

**BYLAWS
OF
PEBBLECREEK VILLAS ASSOCIATION, INC.**

**ARTICLE I
Identity**

Section 1. The Association. These Bylaws shall govern the operation of PebbleCreek Villas Association, Inc. (the "Corporation"), an Arizona nonprofit corporation.

Section 2. Terms. Unless otherwise specifically defined in these Bylaws, capitalized terms shall have the meaning set forth in the Declaration Of Annexation, Tract Declaration And Declaration of Covenants, Conditions and Restrictions For PebbleCreek Villas, recorded on January 6, 2014, at Book 1171, Page 27, as Instrument No. 20140008267, in the Official Records of the Maricopa County Recorder, Maricopa County, Arizona, as such declaration is amended or supplemented from time to time (collectively, the "Villas Declaration"), including but not limited to by any declaration of annexation or of covenants, conditions or restrictions executed by Declarant that makes membership in the Corporation an incident of ownership of any residential lot described therein. The Corporation was formed to carry out the rights and obligations of the Corporation as set forth in the Villas Declaration.

Section 3. Known Place of Business. The known place of business of the Corporation shall be located initially at 9532 E. Riggs Road, Sun Lakes, Arizona. The Corporation may also have offices at such other places as the Board of Directors of the Corporation (referred to herein collectively as the "Board" and each a "Director") may from time to time determine.

**ARTICLE II
Membership**

Section 1. Members. The Corporation shall have members. The members of the Corporation and their voting rights shall be as provided in the Villas Declaration and these Bylaws. It is hereby acknowledged that the Villas Declaration may be amended from time to time to change the qualifications and requirements of the members and their voting rights.

Section 2. Meeting Location. Meetings of members of the Corporation shall be held at such place as may be designated in the notice for such meeting.

Section 3. Annual Meetings. An annual meeting of the members of the Corporation shall be held on such date and at such time and place as may be designated from time to time by the Board and stated in the notice of such meeting. To the extent required by Arizona law (including Arizona Revised Statutes Section 33-1804) as such laws/statutes may be amended hereafter, a meeting of the members shall be held at least once each year.

Section 4. Special Meetings. Special meetings of the members of the Corporation may, at any time and from time to time, be called by the President of the Corporation (the "President"), or by a majority of the Directors, or by members having at least twenty-five percent (25%) of the votes entitled to be cast on a matter to be voted on at such special meeting. No business may be transacted at a special meeting, except as stated in the notice.

Section 5. Notice. An officer of the Corporation shall notify the Corporation's members of the date, time and place of each annual and special meeting of the members at least ten (10) days but not more than sixty (60) days before the meeting date. Notice of a special meeting shall also state the purpose for which the meeting is called. However, notice of an annual meeting of the members need not state the purposes for which the meeting is called. An officer of the Corporation may, in its discretion, notify members of any meeting of the members by any one of the following methods: (a) by publishing the same once in any newspaper of general circulation within PebbleCreek Golf Resort or Maricopa County; (b) by conspicuous posting at the entry to the Eagle's Nest or Tuscany Clubhouse or other location specified by the Board; or (c) by mailing the notice to the address of each member last appearing on the official books of the Corporation.

Section 6. Waiver of Notice or other Irregularities. Before, at or after any meeting of the Corporation's members, any member may, in writing, waive notice of such meeting, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member at any meeting of the members and failure to object at the beginning of the meeting shall be deemed to be a waiver of notice by such member of the time and place thereof. In addition, all information and/or irregularities in calls, notices and in manner of voting form of proxies, credentials and method of ascertaining those present shall be deemed waived if no objection is made at the meeting or if waived in writing.

Section 7. Quorum and Voting. Unless otherwise provided in the Villas Declaration, a quorum of members for any meeting of the Corporation's members shall be constituted by members represented in person or by proxy holding twenty five percent (25%) of the votes entitled to be cast by the members at such meeting of the members. Unless otherwise specifically provided in the Villas Articles, the Villas Declaration or these Bylaws or otherwise required by Arizona law, the affirmative vote of a majority of the votes cast by members voting by written ballot, in person or by proxy at a meeting duly called for such purpose at which a quorum is present shall be binding as the act of the members.

