

BYLAWS
OF
~~PARK~~-FIFTH AVENUE CONDOMINIUM ASSOCIATION

ARTICLE I
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 may designate from time to time in accordance with the Arizona statutes governing nonprofit corporations, but meetings of members and directors may be held at such other place within the State of Arizona as may be designated by the Board of Directors.

1.2 Defined Terms. All capitalized terms used in these Bylaws which are not defined shall have the same meanings as set forth in the Declaration of Horizontal Property Regime and Covenants, Conditions and Restrictions Park Fifth Avenue Condominiums, dated April 21, 1983, as recorded May 9, 1983, as Document No. 83-174934, records of Maricopa County, Arizona, as amended.

1.3 Conflicting Provisions. In the case of any conflict between the Articles and these Bylaws, the Articles shall control. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

1.4 Corporate Seal. The Association may have a seal in a form approved by the Board 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 that the first fiscal year shall begin on the date of incorporation of the Association.

1.6 Books and Records. The books, records and papers of the Association shall be available for inspection by any Member during reasonable business hours. The Project Documents shall be available for inspection by any Member during reasonable business hours at the principal office of the Association, where copies may be purchased at reasonable cost.

1.7 Amendment.

A. These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of the Members having at least seventy-five percent (75%) of the votes entitled to be cast by the Members present in person or by proxy.

B. The Board of Directors, without a vote of the Members and without the consent of any First Mortgagee, may amend these Bylaws to (i) comply with Arizona law or any other applicable law if the amendment does not adversely affect the rights of any Owner; (ii) correct any error or inconsistency in the Bylaws if the amendment does not adversely affect the rights of any Owner; or (iii) comply with the rules or guidelines in effect from time to time of any governmental or quasi-governmental entity or federal corporation guaranteeing or insuring mortgage loans or governing transactions involving mortgage instruments, including without limitation, the Veterans Administration, the Federal Housing Administration, the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation.

C. As long as there is a Class B Membership, any amendment to these Bylaws shall require the prior written consent of the Declarant.

1.8 Indemnification. To the extent it has the power to do so under Arizona law, the Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of the Association, by reason of the fact that he is or was a member, director, officer, employee or agent of the Association or is or was serving at the request of the Association as a member, director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorneys' fees, and against judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted, or failed to act, in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the Association and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. Indemnification of any such person shall be made in accordance with Arizona law.

ARTICLE II

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.

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.

2.3 Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting by mailing a copy of each notice, postage prepaid, at least fifteen (15) days before such meeting to each Member entitled to vote thereat addressed to the Member's address last appearing on the books of the Association or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting. When a meeting is adjourned to another time or place, notice need not be given of the

adjourned meeting if the time and place of the meeting are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the Association may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each Member entitled to vote at the meeting. By attending a meeting, a Member waives any right he may have had to object to the meeting on the basis that the proper notice of the meeting was not given in accordance with these Bylaws or Arizona law.

2.4 Quorum. Except as otherwise provided in the Articles, the Declaration or these Bylaws, the presence in person or by proxy of Members entitled to cast forty percent (40%) of the total authorized votes in the Association shall constitute a quorum at all meetings of the Members. If a quorum shall not be present at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

2.5 Voting. Any action by the Members shall require the vote fifty-one percent (51%) of the Members present and voting at a duly called and held meeting of the Members at which a quorum as required herein has been constituted.

2.6 Proxies. At all meetings of the Members a vote may be cast in person or by proxy. A proxy may be granted by any Member in favor of only another Member, the Secretary of the Association, the Declarant, or the Member's First Mortgagee, or in the case of a non-resident Member, the lessee of such Member's Unit, his attorney or managing agent. A proxy shall be duly executed in writing and it shall be valid only for the particular meeting designated in the proxy. All proxies must be filed with the Secretary prior to the commencement of the meeting for which the proxy is given. The proxy shall be deemed revoked only upon actual receipt by the person presiding over the meeting of a notice of revocation signed by the Member who granted the proxy. No proxy shall be valid after twenty-five (25) months from the date of its execution.

