

BYLAWS OF
SHADOW RUN CONDOMINIUM ASSOCIATION

ARTICLE 1

Name and Location

1.1 The name of the homeowner's association (the "Association") is SHADOW RUN CONDOMINIUM ASSOCIATION. The principal office of the Association shall be located in Maricopa County.

ARTICLE 2

Definitions

2.1 Definition of Declaration

"Declaration" shall mean and refer to the Declaration of Horizontal Property Regime and Covenants, Conditions and Restrictions applicable to the Property recorded on the 18th day of October, 1985, Recorder's No. 85497234, inclusive, in the office of the Maricopa County Recorder.

2.2 Declaration Definitions

The definitions contained in the Declaration are incorporated in these Bylaws by reference.

ARTICLE 3

Meetings of Members and Voting Rights

3.1 Annual Meetings

Regular meetings of Members of the Association shall be held annually on the Project or such other suitable place convenient to the Members as may be designated by the Board. The first meeting of the Association shall be held forty-five (45) days after the close of escrow for the sale of the Condominium Unit which represents the fifty-first (51st) percentile interest authorized for sale under the first public report for the Project, but in no event shall the first meeting be held later than six (6) months after the close of escrow for the sale of the first Condominium Unit.

3.2 Special Meetings

A special meeting of the Members of the Association shall be promptly called by the Board upon the vote for such a meeting by a majority of a quorum of the Board or upon receipt of a written request therefor signed by Members representing twenty-five percent (25%) of the total voting power of the Association or by Members representing fifteen percent (15%) of the voting power residing in Members other than Declarant.

3.3 Notice of Meetings

Written notice of regular and special meetings shall be given to Members by the Board by mailing a notice to each Member which shall specify the place, day and hour of the meeting and, in the case of a special meeting, the nature of the business to be undertaken. Except in the case of an emergency, notice shall be mailed to each Member at least ten (10) days prior to the meeting and shall be posted in a conspicuous place in the Common Area.

3.4 Quorum

The presence in person or by proxy of at least forty percent (40%) of the total voting power of the Association shall constitute a quorum except as specifically provided to the contrary in the Declaration, the Articles or these Bylaws. The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment notwithstanding the withdrawal of enough Members to leave less than a quorum.

3.5 Action Without a Meeting

Any action that, under the provisions of Arizona corporate law, may be taken at a meeting of the Members may be taken without a meeting if authorized by a writing signed by all of the Persons who would be entitled to vote upon such an action at a meeting and filed with the Secretary of the Association.

3.6 Joint Ownership of Condominium Units

When more than one Person owns an interest in any Condominium Unit, all such Persons shall be Members of the Association. The vote for such Condominium Unit shall be exercised as the Owners of the Condominium Unit determine among themselves, but in no event shall more than one ballot be cast for or with respect to any Condominium Unit concerning any one vote of the Association. The vote for each Condominium Unit must be cast as a unit and fractional votes shall not be allowed. In the event that the joint 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 Owner or Owners cast a vote on behalf of a Condominium Unit, it will thereafter be conclusively presumed for all purposes that he/she or they was/were acting with the authority and consent of all Owners of the Condominium Unit. In the event more than one vote is cast for a particular Condominium Unit during a particular vote of the Association, none of said votes shall be counted and said votes shall be deemed void.

3.7 Proxies

At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary before the appointment time of each meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his/her Condominium Unit or upon receipt of notice by the Secretary of the Board or the death or judicially declared incompetence of such Member.

3.8 Adjournment

In the absence of a quorum at a meeting of the Members, a majority of those present in person or by proxy may adjourn the meeting to another time but may not transact any other business. Any adjournment for lack of a quorum shall be to a date not less than five (5) days and not more than thirty (30) days from the original meeting date. The quorum for such a reconvened meeting shall be twenty percent (20%) of the total voting power of the Association.

3.9 Classes of Membership

The Association shall have two (2) classes of voting membership established according to the Declaration.