Section 8. Proxies. At all meetings of the Corporation's members, each member entitled to vote may vote in person or by proxy. All proxies must be in writing and must be filed with the Secretary of the Corporation on or before the time of the meeting to which it applies. The Board may, from time to time, specify a specific form of proxy to be used in connection with a particular meeting of the members. Every proxy shall be revocable and shall automatically terminate (a) as of the date the member giving the proxy ceases to be a member, or (b) eleven (11) months from the date of its execution, unless otherwise specified in the proxy. Memberships held by a legal personal representative or by a court appointed receiver may be voted in person or by proxy by the representative or receiver without the transfer of the membership into the name of the personal representative or receiver.

Section 9. Adjourned Meetings. If any meeting of members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting.

Section 10. Open Meetings. To the extent required by Arizona Revised Statutes Section 33-1804 (including any amendment thereto or revision thereof), all Members or designated representatives so desiring shall be permitted to attend and speak at an appropriate time during the deliberations and proceedings subject to the limitations and requirements set forth in Arizona Revised Statutes Section 33-1804 (including any amendment thereto or revision thereof).

Section 11. Vote of Members by Mail. To the maximum extent permitted by applicable law, when Directors are to be elected by the Corporation's members or any other matter is submitted to a vote of the members, such vote may be conducted by mail in such manner as the Board shall determine. In the event that a vote is taken by mail, the return of ballots by the number of members reference in Section 7 above shall validate the vote and satisfy the quorum requirement. Unless otherwise required by statute, the Villas Declaration or these Bylaws or the Villas Articles, a majority vote of those voting by mail shall be sufficient to elect Directors or carry a matter put to the members to vote.

Section 12. Record Date. For the purpose of determining the Corporation's members entitled to notice of (or to vote at) any meeting of the Members, or in order to make a determination of members for any other purpose, the Board may direct the membership books to be closed for a stated period not to exceed fifteen (15) days prior to the event concerned.

ARTICLE III Board of Directors

Section 1. Number. The business, property and affairs of the Corporation shall be managed, controlled and conducted by the Board. Initially, the Board shall have three directors, all of whom shall be appointed by Declarant. Thereafter, prior to the Villas Transition Date, Declarant shall have the right to change the number of directors in its sole and absolute discretion. After the Transition Date, the number of Directors may be altered from time to time by resolution or a majority vote of the Board.

Section 2. Powers and Duties. The Board shall have the powers and duties necessary for the administration of the affairs of the Corporation, and may exercise and perform all of the rights, duties, privileges, obligations and responsibilities of the Board and/or the Corporation as described in the Villas Declaration, the Villas Articles and these Bylaws. To the extent permitted by law, the Board may delegate to one or more committees, officers, employees, managers, agents or other persons such duties and powers as appears, to the Board, to be in the best interests of the Corporation.

Section 3. Election and Term of Office. The initial Directors are set forth in the Articles.

Prior to the Villas Transition Date, the Directors shall be appointed or elected pursuant to the provisions of the Villas Declaration. Without limiting the foregoing, any Director appointed by the Declarant shall serve until such Director resigns or until removed or replaced by Declarant. As set forth in the Villas Declaration, prior to the Villas Transition Date, Declarant may at its election permit the members to elect one or more Directors. After the Villas Transition Date, the Board shall be elected by the Corporation's members in accordance with the Villas Declaration, the Villas Articles and these Bylaws, including without limitation the provisions of Article V set forth below in these Bylaws.

Any Director that is elected by the Corporation's members shall be elected pursuant to the process and serve the term set forth in Article V below in these Bylaws. Any Director that is elected by the members must be a member in good standing or spouse of a member in good standing.

Section 4. Removals, Resignations and Mid-Term Vacancies. If a Director elected by the members shall cease to be a member or spouse of a member during such Director's term, such Director will thereupon cease to be a Director and such Director's place on the Board shall be deemed vacant. Directors appointed by Declarant may be removed and/or replaced with or without cause at any time by Declarant. Directors elected by the members may also be removed, with or without cause, at any time, by the members if the number of votes cast to remove the Director would be sufficient to elect the Director at a duly called meeting or by written ballot, as applicable, with all Villas Lots represented. Any Director may resign at any time by sending written notice of the resignation to the Secretary. Unless otherwise specified therein, any resignation shall take effect upon receipt by the Secretary. Subject to the right of the Declarant to appoint and remove Directors until the Villas Transition Date as set forth in the Villas Declaration, vacancies on the Board caused by any reason (including without limitation the death of a Director) shall be filled by vote of the majority of the remaining Directors and the replacement Director so elected shall serve the remainder of the term of the Director being replaced.