ARTICLE III

BOARD OF DIRECTORS

3.1 Number. The affairs of this Association shall be managed by a Board of ~~one~~ ^{three} (13) directors. As long as there is a Class B Membership, the Declarant shall have the right to appoint the members of the Board of Directors who do not have to be Owners. Upon conversion of Class B Membership to Class A Membership, the Owners shall elect the Board of Directors, at least a majority of whom must be Owners. The Board may increase the number of directors on the Board but the number of directors must always be an odd number and shall not exceed nine (9) directors.

3.2 Term of Office. The initial members of the Board shall hold office until their successors are elected and qualified or until removed. Commencing with the first annual meeting of the Members, all directors shall be elected for a term of one (1) year.

3.3 Removal. As long as there is a Class B Membership, the Declarant shall have the right to remove the members of the Board of Directors. Directors may be removed with or without cause by

a two-thirds (2/3) vote of all Members present and entitled to vote at any meeting of the Members at which a quorum is present, other than a director appointed by the Declarant.

3.4 Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

3.5 Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written consent of all the directors. Any such written consent shall be filed with the minutes of the proceedings of the Board of Directors.

3.6 Vacancies. Following the conversion of Class B Membership to Class A Membership, any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining directors though less than a quorum or by a sole remaining director, and any director so chosen shall hold office until the next election of the directors when a successor is elected and qualified. Any newly created directorship shall be deemed a vacancy. When one or more directors resigns from the Board of Directors, effective at a future time, a majority of the directors then in office, including those who have so resigned, may fill such vacancy, the vote on the vacancy to take effect when such resignation becomes effective. If by reason of death, resignation or otherwise, the Association has no directors in office, any officer or Member may call a special meeting of the Members for the purpose of electing the Board of Directors.

3.7 Meetings.

A. Meetings of the Board of Directors, regular or special, shall be held at least annually and 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.

B. Regular meetings of the Board of Directors may be held with or without notice at such time and place as is determined from time to time by the Board of Directors.

C. Special meetings of the Board of Directors may be called by the President on three (3) business days notice to each director, given in writing, by hand delivery, mail or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) directors.

D. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting except when a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

3.8 Quorum. A majority of the directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly-held meeting at which a quorum is present shall be regarded as the act of the Board of Directors.

3.9 Powers and Duties. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by the Project Documents required to be exercised or done by the Members. In addition to the duties imposed by these Bylaws or by any resolution of the Members that may hereafter be adopted, the Board of Directors shall have the following powers and duties:

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

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

C. In the exercise of its discretion, enforce by legal means the provisions of the Project Documents;

D. 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;

E. Provide for the operation, care, upkeep and maintenance of all of the Common Areas and borrow money on behalf of the Association when required in connection with any one instance relating to the operation, upkeep and maintenance for the Common Areas; provided, however, the consent of Members having at least seventy-five percent (75%) of the total votes in the Association shall be obtained either in writing or at a meeting called and held for such purpose in accordance with the provisions of these Bylaws in order for the Association to borrow in excess of Five Thousand and 00/100 Dollars (\$5,000);

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

G. Adopt and publish rules and regulations governing the use of the Common Areas and the personal conduct of the Members and their family members, guests, lessees and invitees thereon and establish penalties for the infraction thereof;

H. 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 other amounts due under the terms of the Project Documents;

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

J. Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;

K. Employ, hire and dismiss such employees as they deem necessary and to prescribe their duties and their compensation;

L. Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by any Member entitled to vote;

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

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

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

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

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

R. Cause the Common Areas to be maintained, as more fully set forth in the Declaration.

3.10 Managing Agent. The Board of Directors may employ for the Association and the Project a managing agent ("Managing Agent") at a compensation established by the Board of Directors. The Managing Agent shall perform such duties and services as the Board of Directors shall authorize, including, but not limited to, all of the duties listed in the Project Documents except for such duties and services that under the Project Documents may not be delegated to the Managing Agent. The Board of Directors may delegate to the Managing Agent all of the powers granted to the Board of Directors or the officers of the Association by the Project Documents other than the power (i) to adopt the annual budget, any amendment thereto or to levy Assessments; (ii) to adopt, repeal or amend rules and regulations; (iii) to designate signatories on Association bank accounts; (iv) to borrow money on behalf of the Association; or (v) to acquire real property.

