September 5, 2025

There are five (5) Sunflower homeowners who are qualified candidates for the three open seats on the Board of Directors for the November 5, 2025 Annual Meeting election.

This Special Edition of the Sun Catcher includes each of the candidate's qualifications and experience, in their words, for becoming a candidate. Also included are 5 additional items that will be added to the ballot. There will be two "Meet the Candidates" sessions held in person in the Fiesta Room and via zoom, as well as two Town Hall Meetings, see times/dates listed below.

Session #1 -Saturday, September 27, 2025 from 9:00 am-10:30 am
Town Hall-Saturday, September 27, 2025 from 10:30 am-11:30 am
Town Hall-Monday, September 29, 2025 from 5:00 pm to 6:00 pm
Session #2 -Monday, September 29, 2025 from 6:30 p.m.-8:00 pm

You are encouraged to attend in person or via Zoom one of the sessions before you vote. The invite to the Zoom meetings will be sent 1 week prior to the meeting.

There will be two ways a Sunflower homeowner may cast their one (1) vote per lot number. If more than one (1) vote is cast per lot number, all votes will be invalid and not counted:

Sunflower homeowners who have an e-mail address on file with the Sunflower Community Association will receive an e-mail with a link to vote electronically. This will be sent by the Election Buddy website to the primary e-mail address for each lot number and will only allow one (1) vote per lot number. You are encouraged to vote electronically when you receive the e-mail.

To check if your "official" e-mail address is correct or you are new to Sunflower, call the Sunflower Front Desk (520-572-9780) and ask them to confirm that your e-mail is correct in the system.

The electronic voting will open Wednesday, October 1, 2025 and the **deadline to vote electronically** is Monday, November 3, 2025 closing at 5:00 p.m.

Ballots can be picked up at the front desk starting October 1 thru November 3 as well as at the "Voting Table" in the lobby of the Village Center on the following date/time and request a paper ballot using their proximity card with name and lot number on it. The "Voting Table" will be open

# Saturday, October 18, 2025 from 1:00 p.m.-3:00 p.m.

Paper ballots will be mailed to all Sunflower homeowners on Wednesday, October 1, 2025, who do not have an e-mail address on file with the Sunflower Community Association. If the ballot is to be mailed back by U.S. mail, it must be postmarked by Wednesday, October 29, 2025

#### OR

Paper ballots may be hand delivered to the Village Center ballot box on the credenza by the front desk of the Village Center starting Thursday, October 2, 2025 and closing on Monday, November 3, 2025 at 5:00 p.m.

#### OR

A homeowner may request a paper ballot before the Annual Meeting on Wednesday, November 5, 2025 (5:15 p.m. -5:45 p.m.) and vote by presenting their proximity card.

All ballots will be counted and tallied by the Election Committee on Tuesday, November 4, 2025.

The Annual Meeting will be held on Wednesday, November 5, 2025 at 6:00 p.m. in the Fiesta Room and via Zoom.

The invite to the Zoom Annual Meeting will be sent out one (1) week prior to that meeting.