Section 5. Compensation. No compensation shall be paid to Directors for their services as Directors. Directors, however, may be reimbursed for any actual expenses incurred in connection with their duties as Directors. This provision shall not preclude any Director from serving the Corporation in any other capacity and receiving compensation therefor.

Section 6. Regular Meeting(s). A regular meeting of the Board shall be held at least once per year, at such time(s) and such place(s) as determined, from time to time, by a majority of the Board and as set forth in the notice of such meeting. Notice of such annual meeting shall be given to each Director, personally or by mail, email, telephone or facsimile (based on the latest information in the Corporation's records), at least three days prior to the day named for the regular meeting of the Board.

Section 7. Special Meetings. Special meetings of the Board may be called by the President or Secretary on no less than three days notice to each Director, given personally, by mail, email, telephone or facsimile (based on the latest information in the Corporation's records),

which shall state the time, place and purpose of the meeting. Upon the request of a majority of the Directors, special meetings of the Board shall be called by the President or Secretary in like manner and on like notice.

Section 8. Waiver of Notice. Before, at or after any meeting of the Board, any Director may, in writing, waive notice of such meeting, and such waiver shall be deemed equivalent to the giving of such notice. A Director's attendance at or participation in a meeting waives any required notice to the Director of the meeting unless the Director at the beginning of the meeting or promptly on the Director's arrival at the meeting objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting. Subject to compliance with Section 14 below in these Bylaws (to the extent applicable), if all the Directors are present at any meetings of the Board, no notice shall be required, and any business may be transacted at such meeting.

Section 9. 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 at a duly held meeting at which a quorum is present shall be regarded as the act of the Board unless the Articles, these Bylaws, the Declaration or any Tract Declaration otherwise specifically requires the affirmative vote of a different number of Directors on a specific matter.

Section 10. Adjournments. The Board may adjourn any meeting from day to day or for such other time as may be prudent or necessary in the interests of the Corporation.

Section 11. Proxies. At all meetings of the Board, each Director entitled to vote may vote in person or by proxy. All proxies must be in writing and must be filed with the Secretary of the Corporation on or before the time of the meeting of the Board to which it applies. Every proxy shall be revocable and shall automatically terminate on the earlier of (a) the date the Director giving the proxy ceases to be a Director, or (b) eleven (11) months from the date of its execution, unless otherwise specified in the proxy.

Section 12. Action Taken Without a Meeting. To the maximum extent permitted by law, the Board shall have the right to take any action in the absence of a meeting, which they could take at a meeting by obtaining the written approval of all of the Directors, which written approval may be obtained in counterparts and via facsimile, email or other electronic means. Any actions approved shall have the same effect as though taken at a meeting of the Board.

Section 13. Meetings Not In Person. The Board may permit any or all Directors to participate in any meeting of the Board by or conduct the meeting through the use of any means of communication by which all Directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting by this means is deemed to be present in person at the meeting.

Section 14. Open Meetings. To the extent required by Arizona Revised Statutes Section 33-1804 (including any amendment thereto or revision thereof) or other applicable law, and only to the extent so required, meetings of the Board shall be open to all members of the Corporation, or any person designated by a member in writing as the member's representative,

and all members or designated representatives so desiring shall be permitted to attend and speak at an appropriate time during the deliberations and proceedings subject to the limitations and requirements set forth in Arizona Revised Statutes Section 33-1804 (including any amendment thereto or revision thereof). In addition, any portion of such meeting of the Board may be closed as permitted by Arizona Revised Statutes Section 33-1804 (including any amendment thereto or revision thereof). Notice to the members of any open meeting of the Board, stating the time and place of the meeting, may be given by publishing the same once in any newspaper of general circulation within PebbleCreek Golf Resort or Maricopa County, by newsletter, conspicuous posting or other reasonable means as determined by the Board, at least two days prior to the date of the meeting. Notice to member is not required if emergency circumstances require action by the Board before notice can be given.

