorized votes in the Association shall constitute a quorum of Members. A quorum or majority of Directors must be present at all meetings of the Board to conduct Association business.

2.6. Method of Voting. At the Annual meeting of the Association a vote may be cast in person or by absentee ballot. Per A.R.S. § 33-1812 proxy votes are not authorized. An absentee ballot shall be duly executed by a Member of the Association, and must include the name, address, and signature of the person voting. Ballots may not be completed by another person on behalf of the Member listed in the Association records. All absentee ballots must be filed with the Association prior to the commencement of the meeting for which the absentee ballot is given. The absentee ballot submitted shall be executed as directed by the Board of Directors on all matters before the Membership requiring a vote. The absentee ballot shall be irrevocable once submitted. No absentee ballot shall be valid after the date of the scheduled business of the Association for which the ballot was issued. Opportunity for a Member to cast in-person votes will be provided at the annual meeting prior to the close of balloting.

2.7. New Business. All new business brought before the Association from the floor which may require a vote of the Board or Members at an annual or special meeting will be referred to a future meeting and placed on the agenda for action. Items not pre-published on the agenda may not be voted on at a meeting but must be deferred to a future meeting to allow time for Member review and comment.

ARTICLE 3 - BOARD OF DIRECTORS

3.1 Number and Qualifications. A Board of at least three (3) elected Directors shall manage the affairs of this Association. The Board of Directors must always be an odd number and shall not exceed five (5) total Directors. All Directors must be Members of the Association whose right to vote has not been suspended for non-payment of Assessments in accordance with Article III, Section 3.6 of the Declaration.

3.2 Nominations and Election. Nominations for election to the Board may be made, in writing, by the Members and/or an election committee appointed by the Board of Directors for the purpose of obtaining candidates for election. Nominations may not be made from the floor at the annual meeting, but write-ins are permitted. Directors shall be elected by a plurality vote of the Members of the Association using written ballots. The Members of the Association will only elect the Directors; the Board of Directors will select all Officers deemed necessary for the operation of the Association, as per Article 4, Section 4.2 of these By-Laws.

3.3 Term of Office. The intent of the Association is for the members of the Board to serve staggered, three-year terms to maintain continuity of leadership and operation of the Association. At each Annual Meeting, the Members shall elect directors to replace those Directors whose terms have expired, and all such Directors shall be elected for a term of three (3) years, except that the Board shall have the right to cause a Director to be elected to less than a three (3) year term if it becomes necessary to re-establish the staggered terms.

3.4 Removal. Any Director may be removed with or without cause at a special Members' meeting called for such purpose upon receipt of a petition signed by at least of twenty-five percent (25%) of the verified eligible Members of the Association, in accordance with Arizona law, A.R.S. § 33-1813 regarding the removal of Directors. A meeting shall be called, noticed, and held within thirty (30) days of receipt of such petition. Attendance in person at such meeting requires at least twenty percent (20%) of the total votes of Members of the Association. In the case of a removal of one or more Directors, successor(s) may then be nominated to fill the vacancy thereby created to be voted on by the Members at a regular or special meeting duly called at a later date.

3.5 Compensation. No director shall receive compensation for any service the Director may render to the Association. However, upon approval by a Board member, any Director may be reimbursed for their actual expenses incurred in the performance of their duties.

3.6 Vacancies. Except for vacancies on the Board caused by the removal of a Director by the Members, any vacancy occurring in the Board may be filled by an affirmative vote of a majority of the remaining Directors, though less than a quorum, or by a sole remaining Director, and any Director then in office, including those who have so resigned, though less than a quorum, or by sole remaining Director, and the vote on the vacancy will take effect when such resignation becomes effective. Any vacancy in the Board caused by the removal of a Director by the Members shall be filled at a special meeting of the Association by a vote of the Members. Any newly created directorship shall be deemed a vacancy. Any Director chosen to fill a vacancy shall hold office until the next annual meeting of the Members. 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 for the purpose of electing the Board of Directors.

3.7 Meetings.

3.7.1 Regular Meetings. Regular meetings of the Board may be held at such time and place within the State of Arizona as shall be determined from time to time by a majority of the Directors. Notice of the time and place of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, e-mail, telephone, or other legally-recognized electronic means at least forty-eight (48) hours prior to the day named for the meeting. Notice of regular meetings of the Board 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 of Directors. The failure of any Member to receive actual notice of a meeting of the Board does not affect the validity of any action taken at that meeting.