# Sunflower Community Association Fall, 2025 Election Committee Timeline

Activity	Date	Time/Location
Election Committee Meetings	Second Monday of every month	3:00 pm Conference Room
Call for Candidates	July 14, 2025, Monday	Announcements in Communicator, website, and Sun Catcher
Application Deadline	August 22, 2025, Friday	
Special Edition Sun Catcher		
w/Candidate Bios	September 5, 2025, Friday	5:00 pm - Asst. Manager
Meet the Candidates question box	September 5, 2025, Friday	
		9:00 - 10:30 am
Ballot packet review	September 10, 2025, Wednesday	Conference Room
Deadline for Candidate Questions/ sessions 1 & 2	September 22, 2025, Monday	5:00 pm remove box from credenza
Selection of questions by the		
Committee (Executive Session)	September 23, 2025, Tuesday	1:00 pm Conference Room
Meet the Candidates Session #1	September 27, 2025, Saturday	Fiesta Room 9:00 - 10:30 am ZOOM
Meet the Candidates Session #2	September 29, 2025, Monday	Fiesta Room 6:30 - 8:00 pm ZOOM
Electronic voting e-mail sent by AAM	September 30, 2025, Tuesday	11:00 am or before. Link to electronic ballot w/instructions
Mail paper ballot, two envelopes, instructions on return of ballot	October 1, 2025, Wednesday	9:00 am Conference Room-to all homeowner's w/o email addresses
Mail invite to annual meeting (post card) w/ Voting instructions	October 3, 2025, Friday	C. Chair & Manager
		11:00 am inside front door box
Set out the ballot box	October 2, 2025, Thursday	w/lock
Voting Table-paper ballots available	October 18, 2025, Saturday	1:00-3:00 pm Lobby
Postmark deadline for returned		Mailed ballots collected by Election
mailed ballots	October 29, 2025, Wednesday	Committee
Electronic & paper ballot voting closes	November 3, 2025, Monday	5:00 pm. Hand delivered ballots collected in locked ballot box
Electronic & paper bands voting closes	110 veriliser 3, 2023, ivioliday	9:00 am to completion Conference
Election Committee Ballot Count	November 4, 2025, Tuesday	Room
Election Committee/Voting Table	November 5, 2025, Wednesday	5:15 – 5:45 pm Lobby
Annual Meeting	November 5, 2025, Wednesday	6:00 - 8:00 pm Fiesta Room & ZOOM



**Phyllis Bowcott** 

I, Phyllis Bowcott, would be honored to be a Sunflower Board Member again, proudly served in 2017 to 2019 as your Secretary, Vice President and then President. Serving one year would be my preference.

After High School, I worked for Ozark Airlines out of St. Louis, M.O. Other working experience involved cost accounting, payroll, office management, hiring, firing, and worked for an Oral Surgeon as a chairside assistant. My main occupation that lasted for 30 years was an Optician. After attending the Optical School in the St. Louis area, I found my calling for customer service, patient caring, payroll, taxes, office management, Optic lecturing, in addition to my medical duties. I retired from this field in 2005 and since moving into Sunflower in 2003, I have volunteered as a dance instructor and served on several committees, enjoying everyone.

Thank you for your past support and hope to earn it again.



**Sharon Schafle** 

My name is Sharon Schafle. I am a 22-year resident of Sunflower. My experience includes serving on the Activities Club before it was a committee for two years, Secretary of the Tech Club for one year and President of the HOA at Gatewood Pointe Community for several years. Additionally, I was voted in as Vice President of the local Widow/Widower Support Group for one year and Group Facilitator for two years.

My goal in serving on the Board is to bring more transparency to the community and to keep expenses and increases to HOA fees to a bare minimum. An important reason to keep the HOA fees low is that many of the large number of single people living in our community do not have the luxury of two incomes. I would love to see more people become involved in Board decisions and offer different points of view. I believe Management should realize they work for the community as homeowners pay their salaries. The Board is elected by the homeowners to represent our community. Some of my relevant attributes include working well with others and being passionate about the impact I hope to have. I plan to devote enough time and energy to be effective.



**Larry Schierer** 

My wife Carol and I have lived in Arizona for over 50 years. I spent 9 years in the Navy after which I worked for a communications company in Phoenix and Sierra Vista managing their facilities. I then went to work for an electric utility in Benson, Arizona, where I managed the maintenance and repair of all electronic equipment, including budget and personnel. I retired and did volunteer work.

In 2017, we decided to move from Corona de Tucson, to be closer to Phoenix, where my father-in-law and son lived. We found Sunflower and are happy that we moved to Sunflower with plenty to do and wonderful people.

Since moving to Sunflower, I have been President and current Vice-president of the Sunflower Veterans Club, past Vice-president of the tech club and currently its tech team lead, as well as served on the ARC committee, Website committee and am currently the chairman of the Finance committee.

We love Sunflower and with my experience I would like to continue giving back to the community by serving on the board. My goal will be to move the community in a positive direction with decisions based on what's best for the whole community.

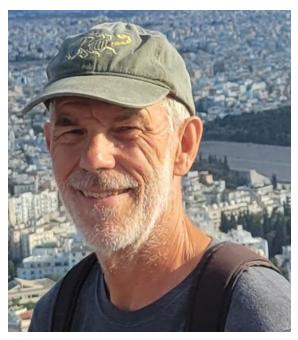


**Stacy Shellard** 

I moved into the Sunflower Community in November of 2022. I am interested in serving on the Board to better serve the Community and its interests.