Section 15. Fidelity Bonds. The Board may require, in its discretion, and shall require to the extent required by the Villas Declaration or any amendment or supplement thereto, that all officers and employees of the Corporation handling or responsible for the Corporations' funds shall furnish fidelity bonds. In the event such bonds are required upon determination of the Board, the premiums therefor shall be paid by the Corporation.

Section 16. Committees. The Board may by resolution appoint committees of the Corporation. Any such committee shall have the powers and authority set forth in the Villas Declaration or designated in the resolution or resolutions establishing them.

ARTICLE IV

Officers

Section 1. Designation. The principal officers of the Corporation shall be a President, one or more Vice Presidents, a Secretary, and a Treasurer. The Directors (or the Declarant, if prior to the Transition Date) may appoint an Assistant Secretary and/or an Assistant Treasurer, and such other officers as in their judgment may be necessary. Any one person may hold two or more offices at the same time, except to the extent prohibited by Arizona law.

Section 2. Election and Term of Officers. Prior to the Villas Transition Date, all of the officers shall be appointed by the Declarant and each shall serve until removed by Declarant in its discretion, all in accordance with the Villas Declaration. After the Villas Transition Date, the officers of the Corporation shall be elected by the Board at the annual meeting of the Board each year, and each such officer shall hold office until his successor has been duly elected and qualified.

Section 3. Removal of Officers. Prior to the Villas Transition Date, the Declarant may remove any officer, with or without cause, at any time. After the Villas Transition Date, upon an affirmative vote of a majority of the Directors, any officer may be removed, either with or without cause, at any time.

Section 4. Resignation of Officers. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on

the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Vacancies. Prior to the Villas Transition Date, a vacancy in any officer position for any reason (including without limitation the death of such officer) shall be filled by the Declarant. After the Villas Transition Date, a vacancy in any officer position for any reason (including without limitation the death of such officer) shall be filled by vote of a majority of the Board. In such an event, the replacement officer elected to fill such vacancy shall serve for the remainder of the term of the replaced officer.

Section 6. President. The President shall be the chief executive officer of the Corporation. The President shall preside at all meetings of the Corporation's Members and of the Board. The President shall have all of the general powers and duties that are normally vested in the office of the President of a corporation. The President also shall perform such other duties as shall from time to time be imposed by the Board.

Section 7. Vice President. The Vice President (or the most senior Vice President, if there shall be more than one) shall take the place of the President and perform the duties of the President whenever the President is absent, unable to act or refuses to act. If neither the President nor a Vice President is able to act, the Board shall appoint some other Director to act for the President on an interim basis. The Vice President shall have all of the general powers and duties that are normally vested in the office of the Vice President of a corporation. The Vice President also shall perform such other duties as shall from time to time be imposed by the President or the Board.

Section 8. Secretary. The Secretary shall keep the minutes of the meetings of the Board and the minutes of all meetings of the Corporation's members; the Secretary shall have charge of the membership books and such other books and papers as the Board may direct; and he/she shall, in general, perform all duties incident to the office of Secretary. The Secretary also shall perform such other duties as shall from time to time be imposed by the President or the Board.

Section 9. Treasurer. The Treasurer shall have the responsibility for the Corporation's funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Corporation. The Treasurer shall be responsible for the deposit of all moneys and other valuable effects in the name, and to the credit, of the Corporation in such depositories as may from time to time be designated by the Board. The Treasurer shall have all of the general powers and duties that are normally vested in the office of the Treasurer of a corporation. The Treasurer also shall perform such other duties as shall from time to time be imposed by the President or the Board.

Section 10. Compensation. No compensation shall be paid to officers for their services as officers. Officers, however, may be reimbursed for any actual expenses incurred in connection with their respective duties as officers. This provision shall not preclude any officer from serving the Corporation in any other capacity and receiving compensation therefor.

ARTICLE V

Elections

Section 1. First Election of Directors by the Members. In the first election of Directors to be elected by the members (whether (a) before the Villas Transition Date, in the Declarant's sole discretion (pursuant to the terms of the Villas Declaration); or (b) on or effective as of the Villas Transition Date), nominations for such director positions may be submitted by any Member and must be received at the principal office of the Corporation or such other location designated by the Declarant no later than 15 days prior to the election date or such other date as determined by the Declarant. All nominations will be placed on one ballot and any Member may nominate himself or herself. Directors elected by the Members will serve staggered terms, as follows:

If the first election of Directors by the members is prior to the Villas Transition Date and the members are electing two Directors pursuant to the Declaration: The nominee receiving the most votes will be elected to a three-year term. The nominee receiving the second most votes will be elected to a two-year term.