3.10 Voting Requirements

While there are two (2) outstanding classes of membership, any action by the Association which must have the approval of the Association membership before being undertaken shall require the vote or written assent of the prescribed percentage of each class of membership.

3.11 Commencement of Voting Rights

Voting rights attributable to each Condominium Unit shall vest in accordance with the terms and provisions of the Declaration.

3.12 Record Date

For any meeting of the Members, the Board of Directors may fix in advance a date, not more than sixty (60) days nor less than ten (10) days nor less than ten (10) days before the date of such meeting nor more than sixty (60) days prior to any other action, as a record date for the determination of the Members of record entitled to notice of, and to vote at, such meeting. The Members entitled to vote at any meeting of the Members will be determined as of the applicable record date if one has been fixed as aforesaid, otherwise, as of the time the meeting is convened.

3.13 Organization and Conduct of Meetings

All meetings of Members will be called to order and thereafter chaired by the Chairman of the Board if there is one or, if not, or if the Chairman of the Board is absent or so requests, then by the President. If both the Chairman of the Board and the President are unavailable, such other Officer of the Association or such Member as may be appointed by the Board of Directors may call the meeting to order and chair the meeting. The Association's Secretary will act as secretary of each membership meeting. In his/her absence, the chairman of the meeting may appoint any Person (whether a Member or not) to act as secretary thereat. After calling a meeting to order, the chairman thereof may require the registration of all Members intending to vote in person and the filing of all proxies with the election inspector or inspectors, if one or more has/have been appointed (or, if not, with the secretary of the meeting). After the announcement time for such filing of proxies has ended, no further proxies will be accepted. If Directors are to be elected, a tabulation of the proxies so filed, if any Person entitled to vote in such election so requests, will be announced at the meeting (or adjournment thereof) prior to the closing of the election polls. Absent a showing of bad faith on his/her part, the chairman of the meeting will, among other things, have absolute authority to fix the period of time allowed for the registration of Members and the filing of proxies, to determine the order of the business to be conducted at such meeting and to establish reasonable rules for expediting the business of the meeting (including any informal or question-and-answer portion thereof).

ARTICLE 4

Board of Directors; Selection; Term of Office

4.1 Number and Term of Directors

The Board shall consist of three (3) Directors, each of whom shall be a Condominium Unit Owner or an agent of Declarant (while Declarant remains a Condominium Unit Owner). The

Directors shall serve concurrent terms of one (1) year. The incorporating Directors or their duly elected replacements shall serve until the first annual meeting of the Association. Thereafter all Directors shall be elected and removed according to these Bylaws.

4.2 Election of Board of Directors

4.2.1 Nomination

Nominations for election to the Board of Directors may be made from the floor at the annual meeting of the Association. Additionally, the Board may appoint a Nominating Committee which shall consist of a chairman (who shall be a member of the Board of Directors) and two (2) or more Members of the Association. If the Board determines to appoint a Nominating Committee, the Committee shall be appointed at least ninety (90) days prior to the annual meeting of the Members, to serve until the close of such annual meeting, and shall make as many nominations for election to the Board of Directors as it in its discretion shall determine but not less than the number of vacancies that are to be filled.

4.2.2 Cumulative Voting

Elections of the Board members shall be by secret written ballot. All elections in which more than two (2) positions on the Board are to be filled shall be conducted by cumulative voting.

4.2.3 Special Provision

From the first election of the Board and thereafter for as long as a majority of the voting power of the Association resides in Declarant, or as long as there are two (2) outstanding classes of membership in the Association, the first Director to be elected shall be elected solely by the votes of the Owners other than the Declarant and the remaining Directors shall be elected by the usual cumulative voting procedures.

4.3 Removal

Unless the entire Board is removed from office by the vote of Association Members, an individual Director shall not be removed prior to the expiration of his/her term of office if the number of votes cast against his/her removal is greater than the quotient arrived at by dividing the total number of votes that may be cast under cumulative voting procedures by a divider equal to one (1) plus the authorized number of Directors. A Director elected pursuant to the special procedure set forth in Subarticle 4.2.3 may be removed prior to the expiration of his/her term only by a simple majority of the voting power residing in Members

other than the Declarant.

