

BYLAWS of DREAMLAND VILLA RETIREMENT COMMUNITY

Incorporates items approved by the Membership at the January 28, 2023, Annual Meeting

ARTICLE I, THE PRESIDENT

Section 1. It shall be the duty of the president to preside at all meetings, unless called by the membership and enforce all rules and regulations relating to the administration of the Dreamland Villa Retirement Community.

Section 2. Meetings of the Dreamland Villa Retirement Community shall be called by the president or the board of directors when a majority of the board deems it necessary. The membership may call a special meeting of the membership for any purpose by obtaining signatures of 100 members. It shall be the duty of the board of directors to verify those signatures within five (5) business days of receipt. The petitioners shall establish the date of such special membership meeting. The board of directors shall facilitate and communicate to the membership the date of such special meeting. Notification must be at least ten (10) days but not more than sixty (60) days before the meeting date. At the commencement of the special membership meeting the members shall take nominations for the position of Presiding Officer and vote on who shall preside over the session.

Section 3. The president shall provide all board members with a current copy of the governing documents, e.g., Articles of Incorporation, Bylaws and Policies and Procedures of the Dreamland Villa Retirement Community.

ARTICLE II, THE VICE PRESIDENT

Section 1. In the absence of the president, the vice president shall have all the powers, prerogatives and duties of the president.

ARTICLE III, SECRETARY

Section 1. The secretary shall enter in proper books all resolutions and proceedings of the meetings of the Dreamland Villa Retirement Community and of the Board.

Section 2. The secretary shall record and publish all minutes of the board meetings.

Section 3. The board may from time to time elect one or more assistant secretaries to perform such duties as the board may determine.

Section 4. Within ten (10) days of each board meeting the secretary shall publish a copy of the official minutes on the designated notification sites of Dreamland Villa Retirement Community. *Designated notification sites are the official bulletin board, website, and the Citizen paper.*

ARTICLE IV, TREASURER

Section 1. Disbursements of the Dreamland Villa Retirement Community made by check shall be signed and countersigned. The signatures shall be by authorized members of the Board of Directors of the Dreamland Villa Retirement Community. Disbursements may also be made by credit card, electronic payment, or other financial means that has board approval.

Section 2. The treasurer shall receive, keep an accurate account of, and be responsible for all Dreamland Villa Retirement Community funds received by him or her.

Section 3. The treasurer shall disburse Dreamland Villa Retirement Community funds, other than ordinary operating expenses, only on the directive of the board.

Section 4. Dreamland Villa Retirement Community funds shall be deposited to the account of the Dreamland Villa Retirement Community in a federally insured account at a federally insured financial institution designated by the board.

Section 5. The treasurer shall make a report of the Dreamland Villa Retirement Community financial standing at each board meeting and at each Dreamland Villa Retirement Community meeting, and publish it on the designated notification sites.

Section 6. The treasurer shall publish on the designated notification sites, the audit report and annual statement of financial conditions after the acceptance of the audit by the board.

Section 7. The board may, from time to time, elect one or more assistant treasurers to perform such duties as the board may determine.

ARTICLE V, BOARD OF DIRECTORS

Section 1. The board of directors shall consist of seven (7) members whose terms shall be determined as specified in Article X, Section 4, below.

Section 2. It shall be the duty of the board to execute the policies of the Dreamland Villa Retirement Community and all applicable county, state and federal laws and regulations.

Section 3. A majority of the votes cast, unless a greater percentage may be stipulated by the board, shall constitute the decision of the board, and that of the Dreamland Villa Retirement Community on all matters, except for those matters reserved exclusively for approval by the Membership.

Section 4. The board of directors shall appoint, at the beginning of each fiscal year, a committee of three (3) qualified voting members in good standing to perform the audit and review of the Dreamland Villa Retirement Community's financial records and procedures. All audit reports shall be completed no later than one hundred and eighty (180) days following the end of the corporation's fiscal year and shall be made available, upon request, to the members within thirty (30) days of the audit's completion.

Section 5. A member of the board must be available for all board meetings.