Prior to moving to Arizona I lived in Connecticut, where I owned a home and a condominium where I served on it's Board as Treasurer.

For 18 years I worked for the Town of Hamden, CT in its Planning & Zoning Department as an Administrative Assistant to the Boards & Commissions. This position included working with the Planning & Zoning Commission, the Zoning Board of Appeals and the Inland Wetlands Commission. I had extensive contact with the Public, Attorneys and Engineers to assure that all the necessary information was provided to process applications needed to present to the Commissions. Prior to working with the Planning & Zoning Department I worked in the Town's Tax Office. My past employment also included working in retail and a telecommunications company.



**Patrick Stirling** 

My wife and I moved into Sunflower in October 2022, and I was elected to the HOA Board of Directors in November 2023. I served as a director for a year and was then elected Treasurer in November 2024. I've enjoyed my duties as Treasurer and it's given me a good understanding of accounting and our HOA finances. There is a steep learning curve to becoming an effective Treasurer, and I would like to continue using that knowledge, and the knowledge I've gained as a board member, for the betterment of Sunflower. I take the oath of office seriously and want to continue serving the best interests of our community.

I spent my working life as a software engineer, initially in London and then San Francisco both as an employee and as sole proprietor of my own consulting business. My wife and I have owned many rental properties and renovated and managed them ourselves. We retired in 2004, moved to Mexico for 7 years and then moved to Tucson in 2011. In 2022 we downsized and we moved to Sunflower. We have very much enjoyed meeting our neighbors and taking part in some of the many activities here.

#### ABSENTEE BALLOT—EXCESS INCOME RESOLUTION

#### SUNFLOWER HOMEOWNERS ASSOCIATION

This ballot is for the purpose of giving the Board of Directors for the Association the authority to decide, based upon recommendations from the Association's CPA, to file income tax return form 1120 or 1120H at year end, thus allowing the Association to take full advantage of the Internal Revenue Code Section 277 and Revenue Ruling 70-604, where excess of membership income over member expenses may be applied against future expenses. This may result in potential tax savings to the Association.

Resolved that; SUNFLOWER HOMEOWNERS ASSOCIATION is an Arizona Corporation, duly organized and existing under the laws of the State of Arizona; and further, since the members desire that the corporation shall act in full accordance with the rulings and regulations of the Internal Revenue Service, any excess of membership income over membership expense for the accounting year ending September 30, 2025, as defined in the Internal Revenue Code Section 277, shall be applied to the subsequent tax year member assessments, as provided in Revenue Ruling 70-604.

- o Yes, I approve.
- o No, I do not approve.

# **Change to the CC&Rs for Sports Courts**

<u>Ballot Question</u>: Add Article 2.1 new subsection (m): Without limiting any other rights and authorities set forth in this Declaration, the Board shall have the sole and absolute right and discretion to determine the schedule of play for and the particular permitted uses of the recreational facilities within the Common Area, and to make any modifications to the same. For the purposes of this subsection, the recreational facilities include, but are not limited to, the tennis and pickleball courts within the common area.

- o Yes, add to the CC & Rs
- o No, do not add to the CC & Rs

Explanation: The intention of this change is to return control over the sport courts (used for tennis, pickleball and pop tennis currently) to the HOA so that we will be able to best meet the needs of the community. The HOA's ability to manage the usage was hampered in 2016 by a settlement agreement that restricted court usage. This settlement agreement provided language that the restrictions would be eliminated if the CC&R's were modified and ratified by HOA membership to return control of the sport courts to the HOA.

# Change to the CC&Rs to raise the Community Improvement Fee

Ballot Question:

<u>Change the CC&Rs to raise the Community Improvement Fee to 150% of the annual assessment.</u>

- o Yes, add to the CC & Rs
- o No, do not add to the CC & Rs

#### **Explanation**

Article X of the CC&Rs covers our HOA Assessments. Specifically, Article X section 10.12 sets the Community Improvement Fee. This fee is charged to new owners when they buy a property in Sunflower, as part of the closing costs. Note that the fee is only for "new" owners. If you already own property in Sunflower and buy another property here (with or without selling the first property) you will not be charged this fee. The fee is also not charged if the property transfer is in connection with the death of the owner and the new owner is a family member. The Community Improvement Fee ("CIF") is used for projects to improve our community, and all such projects must be approved by a majority vote of members.