4.4 Vacancies

Vacancies in the Board caused by any reason other than the removal of a Director by a vote of the Members shall be filled by vote of the majority of the remaining Directors, and each Person so elected shall be a Director for the remainder of the term of the Director he/she replaces or until a successor is elected at a special meeting of the Members called for that purpose.

ARTICLE 5

Meetings of Directors

5.1 Regular Meetings

Regular meetings of the Board shall be conducted at least quarterly at a time and place within or near the Project as may be fixed by the Board. Notice of the time and place of regular meetings shall be given to each Director, personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for the meeting, and shall also be posted at a prominent place or places with the Common Area.

5.2 Special Meetings

A special meeting of the Board may be called by written notice signed by the President of the Association or by any two (2) Directors other than the President. Notice shall be provided to all Directors and posted in the Common Area in the manner prescribed for notice of regular meetings and shall include a description of the nature of any special business to be considered by the Board.

5.3 Waiver of Notice

Before or at 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 to that Director. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him/her of the time and place of the meeting. Furthermore, any action to be taken by the Directors pursuant to the Articles, the Declaration or these Bylaws may be taken without a meeting if all Directors consent thereto in writing. Such consent shall have the same effect as a unanimous vote.

5.4 Quorum

The presence in person of a majority of the Directors at any meeting of the Board shall constitute a quorum.

5.5 Adjournment; Executive Session

The Board may, with the approval of a majority of a quorum of the Directors, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved in business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

5.6 Board Meetings Open to Members

Regular and special meetings of the Board shall be open to all Members of the Association, provided however, that Association Members who are not on the Board may not participate in any deliberation or discussion unless expressly so authorized by the vote of a majority of a quorum of the Board.

ARTICLE 6

Powers and Duties of the Board of Directors

6.1 Powers and Duties

The Board shall have the powers and duties necessary for the administration of the affairs of the Association. Without limitation on the generality of the foregoing powers and duties, the Board shall be vested with, and responsible for, the following powers and duties:

6.1.1 To select, appoint, supervise and remove all Officers, agents and employees of the Association; to prescribe such powers and duties for them as may be consistent with Arizona corporate law and with the Articles, the Declaration and these Bylaws; to fix their compensation (if not prohibited under these Bylaws); and to require from them security for faithful service when deemed advisable by the Board.

6.1.2 To enforce the applicable provisions of the Declaration, the Articles, these Bylaws and other instruments relating to the ownership, management and control of the Project.

6.1.3 To adopt and publish rules and regulations governing the use of the Common Area and facilities and the personal conduct of the Members and their guests thereon and to establish procedures and penalties for the infraction thereof, subject to approval of the membership.

6.1.4 To adopt and publish rules and regulations governing the keeping of animals in the Project.

6.1.5 To pay all taxes and Assessments which are, or could become, a lien on the Common Area or a portion thereof.

6.1.6 To contract for casualty, liability and other insurance on behalf of the Association as provided in the Declaration.

6.1.7 To cause the Common Area to be maintained and to contract for goods and/or services for the Common Area or for the Association, subject to the limitations set forth in this article.

6.1.8 To delegate its powers to committees, Officers or employees of the Association or to a management company pursuant to a written contract as expressly authorized by the Articles, the Declaration and these Bylaws.

6.1.9 To prepare budgets and financial statements for the Association as prescribed in these Bylaws.

6.1.10 To initiate and execute disciplinary proceedings against Members of the Association for violations of the provisions of the Articles, the Declaration, these Bylaws and such rules and regulations as may be promulgated by the Board in accordance with procedures set forth in these Bylaws.

6.1.11 Upon the giving of reasonable notice, to enter upon any privately owned Condominium Unit as necessary in connection with construction, maintenance or emergency repair the benefit of the Common Area or the Owners.