ARTICLE IV

OFFICERS AND THE DUTIES

4.1 Enumeration of Officers. The principal officers of the Association shall be the President, the Vice President, the Secretary, and the Treasurer all of whom shall be elected by the Board of Directors. The President must be a member of the Board of Directors. Any other officers may, but need not, be members of the Board of Directors.

4.2 Election of Officers. As long as there is a Class B Membership, the Declarant shall have the right to appoint officers of the Association who do not have to be Owners. Upon conversion of Class B Membership to Class A Membership, the Board of Directors shall elect the officers of the Association, which election shall take place following each annual meeting of the Members.

4.3 Term. The officers of the Association shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

4.4 Special Appointments. The Board of Directors may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board of Directors may, from time to time, determine.

4.5 Resignation and Removal. As long as there is a Class B Membership, the Declarant shall have the right to remove officers of the Association. Upon conversion of Class B Membership to Class A Membership, any officer may be removed from office with or without cause by the Board of Directors. 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 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. Following conversion of Class B Membership to Class A Membership, 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 he replaces.

4.7 Multiple Offices. Any two (2) or more offices may be held simultaneously by the same person.

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 Bylaws, the powers and duties of the officers shall be as follows:

A. President. The President shall be the chief executive officer of the Association; shall preside at all meetings of the Board of Directors or the Members; 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.

B. Vice-President. The Vice-President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board of Directors.

C. Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board of Directors and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board of Directors.

D. 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 Project Documents; keep proper books of account; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy each to the Members; and, in general, perform all the duties incident to the office of Treasurer.

ARTICLE V

FINES

5.1 Power of Board of Directors to Impose Fines. Pursuant to the power granted to the Board of Directors by the Declaration, the Board of Directors shall have the right to impose reasonable fines against an Owner for a violation of any provision of the Project Documents by the Owner, his family, tenants or guests.

5.2 Notice of Violation.

A. The Board of Directors or any person designated by the Board of Directors, may serve a notice of violation ("Notice of Violation") against an Owner for a violation of any provision of the Project Documents by the Owner, his family, tenants or guests. A Notice of Violation shall contain (i) a description of the violation, (ii) the approximate time and place at which the violation was observed, (iii) the amount of the fine to be paid by the Owner for such violation, (iv) the name of the person issuing the Notice of Violation, and (v) a statement advising the Owner of the Owner's right to request a hearing pursuant to Section 5.2.D. of these Bylaws.

B. A Notice of Violation shall be deemed to have been served if delivered personally to the Owner named in the Notice of Violation or sent to the Owner by registered or certified United States mail, return receipt requested, postage prepaid. A Notice of Violation served by mail shall be deemed to have been received by the Owner to whom the notice was addressed on the earlier of the date the notice is actually received or three (3) days after the notice is deposited in the United States mail. A Notice of Violation given by mail shall be addressed to the Owner at the address of the Owner as shown on the records of the Association. If a Condominium Unit is owned by more than one person or entity, a Notice of Violation to one of the joint Owners shall constitute notice to all of the joint Owners.

C. The Owner shall pay the fine set forth in the Notice of Violation to the Association within ten (10) days after the Notice of Violation is served on the Owner unless prior to that time the Owner requests a hearing on the violation pursuant to Section 5.2.D. of these Bylaws.

D. Any Owner served with a Notice of Violation may request a hearing on the violation. The request for a hearing must be addressed to the Secretary of the Association and must be actually received by the Association within ten (10) days after the service of the Notice of Violation. Upon receipt of a request for a hearing pursuant to this Section, the President or any other officer of the Association shall schedule a hearing on the violation before the Board of Directors or before a hearing officer or a committee approved by the Board of Directors and shall notify the Owner requesting the hearing of the date, time and place of the hearing. The notice of the hearing shall also advise the Owner of his right to produce statements, evidence and witnesses on his behalf and to be represented at the hearing by an attorney. If the hearing on the violation is before the Board of Directors, then the minutes of the meeting of the Board of Directors at which the hearing is held shall reflect the fact that the hearing on the violation was held and the action taken by the Board of Directors on the violation. If the hearing is held before a hearing officer or a committee appointed by the Board of Directors, then the hearing officer of the committee conducting the hearing shall, within ten (10) days after the conclusion of the hearing, make a written recommendation to the Board of Directors on what action the Board of Directors should take on the violation. Upon receipt of the recommendation from the hearing officer or the committee, the Board of Directors shall act upon the recommendation. Any fine which is affirmed by the Board of Directors following a hearing pursuant to this Section shall be paid by the offending Owner within ten (10) days after a notice of the action of the Board of Directors is served upon the Owner. Service of the notice from the Board of Directors shall be made in same manner as service of a Notice of Violation pursuant to Section 5.2B. of these Bylaws.