Currently the CIF is set at 100% of the annual HOA assessment. On review we found that Sunflower charges less than most other HOAs in our area. The Board proposes to increase the CIF amount to 150% of the annual assessment, to bring us more in line with other HOAs. So for the upcoming fiscal year the increased fee would be \$2400 (150% of the new \$1600 annual assessment). Without this change the fee would remain at 100% of the assessment, i.e. \$1600. The proposed change to CC&R Article X is listed below. The complete text with the proposed change is available at the front desk of the center.

#### **CC&R Change to Article X Assessments**

# 10.12. Community Improvement Fee (CIF).

[... Unchanged text omitted ...]

The CIF shall be  $\frac{100\%}{150\%}$  of the annual assessment for the most recent fiscal year of the Association.

## Change to the CC&Rs to Clarify Wall Maintenance Responsibility

Ballot Question: Change CC&Rs Article V Maintenance 5.1, 5.2 and 5.4.

- o Yes, add to the CC & Rs
- o No, do not add to the CC & Rs

## **Explanation**

Article V of the CC&Rs covers maintenance of property within Sunflower. It defines each type of property (e.g. Common Area, landscaping, sidewalks etc), and sets out who is responsible for the repair and maintenance of each type of property. For most property types it's pretty clear: property owned by the Association is the responsibility of the Association. This includes all of the Common Areas, landscaping and parking areas and so on. Property owned by a resident (aka "Owner") is the responsibility of the resident. However we have many shared walls that separate property with different owners. The CC&R's calls these walls "Party Structures" and defines them in CC&Rs section 5.4. As it stands now, the wording of this section is unclear and contradictory. For example, in section 5.2 Owner's Responsibility it says that the Owner is responsible for walls separating their lot from the Common Area, but towards the end of section 5.4 Party Structures it says that such shared walls are the joint responsibility of the Owner and the Association.

The board proposes to clarify this Article to make clear that the Association is responsible for all walls within the Common Area, and Owners are responsible for all shared walls around their property. There is one caveat to this: the Association is responsible for maintaining the stucco on shared walls with stucco on the Common Area side. It's important to note that homeowner's insurance normally covers the walls around the homeowner's property. If the Association assumed responsibility for these walls, our insurance would increase and we would have to conduct regular inspections, necessitating access to homeowners' property. These walls would also have to be added to the Operating and Reserve budgets to cover maintenance and replacement cost, increasing the annual assessment.

The proposed changes to CC&R Article V are listed below. The complete text with the proposed changes is available at the front desk of the center.

#### **CC&R Changes to Article V Maintenance**

- **5.1. Association's Responsibility.** The Association shall maintain (to, at a minimum, the standard of care required pursuant to Section 11.1.3 of the Master Declaration) and keep in good repair the Area of Common Responsibility, which shall include, but need not be limited to:
- [... Unchanged text omitted ...]
- a. walls and fences constructed by the Former Declarant or the Association which serve as either perimeter walls for the Properties or walls which separate any Lot from Common Area, if and only if are located entirely within the Common Area and are not Party Structures for which an Owner is responsible pursuant to Section 5.4 below;

[Unchanged text omitted]

**5.2. Owner's Responsibility.** Each Owner shall maintain and repair his or her Lot, Private Use Easement area (as defined in Section 13.10 below), Dwelling Unit, and all other structures, parking areas, landscaping, walls and fences (including without limitation walls and fences constructed by Former Declarant or the Association between such Owner's Lot and any Common Area unless located entirely within the Common Area (other than walls enclosing Private Use Easement area), and between such Owner's Lot and any public street or other property not subject to this Declaration whether or not located entirely within the Lot <u>or on the Common Area</u>).

[... Unchanged text omitted ...]