6.1.12 To borrow money and incur indebtedness for purposes of the Association and to cause to be executed and delivered therefor, in the Association's name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations or other evidences of debt and securities therefor.

6.1.13 To fix and collect regular and special Assessments according to the Declaration and these Bylaws and, if necessary, to record a notice of Assessment and foreclose the lien against any Condominium Unit for which an Assessment is not paid within thirty (30) days after the due date or bring an action at law against the Owner personally obligated to pay such Assessment. All reserves for capital expansion, repair and maintenance shall be transferred to and held in a trust fund or funds for such purpose established by vote of a majority of Members and shall be expended only in the trust manner

prescribed.

6.1.14 To prepare and file annual tax returns with the federal government and the State of Arizona and to make such elections as may be necessary to reduce or eliminate the tax liability of the Association. Without limiting the generality of the foregoing, the Board may, on behalf of the Association, elect to be taxed under Section 528 of the Internal Revenue Code or any successor statute conferring income tax benefits on homeowners associations. In connection therewith, the Board shall take such steps as are necessary to assure that the income and expenses of the Association for any taxable year shall meet the following limitations and restrictions:

6.1.14.1 At least sixty percent (60%) of the gross income of the Association for any taxable year shall consist solely of amounts received as membership dues, fees or Assessments from Condominium Unit Owners;

6.1.14.2 At least ninety percent (90%) or more of the expenditures of the Association for any taxable year shall be for the acquisition, construction, management, maintenance and care of the Association Property; and

6.1.14.3 No part of the net earnings of the Association shall inure to the benefit of any private individual (other than by acquiring, constructing or providing management, maintenance and care of the Association Property and other than by a rebate of excess membership dues, fees or Assessments).

6.2 Limitation on Board's Power

Except with the vote or written assent of a majority of the voting power of the Association residing in Members other than Declarant, the Board shall be prohibited from taking any of the following actions:

6.2.1 Incurring aggregate expenditures for capital improvements to the Common Area in any fiscal year in excess of five percent (5%) of the budgeted gross expenses of the Association for that fiscal year.

6.2.2 Selling during any fiscal year property of the Association having an aggregate fair market value greater than five percent (5%) of the budgeted gross expenses of the Association for that fiscal year.

6.2.3 Paying compensation to Directors or Officers of the Association for services performed in the conduct of the Association's business, provided however, that the Board may cause a Director or Officer to be reimbursed for expenses incurred in carrying on the business of the Association.

6.2.4 Entering into a contract with a third Person wherein the third Person will furnish goods or services for the Common Area or the Association for a term longer than one (1) year with the following exceptions:

6.2.4.1 A contract with a public utility company if the rates charged for the materials or services are regulated by the Arizona Corporation Commission or successor agency, provided however, that the term of the contract shall not exceed the shortest term for which the supplier will contract at the regulated rate; and

6.2.4.2 Prepaid casualty and/or liability insurance policies not to exceed three (3) years' duration, provided however, that the policy permits short rate cancellation by the insured.

Any agreement for professional management of the Project or any other contract providing for services by Declarant shall provide for termination by either party without cause or payment of a termination fee upon ninety (90) days' or less written notice and shall provide for a reasonable contract term of from one (1) to three (3) years and be renewable only by consent of the Association and the other party. Further, any such agreement shall provide for termination by either party for cause upon thirty (30) days' written notice.

6.2.5 While there are two (2) outstanding classes of membership, entering into any contract or lease (including a management contract for the Common Area), unless the Association is provided with a right of termination of any such contract or lease, without cause, which is exercisable at any time after Class B Membership terminates, upon not more than ninety (90) days' notice to the other party thereto, and further provided that any such termination shall be without penalty.