3.7.2 Special Meetings. Special meetings of the Board may be called to discuss business that cannot be delayed until the next regular Board meeting and the minutes of such special meeting must state the reason necessitating the special meeting. Special meetings of the Board of Directors shall be held when called by the President or by a majority of the Board of Directors, or by a petition of twenty-five percent (25%) of the Members of the Association, after not less than forty-eight (48) hours' notice to each Director, given personally or by mail, e-mail, telephone, or other legally-recognized electronic means, unless emergency circumstances necessitate a meeting before forty-eight (48) hours' notice can be given. Notice of special meeting of the Board shall be given to Members at least forty-eight (48) hours in advance of the meeting by newsletter, conspicuous posting, or another reasonable means as determined by the Board of Directors, unless emergency circumstances necessitate a meeting before forty-eight (48) hours' notice can be given. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The person or persons authorized to call the special meeting of the Board of Directors may fix the place for holding the special meeting.

3.7.3 Means of Participation. Meetings of the Board of Directors 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. Furthermore, for any Board meetings open to the Members the means of communication must also allow Members to hear all parties who are speaking during the meeting. A.R.S. § 33-1804 Open Meeting provisions apply.

3.7.4 Quorum. A majority of the elected or appointed Directors present at a meeting of the Board 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.

3.7.5 Agenda. An agenda will be available to all Members attending a Board meeting.

3.7.6 Open Meetings and Executive Sessions. Unless the board or a committee is permitted by A.R.S. § 33-1804 to hold a closed meeting or a closed executive session for portions of a meeting, all meetings of the board of directors and all regularly scheduled meetings of committees of the Association shall be open to the Members. At any open meeting of the Board of Directors, Members in good standing are entitled to speak, subject to reasonable time and number of speaker restrictions imposed by the Board, before the board takes formal action on a published agenda item under discussion in addition to any other opportunities to speak. Items brought to the Board's attention during a meeting that require a vote shall be noted and published in the minutes and put on the agenda for a future meeting, giving the Members the opportunity to review the issue.

3.8 Action Taken Without a Meeting. Unless otherwise expressly restricted by government directive or by statute, the Declaration, the Articles, or these By-Laws, any action that may be taken by the Board of Directors at an emergency meeting may be taken without an open meeting if a written resolution or consent, setting forth the specific action to be taken, shall be acknowledged by all of the Directors, either in writing or by email. Any such action shall be read and approved at the next scheduled Board meeting and shall be filed with the minutes of the proceedings of the Board.

3.9 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 required to be exercised or done by the Members. In addition to the duties imposed by these By-Laws or by any resolution of the Members that may hereafter be adopted, the Board shall have the following powers and duties.

3.9.1 Bank Accounts. Open bank accounts on behalf of the Payson Pines Homeowners Association and designate the signatories thereon at an Open meeting documented in the minutes of that meeting. Separate accounts should be maintained for the operating expenses and the capital reserve account.

3.9.2 Repairs. Make or contract for the making of repairs, additions to, improvements to, or alterations of the Common Area, and any other property controlled by the Association in accordance with the Declaration. Upgrades to Association property should be discussed and approval for expenses voted on by the Board of Directors in an Open meeting.

3.9.3 Enforcement. In the exercise of its discretion, enforce by legal means, if necessary, the provisions of the Declaration, Articles, By-Laws, Association Rules and Regulations, and the ARB Rules. Legal remedies may only be discussed in a closed or Executive meeting to maintain privacy.

3.9.4 Contracts. 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 material to be used by such personnel in the performance of their duties.

3.9.5 Maintenance and Borrowing. Provide for the operation, care, upkeep and maintenance of all 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 the meeting called and held for such purpose in accordance with the provisions of these By-Laws in order for the Association to borrow in excess of \$5,000.00.

3.9.6 Budget. Prepare and adopt an annual budget for the Association prior to the commencement of each fiscal year; however, failure to adopt a new annual budget will not relieve Owners from the obligation to pay assessments in accordance with last approved budget for the Association.

3.9.7 Common Areas. 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, guest, and invitees thereon.

3.9.8 Suspensions. Suspend the voting rights and the right to use of the Common Areas of a Member during any period in which such Member shall be in default in the payment of any Assessment or for any infraction of the Declaration, Rules and Regulations, or the ARB rules and guidelines.