**5.2. Owner's Responsibility.** Each Owner shall maintain and repair his or her Lot, Private Use Easement area (as defined in Section 13.10 below), Dwelling Unit, and all other structures, parking areas, landscaping, walls and fences (including without limitation walls and fences constructed by Former Declarant or the Association between such Owner's Lot and any Common Area unless located entirely within the Common Area (other than walls enclosing Private Use Easement area), and between such Owner's Lot and any public street or other property not subject to this Declaration whether or not located entirely within the Lot <u>or on the Common Area</u>).

[... Unchanged text omitted ...]

<u>Party Structures.</u> Each wall and fence built by the Former Declarant as part of the original construction and each wall and fence built by an Owner or the Association after original construction:

which is located within the Area of Common Responsibility between a Lot and Sunflower Park Drive, and which establishes the boundary of a Private Use Easement (as defined in Section 13.10 below) reserved by the Former Declarant for the Benefit of the Lot Owner; or

[... Unchanged text omitted ...]

Each Owner shall be responsible for maintaining property insurance, [...]. <u>In the case of a Party Structure between a Lot and Common Area or between a Lot and any public street, the Owner of the Lot shall maintain such coverage for the Party Structure entirely, regardless of its location.</u>

[... Unchanged text omitted ...]

The responsibility for the repair and maintenance of a Party Structure described in subsection 5.4(c) above and the reasonable cost thereof shall be shared equally by the Benefited Lot Owner \_and the Association; provided, however, each Owner shall be responsible for painting and making cosmetic repairs to the portion of the Party Structure facing his or her Lot and all costs associated therewith, and the Association shall be responsible for to painting and making cosmetic repairs to the portion of a Party Structure described in subsection 5.4(c) above facing Sunflower Park Drive To the extent damage to a Party Structure from fire, water, soil settlement, or other casualty is not repaired out of the proceeds of insurance, the Association with respect to any Party Structure described in subsection 5.4(c) may restore it. The Association's right to contribution from an Owner with respect to any Party Structure described in subsection 5.4(c) above under this Section shall be appurtenant to the land and shall pass to such Owner's successors-in-title.

[... unchanged text omitted ...]

With respect to Party Structures between Lots and Common Area, between Lots and any public street, and between Lots and other property not subject to this Declaration, the Association Owner of the lot shall be responsible for all maintenance and repair thereof, subject to the provisions of Section 10.5(b), except that an Owner shall be responsible for painting and making cosmetic repairs to the portion of the Party Structure facing his or her Lot. To the extent necessary, The Association an Owner shall have an easement over any affected Lot the Common Areas to perform it's the Owner's maintenance responsibilities hereunder.

#### CHANGES TO THE CC & RS TO COMPLY WITH THE ARIZONA LAW AND CLARITY

Ballot Question-Change the CC&R's per the recommendations of the Ad Hoc Governance committee and legal counsel: 1.16,1.30, 1.35, 3.3, 4.2, 4.3, 5.4, 6.3, Article VII, 9.1, 10.1, 10.2, 10.3, 10.5, 11.2, 11.4, 11.6, 12.2, 12.4, 13.1, Article XV, 11.4, 15.4, 15.5, and 16.2.

- Yes, change the CC & Rs
- No, do not change the CC & R's
- **1.16. "Dwelling Unit":** Any building or structure situated upon a Lot which is intended solely for use and occupancy as a residence for a single family. Any detached building for use for residential or dwelling purposes, in addition to the primary Dwelling Unit, is not allowed.
- **1.30. "Owner":** Cumulatively, all Persons who hold the record title to any Lot. The fee simple title to which is vested in a trustee pursuant to Arizona Revised Statutes, Section 33-801, et seq., the Trustor shall be deemed to be the "Owner." "Owner" shall also include a purchaser under a contract for the conveyance of real property subject to the provisions of A.R.S. Section 33-741, et seq. "Owner" shall not include purchasers under purchase contracts and receipts, escrow instructions or similar executory contracts that are intended to control the rights and obligations of the parties to such executory contracts pending the closing of a sale or purchase transaction. The term "Owner" shall not include Persons holding an interest merely as security for the performance of an obligation, in which case the equitable owner will be considered the Owner.
- **1.35.** "Single Family": Two married adults, two co-habiting adults, one single adult, subject to age qualifications (See sections 1.2 and 2.3. A live-in non-age-qualified care-giver is permitted. See section 1.34 for other exceptions to age qualification. A group of one or more people each related to the other by blood, marriage, or legal adoption, or a group of not more than three (3) persons not all so related, who maintain a common household in a Residential Unit.
- **3.3. Voting**: b) Exercise of Voting Rights In case a lot has more than one member, the members must cast a unified vote. If more than one vote is cast per lot, that lot's vote is void. Fractional votes are prohibited.
- **4.2. Enforcement Exercise of Voting Rights.** If there is more than one Person comprising the Owner of a particular Lot, the vote for such Lot shall be exercised as all Persons comprising the Owner determine among themselves and advise the Secretary of the Association in writing prior to any meeting. Absent such notice to the Association, the Lot's vote shall be suspended if more than one Person seeks to exercise it. In case a lot has more than one member, the members must cast a unified vote. If more than one vote is cast per lot, that lot's vote is void. Fractional votes are prohibited. All remedies set forth in this Declaration and the By-laws the Governing Documents shall be cumulative of any remedies available at law or in equity. Notwithstanding the above, any Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants and reservations now or hereafter imposed by the provisions of the Governing Documents this Declaration and to recover its attorneys' fees and costs incurred in connection with such proceeding if it prevails. An Owner shall not take such action without first providing the Association with written notice and a reasonable opportunity to take such action on its own.