ARTICLE 7

Officers and Duties

7.1 Enumeration and Term

The Officers of this Association shall be a president and vice president (who shall at all times be members of the Board of Directors), a secretary, a treasurer and such other Officers as the Board may from time to time by resolution create. The Officers shall be elected annually by the Board and each shall hold office for one (1) year unless he/she shall sooner resign, shall be removed or shall otherwise be disqualified to serve.

7.2 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 Members.

7.3 Resignation and Removal

Any Officer may be removed from office by a majority of the Board at any time with or without cause. 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.

7.4 Vacancies

A vacancy in any office may be filled by appointment by the Board. The Officer appointed to such vacancy shall serve for the remainder of the term of the Officer he/she replaces. If, however, the office of President becomes vacant, the Vice President (or Secretary if no Vice President exists) shall automatically fill the office of President and shall serve the remainder of the term. The Board shall then fill by appointment the vacant position of Vice President (or Secretary).

7.5 Multiple Offices

The offices of Secretary and Treasurer may be held by the same Person. No Person shall simultaneously hold more than one or any of the other offices except in the case of special offices created pursuant to this article.

7.6 Duties

The duties of the Officers are as follows:

7.6.1 President

The President shall preside at all meetings of the Board of Directors, shall see that orders and resolutions of the Board are carried out, shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks (unless the authority to sign checks in the ordinary course of Association business has been delegated to a management company as provided in these Bylaws) and promissory notes.

7.6.2 Vice President

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

7.6.3 Secretary

The Secretary shall record the votes and keep the minutes of all meetings and procedures of the Board and of the Members, shall serve notice of meetings of the Board and of the Members, shall 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.

7.6.4 Treasurer

The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association, shall disburse such funds as directed by resolution of the Board of Directors, shall co-sign all checks and promissory notes of the Association and shall keep proper books of account and prepare or have prepared financial statements as required in these Bylaws. The duty of the Treasurer to receive and deposit funds and to co-sign checks in the ordinary course of Association business may be delegated to a management company as provided in these Bylaws.

ARTICLE 8

Maintenance and Assessments

8.1 Maintenance and Assessments

Pursuant to the procedures and guidelines set forth in the Declaration, the Board shall levy, collect and enforce regular and special Assessments for the operation of the Association and for the management, maintenance and operation of the Common Area and of the Limited and Recreational Common Areas, if any. The Assessments shall be used exclusively to promote the recreation, health, safety and welfare of all residents in the entire Project and for the improvement and maintenance of the Common Area and of the Limited and Recreational Common Areas, if any, for the common good of the Project. Regular Assessments shall include an adequate reserve fund for maintenance, repair and replacement of the Common Area and of the Limited and Recreational Common Areas, if any.

ARTICLE 9

Discipline of Members; Suspension of Rights

9.1 Discipline of Members; Suspension of Rights

The Association shall have no power to cause a forfeiture or abridgement of an Owner's right to the full use and enjoyment of his/her individually owned Condominium Unit on account of a failure by the Owner to comply with provisions of the Declaration, the Articles, these Bylaws or of duly enacted rules of operation for the Common Area, except where the loss or forfeiture is the result of the judgment of a court or a decision arising out of arbitration or on account of a foreclosure or sale under a power of sale for failure by the Owner to pay Assessments levied by the Association. Notwithstanding the foregoing, the Board shall have the power to impose reasonable temporary suspensions of an Owner's voting rights as a Member of the Association and/or rights to use the Recreational Common Area for failure to comply with the Declaration, the Articles, these Bylaws or duly enacted rules, provided that any suspension, except that resulting from failure to pay Assessments, shall not exceed sixty (60) days per violation, and further provided that the accused shall be given reasonable notice and the opportunity to be heard by the Board with respect to the alleged violation before a decision to impose discipline is reached. In a case in which monetary penalties are to be imposed, such penalties shall be according to a schedule of penalties related to specific offenses, which schedule shall be proposed by the Board and approved by the vote or written assent of a majority of the voting power of each class of membership. Such penalties shall bear a reasonable relationship to the conduct for which the penalty is imposed and may only be imposed prospectively.