3.9.9 Assessments. Levy, collect and enforce the payment of assessments in accordance with the provisions of the By-Laws of the Association.

3.9.10 Certificate of Payment. Upon written request, furnish to a person acquiring an interest in any lot and to a lien holder, escrow agent, owner or person designated by an owner, a certificate in writing signed by an Officer setting forth whether the assessments on a specified Parcel have been paid. A reasonable charge may be made by the board for the issuance of these certificates. Such Certificate will be provided within the time period required by law.

3.9.11 Insurance. Procure and maintain adequate property, liability and other insurance as required by the Declaration.

3.9.12 Fines. After notice and an opportunity to be heard, impose fines on Owners for violations of the Declaration, the Association Rules and Regulations, or the ARB rules and guidelines.

3.9.13 Capital Reserve. The Association may accumulate a capital reserve account for planned replacement of Association assets. This account may also be used to provide funds for upgrades to Association property for the benefit of the Membership. The Board shall review the Reserve account annually to ensure adequate funds remain available for anticipated use. Specific disbursements from this account are required to be approved by the Board in an Open Meeting.

3.10 Managing Agent. The Board may employ for the Association a managing agent at a compensation rate 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 By-Laws and the Declaration except for such duties and services that under the Declaration, these By-Laws, and/or applicable law 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 Declaration or these By-Laws other than the power to: (i) adopt the annual budget, any amendment thereto or to levy assessments; (ii) adopt, repeal or amend Association Rules; (iii) designate signatories on Association bank accounts; (iv) borrow money on behalf of the Association; and (v) acquire real property.

ARTICLE 4 - OFFICERS AND THEIR DUTIES

4.1 Enumeration of Officers. The principal officers of the Association shall be the President, Vice President, Secretary, Treasurer and ARB Chairman all of whom shall be elected by the Board of Directors of the Association. The President and ARB manager must be a member of the Board of Directors. All other officers shall be a Member in good standing of the Association.

4.2 Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Membership or at any other meeting of the Board of Directors.

4.3 Term. The officers of the Association shall be elected annually by the Board of Directors, and each shall hold office for a term of one year unless such officer shall sooner resign, or shall be removed, or otherwise disqualified to serve. Each elected Officer may hold an office as many times as elected and expresses the desire to serve in that position.

4.4 Special Appointments. The Board of Directors may appoint other officers as members of the Board of Directors 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 of Directors may determine.

4.5 Resignation and Removal. Any officer may be removed from office by the Board of Directors at any time with or without cause in the sole and absolute discretion of the Board. Any officer may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. Such resignation shall take effect on the date of the 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.

4.6 Vacancies. A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer they replace.

4.7 Multiple Offices. No elected or appointed offices may be held simultaneously by any Member of the Association or the Board of Directors except the President and ARB Chairman of the Association which are required to be members of the Board of Directors.

4.8 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 By-Laws, the power and duties of the officers shall be as follows:

4.8.1 President. The President shall be the chief executive and operations officer of the Association; shall attend all meetings of the Board of Directors and preside at all meetings of the Members of the Association; shall appoint all committee chairpersons as required for the Association; shall see that orders and resolutions of the Board of Directors are carried into effect; and have general and active management of the business of the Association.

4.8.2 Vice-President. The Vice-President shall act in the place of the President in the event of their absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of this position by the Board of Directors.

4.8.3 Secretary. The Secretary shall provide oversight to ensure the recording of the votes and keeping the minutes of all meetings and proceedings of the Board of Directors and the Association; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board of Directors and the Members of the Association; ensure maintenance of the website and electronic communications; 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 of Directors.

4.8.4 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 Declaration, Articles, and these By-Laws; keep proper books of account; and shall prepare an annual budget once developed, 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; file all necessary papers with the Arizona Corporate Commission and the Internal Revenue Service of the Federal Government and the State of Arizona; collect annual assessments of the Association and any Special Assessments which may be levied against Members; and in general, perform all the duties incident to the office of Treasurer.