Furthermore, if legal fees are incurred by the Association in an action involving an owner, the Association may assess the owner(s) in question to recover such fees, even in the absence of litigation.

- **4.3. Implied Rights; Board Authority**. The Association may exercise any right or privilege given to it expressly by this Declaration or the By-Laws or which may be reasonably implied from, or reasonably necessary to effectuate, any such right or privilege. Except as otherwise specifically provided in this Declaration, the By-Laws, Articles, or by law, the Governing Documents and Arizona law, all rights and powers of the Association may be exercised by the Board without a vote of the membership.
- **5.4 Party Structures** Any disputes between Owners with respect to maintenance or repairs of Party Structures shall be resolved in accordance with the procedures set forth in Article XV.
- **6.3 Owner's Insurance**. By virtue of taking title to a Lot, each Owner covenants and agrees with all other Owners and with the Association to carry property insurance for the full insurable replacement cost on all improvements on any Lot owned and on any appurtenant Private Use Easement area, and on all CVT/DOCS/ACC/CC&RS.2<sup>nd</sup>AMD2008

other improvements whose repair and replacement are the responsibility of such Owner pursuant hereto, less a reasonable deductible, unless the Association carries such insurance. Owners may, and are encouraged to, obtain property insurance.

**Article VII NO PARTITION-**Except as permitted in this Declaration the Governing Documents, the Common Area shall remain undivided, and no Person shall bring any action for partition of the whole or any part thereof without the written consent of all Owners and Mortgagees.

- **9.1 Annexation With Approval of Membership.** The Association, at any time, may subject any real property to the provisions of this Declaration the Governing Documents with the consent of the owner of such property, and the affirmative vote of at least two-thirds (2/3) of the total Members eligible to vote. Such statement shall be binding upon the Association, the Board, and the Owners, and shall be
- furnished within such period as may be required by applicable law, or in if none, within thirty days of the Association's receipt of the request.
- **10.1. Creation of Assessments.**\_Such statement shall be binding upon the Association, the Board, and the Owners, and shall be furnished within such period as may be required by applicable law, or in <u>if</u> none, within thirty days of the Association's receipt of the request.
- **10.2. Computation of Base Assessment.** If any Member requests a copy of the budget, the Association shall <u>have 10 days to</u> provide one copy to the Member without charge. <del>Such copy shall be delivered personally or by first-class United States Mail within 10 days of such request.</del>
- **10.3.** Capital Expenditures Budget and Reserve Funds. On an annual basis, capital expenditures budgets shall be prepared reviewed by the Association for general purposes, which take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost of each asset.
- **10.5. Benefited Assessments.** The right of the association to levy a benefitted assessment to recover attorney fees, court costs and other costs of litigation that may have been awarded in a court action.
- **11.2. Architectural and Design Review** Architectural Review Committee: Modifications. The Board shall establish the ARC, which shall consist of an uneven number of Persons no less than three (3). Members of the ARC shall be appointed and shall serve at the discretion of the Board. <u>In keeping with ARS 33-1817(B)(1)</u> the chairperson of the ARC must be a Board Member.
- **11.4. Submission of Plans and Specifications**. In the event the ARC fails to advise the submitting party by written notice within the period specified in the Design Guidelines of either the approval or disapproval and suggestions for curing the objections of the committee of the Plans, approval shall be deemed to have been given denied. In this case, Members may resubmit their request.
- **11.6 Variance.** The ARC may authorize variances in writing from its guidelines and procedures, but only: (a) in accordance with duly adopted rules and regulations, (b) when unique circumstances dictate, such as unusual topography, natural obstructions, hardship or aesthetic or environmental considerations, and (c) when construction in accordance with the variance would be consistent with the purposes of the Declaration Governing Documents and compatible with existing and anticipated uses of adjoining properties.
- **12.2. Authority to Promulgate Use Restrictions and Rules** Subject to the terms of this Article <u>the Governing Documents</u> and in accordance with its duty of care and undivided loyalty to the Association and its Members, the <del>Board</del> may amend the Use Restrictions and may adopt rules which modify, cancel, limit, create exceptions to, or expand the Use Restrictions then in effect.
- **12.4 Rights of Owners-** (b) **Speech, Signs** The rights of Owners and Occupants to display on their Lot political signs and political symbols of the kinds normally displayed in or outside of residences located in single family residential neighborhoods on individually owned property shall not be abridged, except that