ARTICLE 10

Budgets, Financial Statements, Books and Records

10.1 Budgets and Financial Statements

Financial statements for the Association shall be regularly prepared and copies shall be distributed to each Member of the Association as follows:

10.1.1 A pro forma operating statement (budget) for each fiscal year shall be distributed not less than sixty (60) days before the beginning of the fiscal year.

10.1.2 A balance sheet (as of an accounting date which is the last day of the month closest in time to six (6) months from the date of close of escrow for the first sale of a Condominium Unit in the Project to an individual buyer) and an

operating statement for the period from the date of the first closing to the said accounting date shall be distributed within sixty (60) days after the accounting date. This operating statement shall include a schedule of Assessments received and receivable identified by the number of the Condominium Unit and the name of the Condominium Unit Owner assessed.

10.1.3 A balance sheet as of the last day of the Association's fiscal year and an operating statement for said fiscal year shall be distributed within ninety (90) days after the close of the fiscal year.

For any fiscal year in which the gross income to the Association exceeds Seventy-Five Thousand Dollars (\$75,000.00), an external audit by an independent public accountant shall be required for the fiscal year financial statements (other than budgets).

10.2 Fiscal Year

The fiscal year of the Association shall be as determined by resolution of the Board. In the absence of such a resolution, the fiscal year shall be the calendar year.

10.3 Inspection of Association's Books and Records

The membership register, books and account and minutes of meetings of the Members, the Board and committees of the Board and/or Association shall be made available for inspection and copying by any Member of the Association, or by his/her duly appointed representative, at any reasonable time and for a purpose reasonably related to his/her interest as a Member at the office of the Association or at such other place within the Project as the Board shall prescribe. Such inspection may take place on weekdays during normal business hours following at least forty-eight (48) hours' written notice to the Board by the Member desiring to make the inspection. Any Member desiring copies of any document shall pay the reasonable cost of reproduction. Every Director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association and the physical properties owned or controlled by the Association. The right to inspection by a Director includes the right to make extracts and copies of documents.

ARTICLE 11

Amendment to Bylaws

11.1 Amendment to Bylaws

These Bylaws may be amended by the vote or written assent of Members representing fifty-one percent (51%) of a

quorum of the total voting power of the Association, provided however, that the percentage of the voting power necessary to amend a specific clause or provision shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause. For as long as there are two (2) classes of membership in the Association, the proposed amendment must be supported by the vote or written assent of the prescribed percentage of each class of membership.

ARTICLE 12

Miscellaneous Provisions

12.1 Regulations

All Owners, tenants, their employees or any other Person who might use the facilities of the Project in any manner are subject to the regulations set forth in these Bylaws, the Project Documents and all reasonable rules enacted pursuant to the Declaration. Acquisition, rental or occupancy of any Condominium Unit shall constitute acceptance and ratification of the provisions of all such rules and regulations.

12.2 Indemnity of Officers and Directors

Each Officer and Director shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him/her by judgment or settlement in connection with any proceeding to which he/she may be a party or in which he/she may become involved by reason of his/her being or having been an Officer or Director of the Association, except in cases of fraud, gross negligence or bad faith of the Officer or Director in the performance of his/her duties.

12.3 Committees

The Board may appoint a Nominating Committee as provided in these Bylaws and an Architectural Control Committee as provided in the Declaration. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

12.4 Notices

Any notices permitted or required to be given by the Project Documents may be delivered either personally, by mail or as otherwise specifically provided in the Project Documents. If delivery is by mail, it shall be deemed to have been given seventy-two (72) hours after a copy of the same has been deposited in the United States mail, postage prepaid, certified or registered, return receipt requested, addressed to each Person

at the current address given by such Person to the Secretary of the Association or addressed to the Condominium Unit of such Person if no address has been given to the Secretary, provided however, that notice of regular or special meetings of Members may be mailed by regular mail without request for a return receipt.