4.8.5 ARB Chairman. The Chairman of the Architectural Review Board (ARB) shall be a member of the Board of Directors of the Association. The Chairman will serve at the discretion of the Board of Directors and has no term limits on the position. The Chairman shall select the remaining members of the ARB. The Chairman will chair all meetings of the ARB and see that records of all meetings and decisions made regarding the ARB authority within the Association are recorded and maintained. The ARB Chairman shall use the approved RULES OF OPERATION for the ARB Board regarding all matters brought before them requiring a ruling or decision for the best interest of the Association.

4.9 Compensation. No officer shall receive compensation for any service the Officer may render to the Association. However, upon approval by a Board member may be reimbursed for their actual expenses incurred in the performance of their duties.

ARTICLE 5 - COMMITTEES

5.1 Committee composition. Committees are established for the purpose of monitoring specific functions of the Association. Each committee may consist of the number of members necessary to perform their intended functions. While standing committees are needed for day-to-day operations of the Association, additional committees may be formed for a specific task or time period.

5.1.1 Appointment and removal. Each committee shall be headed by a chairperson who is appointed by the President of the Association. The chairperson may add additional members on the committee as needed to fulfill the operations of that committee.

5.1.2 Term of Office. The chairperson of each committee shall be appointed by the President of the Board each year at the start of the Association annual year.

5.1.3 Responsibilities. Each committee shall establish their own procedures for performance, subject to Board review. Procedures are recommended to be written and recorded in each committee charter to ensure continuity of operations. Committees develop their individual budgets to enable performance of their tasks and submit that budget request during the Association budget development period. Once approved, the Committee may expend their funds as needed to perform functions. Efforts or tasks that will take the committee over their authorized budget must have prior approval coordinated with the Board of Directors at an Open Meeting.

5.1.4 Committee meetings. All meetings of the individual Committees are governed by A.R.S. § 33-1804, the Arizona Open Meeting Law, and must be noticed or posted at least forty-eight (48) hours in advance of that meeting. Meetings are open to all Members of the Association and Members are given the opportunity to speak providing they do not disrupt the purpose of the meeting.

5.2 Architectural Review Board (ARB).

5.2.1 Purpose and Responsibilities. The ARB reviews and approves Member requests for additions, renovations, and exterior changes to a Member's home or landscaping in accordance with the CC&Rs and maintains the aesthetic quality of the community. The ARB may perform audits of Members' property conditions and landscaping and notify the Member of any deficiencies noted. ARB may recommend citations and fines of a Member for non-compliance to the Board of Directors.

5.2.2 Committee Composition and Qualifications. The Architectural Review Board (ARB) shall consist of at least three (3) and no more than five (5) members and must always be an odd number. Per A.R.S. § 33-1817 the chair of the ARB shall be a Director who is appointed by the Board.

Except for the qualifications set forth for the Chair, members of the ARB shall not be required to be an architect or to meet any other particular qualifications for membership other than being a Member in good standing of the Association. The self-elected officers of the ARB may consist of a Vice Chairman, and a Recording Secretary.

5.2.3 Term of Office. The term of office for members of the ARB shall be ongoing, or until the appointment of a successor, if the present member resigns or is removed from the ARB.

5.2.4 Appointment and Removal. The ARB Chairman shall approve all members of the ARB. No member may be removed from the ARB Committee by the Chairman; however, unless the removal is approved by the vote or written consent of more than a majority of all of the members of the ARB. Any member of the committee may resign any time with written notice.

5.2.5 Duties. It shall be the duty of the ARB to consider and act in a timely manner upon any and all proposals or plans submitted pursuant to the terms of all Association documents, to adopt ARB rules, to perform other duties delegated to it by the Board of Directors and to carry out all other duties imposed upon it by the Rules and Regulations. Approval of Project Request Forms for construction projects, designs, plans, and amendments that Members submit shall not be unreasonably withheld.

5.2.6 Meetings. The ARB shall meet from time to time as necessary to perform its duties. All meetings must comply with the Arizona open meeting law and be properly noticed forty-eight (48) hours in advance. Members attending the meeting must not interfere with the business of the meeting.

Per A.R.S. § 33-1817, the ARB must provide two on-site formal reviews of construction progress for the purpose of determining compliance with approved plans. A formal final design review meeting for all new construction must be held by the ARB for the purpose of approving the plans. Upon approval, the ARB will notify the Member of approval. Any deficiencies must be forwarded to the Member within five (5) business days of any meeting in which they are noted. The vote or written consent of a majority of the members of the ARB, at a meeting or otherwise, shall constitute the act of the ARB unless the unanimous decision of the ARB is required by any other provision of all Association documents or applicable law. The ARB shall keep and maintain a written record of all actions taken and maintain an accounting of approved or unapproved improvements to each parcel.