CVT/DOCS/ACC/CC&RS.2ndAMD2008

the Association may adopt time, place, and manner restrictions regulating signs and symbols which are visible from outside the Lot and in accordance with Arizona Law. The Association reserves the right to restrict signs and symbols not addressed by Arizona Law. No signs are permitted except for those signs that are minimally required by A.R.S. 33-1808 as may be amended. from time to time, any signs as may be required by legal proceedings, and such signs as are approved by the Board.

**13.1 Private Use Easements**\_The Private Use Easement area and every part thereof, including the side of party walls facing the Private Use Easement area and the drainage system established as part of the original grading and original construction upon the Benefited Lot, shall be repaired, replaced and maintained by the Owner of the Benefited Lot continuously in a neat an and orderly condition consistent with the Community-Wide Standard and Section 5.2 hereof.

Article XV DISPUTE RESOLUTION 15.1. Agreement to Avoid Litigation. All Persons subject to these CC&Rs (other than the Association), and any Person not otherwise subject to these CC&Rs who agrees to submit to this Article (collectively, "Bound Parties") agree to encourage the amicable resolution of disputes involving the Properties, without the emotional and financial costs of litigation. Accordingly, each Bound Party covenants and agrees that the claims, grievances, or disputes described in Section 15.2 ("Claims") shall be resolved using the procedures set forth in Section 15.3 in lieu of filing suit in any court.15.2. Claims. All claims, grievances, disputes, actions and suits between or among Bound Parties arising out of or relating to the interpretation, application, or enforcement of the Governing Documents, or the rights, obligations, and duties of any Bound Party under the Governing Documents, shall be subject to the provisions of Section 15.3. Notwithstanding the above, the following shall not be Claims and shall not be subject to the provisions of Section 15.3; any claim, grievance, dispute, action or suit in which the Association, or their respective employees, agents officers or directors, is a party; any claim, grievance, dispute, action or suit between Owners if the grounds therefore would constitute a cause of action independent of the Governing Documents; any claim, grievance, dispute, action or suit in which any indispensable party is not a Bound Party; any action or suit which otherwise would be barred by any applicable statute of limitations; and any claim, grievance, dispute, action, cause of action or suit asserted by an Owner or Occupant to challenge the actions of the Association, the Board, the ARC, any subcommittee of the ARC, any covenants committee, or any other committee with respect to any review, processing, approval or disapproval in connection with, or any exercise of review or veto power pursuant to, or the application or enforcement of, any of the provisions of Article XI or Article XII. With the consent of all parties thereto, any claim, grievance, dispute, action or suit described in subsections (a) through (e) above may be submitted to the alternative dispute resolution procedures set forth in Section 15.3. 15.3. Mandatory Procedures Notice. Any Bound Party having a Claim ("Claimant") against any other Bound Party ("Respondent") (collectively, the "Parties") shall notify each Respondent in writing (the "Notice"), stating plainly and concisely: The nature of the Claim, including the Persons involved and Respondent's role in the Claim; he legal basis of the Claim (i.e., the specific authority out of which the Claim arises); Claimant's proposed remedy; and That Claimant will meet with Respondent to discuss in good faith ways to resolve the Claim. Negotiation and Mediation. The Parties shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation. If the Parties do not resolve the Claim within 30 days of the date of the Notice (or within such other period as may be agreed upon by the Parties) ("Termination of Negotiations"), Claimant shall have 45 additional days to submit the Claim to mediation under the auspices of the Community Associations Institute or, if such service is not locally available through the Community Associations Institute or if the Parties otherwise agree, to an independent agency providing dispute resolution services in the Pima County, Arizona area. If Claimant does not submit the Claim to mediation within 45 days after Termination of Negotiations, or does not appear for the mediation, Claimant shall be deemed to have waived the Claim, and Respondent shall be released and discharged from any and all liability to Claimant on account of such Claim; provided, nothing herein shall release or discharge Respondent from any liability to any Person other than the Claimant. Any settlement of the Claim through mediation shall be documented in writing by the mediator. If the Parties do not settle the Claim within 45 days after submission of the matter to the mediation process, or within such time as determined by the mediator, the mediator shall issue a notice of termination of the mediation proceedings ("Termination of Mediation"). The Termination of Mediation notice shall set forth that the Parties are at an impasse and the date that mediation was terminated. Within five days after the Termination of Mediation, the Claimant shall make a final written settlement demand ("Settlement Demand") to the Respondent and the Respondent shall make a final written settlement offer ("Settlement Offer") to the Claimant. If the