Section 6. The Board of the Dreamland Villa Retirement Community shall not, on behalf of the Dreamland Villa Retirement Community, borrow or lend money, nor authorize the officers of the Dreamland Villa Retirement Community to borrow or lend money on behalf of the Dreamland Villa Retirement Community, unless each such transaction is approved by a two-thirds vote of the voting

members present at a meeting called for that purpose with at least ten (10) days-notice of the meeting and the purpose.

Section 7. To the extent any vacancy is created on the board, for whatever reason, such vacancy shall be filled by a vote of a quorum of the remaining members of the board, and the person so elected to fill the vacancy shall serve until the position is filled following the next scheduled election.

Section 8. No board member, nor any individual who has an economic or family relationship with a board member, shall receive any compensation, other than reimbursement for approved expenses, from any funds of the Dreamland Villa Retirement Community during the term of office of the board member. For purposes of this section, economic relationships include a roommate, landlord/tenant, and the like, and family relationships including marriage, monogamous relationships, parents, grandparents, siblings, in-laws, aunts, uncles, step relatives, etc.

Section 9. It shall be the duty of the board to take care of, control, and manage all the assets of the Dreamland Villa Retirement Community, and to maintain existing facilities in good repair, assigning and reassigning space as needed.

Section 10. The board shall not authorize a capital expenditure (an expenditure for the addition or improvement to new or existing properties) in excess of twenty thousand dollars (\$20,000 without the approval of a majority of the voting members present at the annual or special meetings of the Dreamland Villa Retirement Community. The membership shall be advised of such an expenditure and date of such meeting published in the designated notification sites. Any expenditure for maintenance or repair, over twenty thousand dollars (\$20,000) shall not be subject to this rule but shall require approval of the board of directors.

Section 11. The board shall not authorize the sale of any real estate without the approval of a majority of the voting members present at the annual or special meetings of the Dreamland Villa Retirement Community. The membership shall be advised of proposals to sell real estate by prior notice published on designated notification sites.

Section 12. The board should seek legal counsel e.g., for contracts and leases, but no director, including the president, may seek legal services at the expense of Dreamland Villa Retirement Community without first obtaining a majority vote of an approved agenda item at a board meeting for which there are documented and published minutes. All legal counsel requests and responses provided verbally or written, shall be shared with all directors in a timely manner, 2 days.

ARTICLE VI, STANDING COMMITTEES

Section 1. Standing and ad hoc committee chairs as well as coordinators shall be appointed by the president, with the advice and consent of the board.

Section 2. Standing committees shall give a written report of their activities and recommendations at the monthly board meetings and provide a final report at the annual meeting of the Dreamland Villa Retirement Community, these reports to be filed with the secretary.

ARTICLE VII, MEETINGS

Section 1. The annual meeting of the Dreamland Villa Retirement Community shall be in January and shall include the presentation of candidates nominated for election to the board of directors and any other pertinent community business appropriately placed in advance on the meeting's agenda.

Section 2. A special Dreamland Villa Retirement Community meeting may be held the first workday of April to report the results of the election of directors and officers, and to install the incoming directors and officers.

Section 3. Special meetings shall be held as outlined in Article I, Section 2, of the By Laws.

Section 4. Board meetings shall be held in the second week of each month.

Section 5. A study session of the board may be held prior to a board meeting for the primary purpose of discussing topics to be included at the next board meeting and to set the agenda for the next board meeting, such meeting to be scheduled at a date and time not less than five (5) working days prior to the board meeting. Non-members of the Dreamland Villa Retirement Community may attend as observers and shall only be permitted to participate in discussions if so, invited by the presiding officer.

Section 6. The board of directors may conduct study sessions, regular board meetings or special meetings by telephone or other electronic means by which all directors participating may simultaneously hear each other. A director participating in a meeting by this means is deemed to be present. A motion and vote made during such meetings shall be considered valid. Minutes of such meetings shall be published as provided in these By Laws.

ARTICLE VIII, QUORUM

Section 1. One hundred (100) voting members shall constitute a quorum at all membership meetings.

Section 2. A quorum at a board meeting shall be determined by the majority of the number of board members stipulated in the By Laws. For example, if the board should consist of seven (7) members but there are vacancies, the majority will still be determined using seven (7) as the determining number. A quorum of this board would then be four (4).