5.2.7 Compensation. No ARB member shall receive compensation for any service the ARB member may render to the Association. However, upon approval by the Board, any ARB member may be reimbursed for their actual expenses incurred in the performance of their duties.

5.3 Property Committee.

5.3.1 Purpose and Responsibility. The Property Committee manages the assets of the Association. The two water retention areas and the large common area with associated structures, buildings, fencing, electrical systems, water removal systems, and landscape watering systems take constant attention. The property committee helps prepare for community gatherings on the common areas and maintains tables and chairs for Member usage.

The Committee also evaluates needed repairs and implements those repairs. Unbudgeted items must have Board approval for expenditure of funds. Major items are funded from the reserve account when required and implemented by a Board vote. The committee may open task orders with qualified contractors for performance of work items.

The property committee Chairman develops the annual budgets for inclusion in the Association annual budget process.

5.4 Welcoming Committee.

5.4.1 Purpose and Responsibility. The Welcoming committee assists in helping new Members to get orientated to the Association requirements, Governing documents, and provides helpful local information to new Members.

Once an escrow closes, the Welcoming Committee sets up a Meet and Greet for new Members, and when allowed, performs a face-to-face visit with each Member to answer questions or provide sources for information requested.

The Welcoming Committee also helps the Board with meeting the requirements of A.R.S. § 33-1806 during the escrow process.

The Committee Chairman develops the annual Committee budget for inclusion in the Association annual budget process.

5.5 Entertainment Committee.

5.5.1 Purpose and Responsibility. The Entertainment Committee provides implementation of Association neighborhood gatherings several times a year. They provide the stimulus for Members to participate in potlucks, summer evening events, and usually a fall outdoor event.

They will also participate in Association events like Firewise Day, and Saturday road clean-ups, with refreshments for workers. The Committee keeps supplies on hand for events.

The Committee Chairman develops the annual budgets for inclusion in the Association annual budget process.

5.6 Firewise Committee.

5.6.1 Purpose and Responsibility. The Firewise Committee assists neighbors and Members with alerting them to potential fire hazards on their property. They organize an annual Firewise Day for the community and have Members perform trimmings and clean-up, and the Association removes the piles and transports to the Town brush pits.

The Firewise Committee, similar to the ARB, can implement citations to Members who do not respond with requested hazardous clean-ups.

The Firewise Committee coordinates with the NFPA and ensures the community remains as an acknowledged Firewise Community, which the award notice can help Members obtain reduced homeowners insurance fees.

The Firewise Committee Chairman develops an annual budget for inclusion in the Association annual budget process.

5.7 Other Committees. Other committees may be opened for specific tasks by the President. These Committees usually have a specific purpose and are disbanded once the task is completed.

5.7.1 Election Committee. An Election Committee is formed to assist in developing the election ballots for Board members and performs the ballot count per A.R.S. § 33-1812.

This Committee is overseen by a member of the Board of Directors.

The self-elected Chairman of the Committee will ensure a valid vote count and document the vote for the Board of Directors at the Annual Meeting.

5.7.2 Documents Revision Committee. A Committee may be formed to develop changes to the Association Governing Documents as needed. Documents are reviewed periodically by the Association Law firm, and documents updated to conform to State, Town, and other Government guidelines.

CERTIFICATION

I, the undersigned, do hereby certify that the foregoing amended and restated By-Laws were adopted by the required percentage of the Members.

DATED: July 17, 2021.

PAYSON PINES HOMEOWNERS ASSOCIATION, INC.,
an Arizona non-profit corporation

By: 
Jackie Draves

Title: President

PPHOA Forms

**Architectural
Review Board (ARB)
Project Request
Form (PRF)**

**Payson Pines Homeowners Association Inc.
Architectural Review Board**

Project Request Form

Revised: June 8, 2022

Name: _____ Telephone: _____

Project Address: _____

Mailing Address: _____

Project Description (**see page two for Fence Only Section of this form**):

Reference: PPHOA CC&Rs, Article VII and VIII and Association Rules

Section 7.1 _____ **Construction subject to Architectural control**
Section 7.2 _____ **Application: Documents that would be furnished for review**
_____ Construction Plans and specifications
_____ Landscaping Plans
_____ Samples or photos of materials to be used

Check each item
that applies and
circle the colors
to be used.
Consult ARB for
color samples.