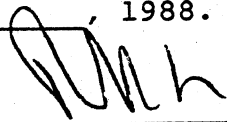
ESTABLISHMENT OF BYLAWS

We, the undersigned, being all of the Directors of SHADOW RUN CONDOMINIUM ASSOCIATION, do hereby certify:

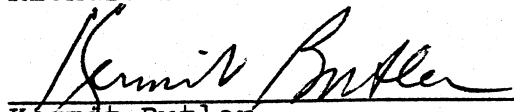
That we are entitled to exercise all of the voting powers of said SHADOW RUN CONDOMINIUM ASSOCIATION; and

That we hereby assent to the within and foregoing Bylaws and hereby adopt the same as the Bylaws of said SHADOW RUN CONDOMINIUM ASSOCIATION.

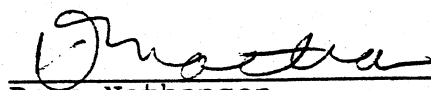
IN WITNESS WHEREOF, we have hereunto subscribed our names this 20th day of April, 1988.



Richard Fink



Kermit Butler

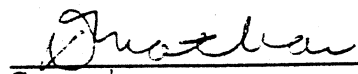


Dave Nathanson

I, the undersigned duly elected and acting Secretary of SHADOW RUN CONDOMINIUM ASSOCIATION, do hereby certify:

That the within and foregoing Bylaws were adopted as the Bylaws of said Association on the 20th day of April, 1988, and that the same do now constitute the Bylaws of said Association.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 20th day of April, 1988.



Secretary

STATE OF ARIZONA)
) ss.
COUNTY OF PIMA)

On this the 20th day of April, 1988, before me, the undersigned Notary Public, personally appeared Richard Fink, Kermit Butler and Dave Nathanson, known to me to be the person whose name is subscribed to the within Bylaws, and acknowledged to me that they executed the same for the purposes therein contained.

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

Barbara J. Boudette
Notary Public

My Commission Expires:

Aug. 25, 1991

FAF:as/36.8

AMENDMENT TO BYLAWS

SHADOW RUN CONDOMINIUM ASSOCIATION

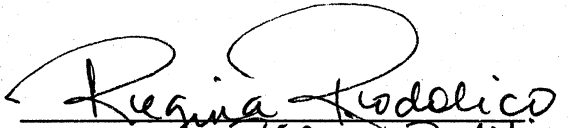
Pursuant to the affirmative vote of more than Fifty-one percent (51%) of a quorum of the total voting power of the Association who were entitled to vote in person or by proxy at the meeting of the members held on the 29 day of May, 1991, the bylaws of Shadow Run Condominium Association are hereby amended at Article VI, Powers and Duties of the Board of Directors, Section 6.1, by the addition thereto of subsection 6.1.14.4 as follows:

(6.1.14.4) Suspend the provision and/or delivery of waters to any unit during any period during which such unit is delinquent in the payment of any assessment levied against such unit by the Association. Prior to such a suspension of water, the Board shall first give the record owner of such unit no less than fourteen (14) days prior written notice of the unit's delinquent status and the Association's intent to suspend water service to such unit together with notice of the next regularly scheduled Board meeting at which Board meeting such delinquent unit owner may challenge the delinquency status or otherwise object to the suspension of water service to such unit. If the next regularly scheduled Board meeting does not fall within the fourteen (14) day period between the date on which the unit owner receives

the notice of intent to suspend water service and the intended suspension date, then the unit owner may, by written notice to the secretary of the Board, request a special meeting of the Board to hear such unit owner's denial of delinquency, challenge of the assessment or objection to the Board's suspension of water service. Nothing in this subsection shall be construed to limit any other right or remedy available to the Association concerning a unit that is delinquent in the payment of any Association assessment.

Certified as the true and correct Amendment to Bylaws this
29 day of May, 1991.