ARTICLE IX, RULES

Section 1. All meetings shall be conducted in accordance with these By Laws, the Arizona statutes to the extent these By Laws are otherwise silent, and Robert's Rules of Order, as revised.

Section 2. The board may appoint a Parliamentarian to advise on parliamentary procedures when necessary.

Section 3. All members of the Dreamland Villa Retirement Community shall be required to show their current membership cards when attending business meetings, elections, and other official functions of the community for identification, except where public attendance is permitted by the board of directors.

Section 4. Smoking or vaping is not allowed in the interior rooms, pool facilities, or within 20 feet of the doors of any Dreamland Villa Retirement Community facility.

Section 5. Dreamland Villa Retirement Community shall operate on a calendar year from January 1 through December 31.

Section 6. The bylaws may only be changed by a majority vote of the membership at a meeting of the membership. Proposed bylaw changes should be typewritten using the markup method, strikethrough and underline. Each proposal shall establish an effective date upon passage. Proposed bylaw changes must be submitted to the board of directors eight (8) days prior to a board meeting. All proposed bylaw changes advanced by the board shall be published on the designated notification sites.

Section 7. An elected Dreamland Villa Retirement Community Board Director may only be removed by recall. The recall process is initiated when a petition signed by at least 100 Dreamland Villa Retirement Community members in good standings is delivered to the Dreamland Villa Retirement Community office at 320 North 55th Place Mesa, AZ 85205, in care of the board of directors. It shall be the duty of the board of directors to verify those signatures within five (5) business days of receipt. The petitioners shall establish the date of such special membership meeting. To facilitate and communicate to the membership the board of directors shall publish on the designated notification sites the date of such special meeting. Notification must be at least ten (10) days but not more than sixty (60) days before the meeting date. At the commencement of the special membership meeting the members shall take nominations for the position of Presiding Officer and vote on who shall preside over the meeting._

ARTICLE X NOMINATION AND ELECTION OF BOARD MEMBERS AND OFFICERS

Section 1. The nominating committee shall consist of three (3) voting members to be appointed by the president and approved by the board on or before the November meeting of the board.

Section 1a. The nominating committee shall present a slate of candidates of voting members in good standing for the board at the annual membership meeting. Members interested in being candidates for the board shall have until noon of the last business day of the calendar year to announce their candidacy to the nominating committee chairperson. The number of candidates nominated by the nominating committee should equal at least the total number of anticipated director vacancies.

Section 2. Election shall be by secret ballot supervised by tellers appointed by the president. They shall receive the ballots and tabulate the results. All ballots, voted and blank, must be accounted for and kept on file for six (6) months. Counting shall be at Read Hall. Poll watchers may observe.

Section 3. Election of candidates to the board shall be conducted on the second Tuesday in February between the hours of 8:00 a.m. and 7:00 p.m. at polling places designated by the board and under rules established by the board.

Section 3a. The ballot shall not indicate any political or other affiliation of any of the candidates. Membership cards must be presented at the time of voting. Absentee ballots will be accepted from members in good standing for the election of candidates to the Dreamland Villa Retirement

Community Board of Directors according to the procedures set forth in the Administrative Policy and Procedure manual.

Section 4. In order to maintain the board at the prescribed level, an appropriate number of directors should be elected to fill openings in April. The three candidates receiving the highest number of votes shall serve for three years, then in descending order, two years and one year. In case of a tie vote, the nominating committee chair will flip a coin to determine the winner.

Section 4a. A director who has served two consecutive terms, not to exceed a total of six (6) years, shall not be eligible for re-election to the board until there is a lapse of at least one (1) year following the last term served. A newly appointed director filling out a partial year until the next election shall remain eligible for election to two full consecutive terms. Further, a board member resigning for any reason, prior to the end of his/her elected term, will be prohibited from serving on the board again until the end of his/her elected term plus one year.

Section 5. After the election and prior to the first workday in April the president shall call a meeting of the newly elected directors and the carry over directors solely for the purpose of electing officers from among their number to serve for one-year officer terms commencing on the first workday of April.