E. Any fines imposed pursuant to this Article 5 shall be the joint and several liability of all of the joint Owners of a Unit.

ARTICLE VI

ARCHITECTURAL COMMITTEE

6.1 Committee Composition. The Architectural Committee shall consist of at least three (3) members. None of such members shall be required to be an architect or to meet any other particular qualifications for membership. Members of the Architectural Committee appointed by the Declarant need not be Members of the Association. Members of the Architectural Committee appointed by the Board of Directors shall be Members of the Association. Officers and directors of the Association can be members of the Architectural Committee. The Board of Directors may increase the number of members on the Architectural Committee but the number of members must always be an odd number.

6.2 Terms of Office. The term of office for members of the Architectural Committee shall be a period of one year, or until the appointment of a successor. Any new member appointed to replace

a member who has resigned or been removed shall serve such member's unexpired term. Members who have resigned, been removed or whose terms have expired may be reappointed.

6.3 Appointment and Removal. As long as there is a Class B Membership, the Declarant shall have the right to appoint and remove the members of the Architectural Committee. Upon conversion of Class B Membership to Class A Membership, the Board of Directors shall appoint and remove all members of the Architectural Committee, except that no member may be removed from the Architectural Committee by the Board of Directors unless the removal is approved by the vote or written consent of more than fifty percent (50%) of all of the members of the Board of Directors.

6.4 Resignations. Any member of the Architectural Committee may at any time resign from the Committee by giving written notice thereof to the Board of Directors.

6.5 Vacancies. Following conversion of Class B Membership to Class A Membership, vacancies on the Architectural Committee, however caused, shall be filled by the Board of Directors. A vacancy or vacancies on the Architectural Committee shall be deemed to exist in case of the death, resignation or removal of any member.

6.6 Duties. It shall be the duty of the Architectural Committee to consider and act upon any and all proposals or plans submitted to it pursuant to the terms of the Declaration, to adopt Architectural Committee 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 Declaration.

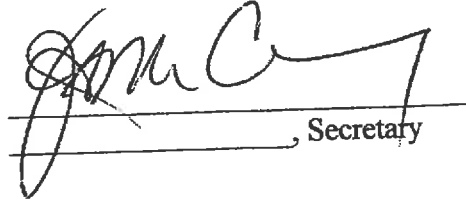
6.7 Meetings and Compensation. The Architectural Committee shall meet from time to time as necessary to perform its duties. The vote or written consent of a majority of the members of the Committee, at a meeting or otherwise, shall constitute the act of the Committee unless the unanimous decision of the Committee is required by any other provision of the Declaration. The Committee shall keep and maintain a written record of all actions taken by it at such meeting or otherwise. Members of the Architectural Committee shall not be entitled to compensation for their services.

6.8 Architectural Committee Rules. The Architectural Committee may adopt, amend and repeal, by unanimous vote or written consent, rules and regulations. Said rules shall interpret and implement the Declaration by setting forth the standards and procedures for Architectural Committee review and the guidelines for architectural design, placement of buildings, landscaping, color schemes, exterior finishes and materials and similar features which are required to be used within the Project Condominium.

6.9 Waiver. The approval by the Architectural Committee of any plans, drawings or specifications for any work done or proposed, or for any other matter requiring the approval of the Architectural Committee under the Declaration, shall not be deemed to constitute a waiver of any right to withhold approval of any similar plan, drawing, specification or other matter subsequently submitted for approval.

CERTIFICATION

I hereby certify that the foregoing Bylaws were duly adopted by the Board of Directors of the Association on the 8 day of March, 2001.


_____, Secretary