BY:


Secretary REGINA RODOLICO

SHADOW RUN CONDOMINIUM ASSOCIATION
AMENDMENT TO THE BYLAWS

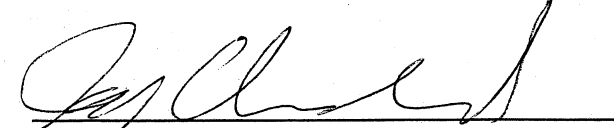
Pursuant to the affirmative vote of more than fifty-one (51%) of the members eligible to vote (either personally or by valid proxy) at the Annual Meeting of the members held on Tuesday, April 12, 1994, the Bylaws of Shadow Run Condominium Association are hereby amended at Article 4.1 Number and Term of Directors at the second sentence to delete:

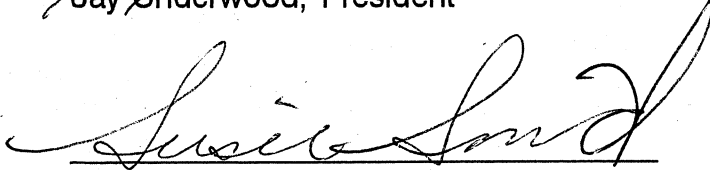
The Directors shall serve concurrent terms of one (1) year. The incorporating Directors or their duly elected replacements shall serve until the first annual meeting of the Association. Thereafter, all Directors shall be elected and removed according to these Bylaws.

and replaced with:

The Directors shall serve staggered three (3) year terms with one director elected each year at the Annual Meeting. All elections and appointments of Directors under these Bylaws shall be for such terms as will preserve the staggering of terms.

I certify that this is a true and correct Amendment to the Bylaws.


Jay Underwood, President


Susie Smid, Secretary

SHADOW RUN CONDOMINIUM ASSOCIATION

AMENDMENT TO THE BYLAWS


Pursuant to the affirmative vote of more than fifty-one (51%) of the members eligible to vote (either personally or by valid proxy) at the Annual Meeting of the members held on Tuesday, April 12, 1994, the Bylaws of Shadow Run Condominium Association are hereby amended at Article 4.1 Number and Term of Directors at the second sentence to delete:

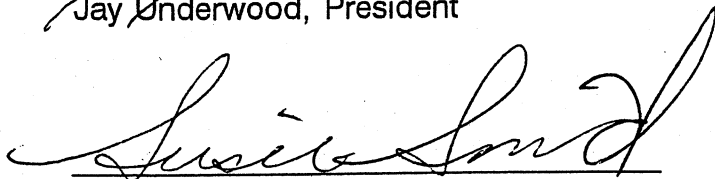
The Directors shall serve concurrent terms of one (1) year. The incorporating Directors or their duly elected replacements shall serve until the first annual meeting of the Association. Thereafter, all Directors shall be elected and removed according to these Bylaws.

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The Directors shall serve staggered three (3) year terms with one director elected each year at the Annual Meeting. All elections and appointments of Directors under these Bylaws shall be for such terms as will preserve the staggering of terms.

I certify that this is a true and correct Amendment to the Bylaws.


Jay Underwood, President


Susie Smid, Secretary

AMENDMENT TO SHADOW RUN BYLAWS

ARTICLE # 7 -- Section 7.1

As recorded April 29, 1998

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The affairs of the Shadow Run Condo Association will be managed by a Board of Directors which will consist of five (5) members, who must be homeowners.

This board shall conduct regular and special meetings according to the provisions of the bylaws of the Association.

**PROPOSED
AMENDMENT TO SHADOW RUN CC & R'S
ARTICLE 3 -- SECTION 3.8**

At the annual meeting held in March, 1995, the homeowners voted to increase our participating board from three (3) board members (homeowners) to five (5) board members.

This year the Board presents the following amendment to the CC & R's:

Two board members to serve a two year term.

Three board members to serve a one year term.

At the annual meeting March 1997 the expiring terms are to be filled as follows:

Two board members to serve a two year term.

One board member to serve a one year term.

Thereafter, we will have three board vacancies that will need to be filled each year at the homeowner's annual meeting.