Section 7.2 (a) **Approved exterior translucent stain & finish
(PPG Prolux, Payson Paints)**

078 Natural 005 Natural Oak 072 Butternut
(Light natural) (Medium natural) (Dark natural)

Section 7.2(b) **Approved exterior paint and paint colors**

#1 Turkey Creek #2 Cedar Chest #3 Autumn Brown #4 Dark Autumn Brown

Approved garage door/entry door/side door paint colors

Evergreen #OE 6284
Rustic Brown (Chocolate brown) DEC 756
Buckskin Brown (Medium Brown) DET 695 Satin
Beige Option #1 Beige Option #2 Beige Option #3
DEC 743 DEC 6172 Semi-Gloss

The house **MUST** be 100%
stain or paint, a mix of stain
and paint on exterior walls is
not allowed. Entry and patio
ceilings may be either. Deck
flooring, steps, hand rails may
be painted on stained houses.

NOTE: Paint numbers will vary when Satin, Semi-Gloss, or Gloss are used.

Article VIII Sections that apply: _____

Date received by ARB: _____

ARB Representative: _____ Review Date: _____

Board Review Results: _____

If Project not approved: Basis or Reason: _____

Permits Required by: Town of Payson: YES _____ NO _____

ARB Approval: YES _____ NO _____

ARB Representative Signature & Date: _____

Please contact ARB at pphoaarb.0105@gmail.com upon completion of your project.

ARB Inspection Review after project completion:

Approved: YES _____ NO _____ By: _____ Date: _____

Submit this form to: pphoaarb.0105@gmail.com or mail to:

Payson Pines HOA, Attn. ARB. 1000 N. Beeline Hwy, #195, Payson, AZ 85541

**Payson Pines Homeowners Association Inc.
Architectural Review Board**

FENCE ONLY Project Request Form

ARB Fence Requirements:

1. Please submit an elevation or rendering of proposed fence project;
2. Fences cannot be higher than six feet (6');
3. Dog-ears must always be on top;
4. Fence must meet ARB standards of color and visual appearance; and
5. Fence Only Project Request Forms include the signed written acknowledgement provided below, between requesting homeowner and any adjoining neighbor.

Type of Fence: _____

Area to be Fenced: _____

* * * * *

Adjoining Neighbor Acknowledgement of Fence Project

Requesting Homeowner (printed name): _____

Project Address: _____

Signed:

Requesting Homeowner

Date

Adjoining Neighbor Address Name and Address: _____

I acknowledge that I have been informed of the requesting homeowner's fence project and have listed any agreements below that pertain to it.

Adjoining Neighbor Signature

Date

List specifications of the fence project, if any, agreed to with requesting homeowner: _____

_____.

Adjoining Neighbor Address Name and Address: _____

I acknowledge that I have been informed of the requesting homeowner's fence project and have listed any agreements below that pertain to it.

Adjoining Neighbor Signature

Date

List any specifications of the fence, if any, agreed to with requesting homeowner: _____

_____.

Leasing of Property Form

**LEASING OF PROPERTY REQUIREMENTS FORM
PAYSON PINES HOMEOWNERS ASSOCIATION
Revised 11/22/2021**

Date: _____

This form is documenting the lease between the legal Owner or their documented designated Agent and a tenant who will be residing on a parcel within the Payson Pines Homeowners Association (“Association”). These parcels are to be used for a single family dwelling only.

Property Address: _____

Name of Owner/Agent: _____

Owner/Agent Address: _____

Owner/Agent Phone Number(s): _____

Beginning & Ending dates of Lease/Rental Agreement:

From _____ To _____.

Ref: A.R.S. §33-1806.01(A) and PPHOA Rules & Regulations (“Rules”), V5.19
180 days minimum lease duration

Name(s) and Contact Information, voice & email, of all adult RESIDENT TENANT(s):

Number of Total Adult Occupants of Residence: _____

Ref: A.R.S. §33-1806.01(C)

Description and License number of all vehicles belonging to RESIDENT TENANT(s):

Ref: A.R.S. §33-1806.01(C)

There is a \$25.00 new tenancy fee payable to the Association for the initial application; the fee will be waived for lease renewals *to the same tenant(s)*. This fee is due within 15 days of lease commencement. An additional fee of \$15.00 may be charged for incomplete or late information for this document.