If the first election of Directors by the Corporation's members is on or effective as of the Villas Transition Date and the members are electing three or more Directors: the Declarant shall separate the number of Directors to be elected into two groups. The Directors in the first group shall serve a three-year term. The Directors in the second group shall serve a two-year term.

Section 2 Election Committee. For all elections of Directors by the Corporation's members after the first election, all such Directors shall serve a two-year term. The Board shall appoint an Election Committee Chairperson and an Election Committee ninety (90) days prior to the election date or such other date as determined by the Board. The Election Committee shall consist of not less than three (3) members who are in good standing, of which no more than one (1) may be a current Director. The Election Committee shall, within forty five (45) days of the election date or such other date as determined by the Board, submit to the Board a list of candidates for all Director vacancies to be filled.

Section 3. Nominations. Three (3) or more members of the Corporation may also nominate other candidates and file such nominations over their signatures with the Election Committee Chairperson fifty (50) days prior to the election date or such other date as determined by the Board. The names of all those nominated (whether by the Election Committee or by three or more members) shall be printed alphabetically on one ballot.

Section 4. Voting. No member who is thirty (30) days or more in default in the payment of any Villas Assessments due the Corporation or whose voting rights have otherwise been suspended as provided for in the Villas Declaration shall be permitted to vote at any election. Cumulative voting is not permitted.

Section 5. Election Procedure. The Election Committee Chairman will conduct all facets of the election in accordance with the "Election Procedure", if any, established by the

Board, which procedures shall not be inconsistent with these Bylaws (including, without limitation, Article III or the other provisions of this Article V), the Articles of Incorporation of the Corporation or the Villas Declaration. Candidate(s) receiving the most votes of the members shall be declared the winner by the Board to fill the number of vacancies available on the Board. Any member may be present as an observer at the tabulation of votes. Following the tabulation, all ballots will be sealed and stored for a period of at least forty five (45) days from the date of tabulation. Any protest of accounting of votes or results must be filed within thirty (30) days from the date of tabulation. In case of a timely filed protest, the ballots will be retained as long as necessary.

ARTICLE VI

Miscellaneous

Section 1. Books and Accounts. The Board, at all times, shall keep, or cause to be kept by the Treasurer, true and correct records of account in accordance with generally accepted accounting principles. The books and records of the Corporation shall be made reasonable available to the members of the Corporation to the extent required by Arizona law. To the extent required by Arizona Revised Statutes Section 33-1810 (as such statute may be hereafter amended or revised), the Board shall provide for an annual financial audit, review or compilation of the Corporation. The audit, review or compilation shall be completed no later than one hundred eighty days after the end of the Corporation's fiscal year and shall be made available upon request to the Members within thirty days after its completion.

Section 2. Fiscal Year. The fiscal year of the Corporation shall be the calendar year (i.e. ending December 31 each year), or such other period as the Board may deem appropriate.

Section 3. Conflict in Documents. In the case of any conflict between the Villas Articles and these Bylaws, the Villas Articles shall control. In the case of any conflict between the Villas Declaration and these Bylaws, the Villas Declaration shall control. Any provision of these Bylaws that is contrary to or inconsistent with the Villas Articles or the Villas Declaration shall be void to the extent of such inconsistency.

ARTICLE VII

Amendment of the Bylaws

These Bylaws may be amended by the affirmative vote of a majority of the Board, except as otherwise provided for in the Villas Declaration. These Bylaws may not be amended insofar as such amendment would be inconsistent with the Villas Declaration, the Villas Articles, the Master Association (as defined in the Villas Declaration), or any applicable Tract Declaration (as defined in the Master Declaration).

ARTICLE VIII
Certificate of Adoption

The undersigned secretary does hereby certify that the foregoing Bylaws were adopted by the Board of PebbleCreek Villas Association, Inc. pursuant to that certain consent to corporate actions of the directors in lieu of the organizational meeting dated January 14, 2014.


George Atwell, Secretary