Claimant fails to make a Settlement Demand, Claimant's original Notice shall constitute the Settlement Demand. If the Respondent fails to make a Settlement Offer, Respondent shall be deemed to have a made a "zero" or "take nothing" Settlement Offer.

Final and Binding Arbitration. If the parties do not agree in writing to a settlement of the Claim within 15 days after the Termination of Mediation, the Claimant shall have 15 additional days to submit the Claim to arbitration in accordance with the Rules of Arbitration contained in Exhibit "E" or such rules as may be required by the agency providing the arbitrator. If not timely submitted to arbitration or if the Claimant fails to appear for the arbitration proceeding, the Claim shall be deemed abandoned, and Respondent shall be released and discharged from any and all liability to Claimant arising out of such Claim; provided, nothing herein shall release or discharge Respondent from any liability to Persons other than Claimant.

This subsection (c) is an agreement to arbitrate and is specifically enforceable under the applicable arbitration laws of the State of Arizona. The arbitration award (the "Award") shall be final and binding, and judgment may be entered upon it in any court of competent jurisdiction to the fullest extent permitted under the laws of the State of Arizona.

- **15.4. Allocation of Costs of Resolving Claims**. Each Party shall bear its own costs in connection with negotiation and mediation, including any attorneys' fees incurred, and all Parties shall share equally all charges of the mediator(s). Any Award which is equal to or more favorable to Claimant than Claimant's Settlement Demand shall add Claimant's attorney's fees and costs (including expert witness fees) incurred in the arbitration to the Award, such costs to be borne equally by all Respondents against whom the Award is imposed. Any Award which is equal to or less favorable to Claimant than any Respondent's Settlement Offer shall award to such Respondent its attorney's fees and costs (including expert witness fees) incurred in the arbitration.
- **15.5. Enforcement of Resolution.** After resolution of any Claim, if any Party fails to abide by the terms of any agreement or Award, then any other Party may file suit or initiate administrative proceedings to enforce such agreement or Award without the need to again comply with the procedures set forth in Section 15.3. In such event, the Party taking action to enforce the agreement or Award shall be entitled to recover from the non-complying Party (or if more than one non-complying Party, from all such Parties in equal amounts) all costs incurred in enforcing such agreement or Award, including, without limitation, attorneys' fees and court costs.
- **16.2.** Amendment. Any procedural challenge to an amendment must be made within six months thirty days of its recordation or such amendment shall be presumed to have been validly adopted.