Ref: A.R.S. §33-1806.01(D) and Rules V5.19

LEASING OF PROPERTY REQUIREMENTS FORM
PAYSON PINES HOMEOWNERS ASSOCIATION
Revised 11/22/2021

In consideration of the execution of renewal of a lease of the dwelling unit identified in the Lease, Owner and Resident Tenant shall agree as follows:

Resident Tenant, any members of the Resident Tenant's household or a guest or other persons affiliated with the Resident Tenant:

1. Shall not engage in criminal activity, including drug-related criminal activity, on or near the said premises. "Drug related activity" means the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute, or use an illegal or controlled substance (as defined in Section 102 of the Controlled Substance Act [21 U.S.C. 802])
2. Shall not engage in any act intended to facilitate criminal activity.
3. Shall not permit the dwelling unit to be used for, or to facilitate criminal activity, regardless of whether the individual engaging in such activity is a member of the household, or a guest
4. Shall not engage in the unlawful manufacturing, selling, using, storing, keeping, or giving of an illegal or controlled substance as defined in A.R.S. §13-3451, at any locations, whether on or near the dwelling unit premises
5. Shall not engage in any illegal activity, including prostitution, as defined in A.R.S. §13-3211, criminal street gang activity as defined in A.R.S. §§13-105 and 13-2308, threatening or intimidating as prohibited in A.R.S. §13-1202, assault as prohibited in A.R.S. §13-1203, including but not limited to the unlawful discharge of a weapon, on or near the dwelling unit premises, or any breach of the lease agreement that otherwise jeopardizes the health, safety, and welfare of the landlord, his agent, or other tenant, or involving imminent or actual serious property damage, as defined in A.R.S. §33-1368.
6. Shall not allow any resident of this property that is required to be registered pursuant to A.R.S. §13-3821 and who are classed as Level two or Level three offenders.
7. Violation of these provisions will be a cause for action by the Association that may include legal action.

It is understood that any violation shall be good cause for immediate termination of the lease under A.R.S. §33-1377, as provided in A.R.S. §33-1368. Unless otherwise provided by law, proof of violation shall not require a criminal conviction, but shall be by a preponderance of the evidence.

8. In case of conflict between the provisions of this addendum and any other provisions of the Owner's lease, the provisions of this document shall govern.

Tenant Initial _____

Owner Initial _____

LEASING OF PROPERTY REQUIREMENTS FORM
PAYSON PINES HOMEOWNERS ASSOCIATION
Revised 11/22/2021

Per the Declaration Section 10.6, I, _____,
(Owner/Agent) have provided the TENANT of the foregoing lease/rental
agreement with copies of the *CC&R's*, *By-Laws*, and *Rules and Regulations* of
the HOA of Payson Pines.

As owner, I understand that it is my responsibility to abate criminal activity as
authorized in A.R.S. 12-991.

_____ Signature of Owner/Agent

Date: _____

.....
TENANT must Sign "Lease/rental Agreement" and initial the "Crime Free
Addendum" which is made part of this Lease/Rental Agreement.

I, _____, (TENANT) have received copies of
the *CC&R's*, *By-Laws*, and *Rules and Regulations* of the HOA of Payson Pines
and will abide by these rules accordingly as long as the Lease/rental agreement is
in force.

_____ Signature of TENANT

Date: _____

Mail completed form and \$25.00 payment to:

Payson Pines Homeowners Association
1000 N. Beeline Hwy #195
Payson, AZ 85541

Temporary Parking Permit Form

PAYSON PINES HOMEOWNERS ASSOCIATION
TEMPORARY PARKING PERMIT

**Payson Pines Homeowners Association, Rules and Regulations, Section V
(Use of Property), Articles 7 & 8 (Parking & Recreational Vehicles)**

HOMEOWNER NAME

ADDRESS

TYPE OF EQUIPMENT (VEHICLE, BOAT, TRAILER, ETC.)

OWNER OF EQUIPMENT

DATE PERMIT ISSUED

DATE PERMIT EXPIRES

REASON FOR PERMIT BEING ISSUED

ARB MEMBER APPROVAL

DATE