ARTICLE XI, MEMBERSHIP AND DUES

Any fee requested is a voluntary contribution. No fee is mandatory.

Section 1. All persons residing within the 18 sections of Dreamland Villa and renters of apartments listed below as “Rental Properties” that are not situated within the 18 Sections, provided such renters meet the residency standards established in the Senior Overlay Zoning Designation, may purchase, a voting membership in the Dreamland Villa Retirement Community pursuant to the Administrative Policy and Procedure manual. Annual fees shall be the same for all classes of membership. Membership may not be purchased for, by, or on behalf of any person not a resident of Dreamland Villa or of the apartments described above. Membership cards shall only be issued to individuals, not to groups of individuals.

Rental Properties: 315 (APN: 141-75-096 B & G), 321 (APN: 141-75-096 C) and 333 (APN: 141-75096 E) N. Higley Road; 5233 E. University Dr. (APN: 141-75-096 M, N, P & Q); 6732, 6742 and 6750 (APN: 141-62-013 H, J & K) E. Dallas St.; 245 N. 56th St.(APN: 141-49-041 F); 5631 E. University Dr. (APN: 141-49-041 D); 5825 E. University Dr. (APN: 141-49-006 J, K, L, M, P,Q, R & S); and 5925 E. University Dr. (APN: 141-49-006 E) that are not situated within the 18 Sections

Section 2. Annual fees for the next calendar year should be established by the board no later than the November board meeting and shall be due on or before January 31 of the new membership year. If the board establishes the annual fees for any amount that exceeds that of the previous year by more than 10% then such fee increase shall be referred to the voting membership of the Dreamland Villa Retirement Community at a special meeting for approval or disapproval. If a majority of the valid votes cast on the issue by the voting members present do not approve the annual fees increase, the fees for the ensuing year shall not exceed that of the previous year by more than 10%.

Section 3. If the board fails to establish the annual fees by the November board meeting, then the fee for that year shall be the same as the fee for the preceding year and shall be due and payable as stated in Article XII, Section 2.

Section 4. New property owners, at the time of escrow closing, shall be requested to pay, in addition to the annual fee, a one-time Transfer Fee. The transfer fee is established to cover the cost of maintaining Dreamland Villa Retirement Community's age-restricted status and may from time to time be modified by the board of directors. Only one transfer fee may be charged for a residence regardless of the number of individuals residing in that residence. The transfer fee is not applicable to transfer of ownership between family members, i.e., spouses, parents, siblings, or children.

Section 5. New members shall pay 1/12th, to the nearest whole dollar, of the current annual fees for each month, including any partial month, remaining to the end of the current year. There shall be no refund of the annual fee paid should a membership, for any reason, be terminated. For purposes of this section, a new member shall be defined as an individual who has not been a member of Dreamland Villa Retirement Community during the previous membership year.

Section 6. If a member in good standing relocates to a new residence within Dreamland Villa, the annual fee paid is transferable with the member to the new residence for the remainder of the current year.

Section 7. Dreamland Villa Retirement Community memberships not renewed by January 31st of the current membership year shall be deactivated. Such memberships may be reactivated during the same membership year that the membership was allowed to lapse by paying the unpaid membership annual fee. Such memberships allowed to lapse into subsequent membership years will be considered terminated and may only be restored by paying the current one year's annual fee. All membership rights shall be suspended during any period in which the annual fees and any other membership related fees remain unpaid.

Section 8. A member of Dreamland Villa Retirement Community may have their privileges and benefits suspended according to the procedures provided for in the Policy and Procedures entitled "Membership Discipline and Suspension". For example, privileges and benefits may be suspended for any member who violates the governing document of Dreamland Villa Retirement Community.

Section 9. The Declaration of Restrictions and Amendments thereto, attached to the real property located within one of Dreamland Villa Development's eighteen (18) sections, establishes that Dreamland Villa is a 55+ community, and each dwelling unit shall be occupied by at least one resident aged fifty-five years of age or older, and that no person eighteen (18) years of age or younger shall reside in a dwelling unit for a period longer than 90 days. It shall be the policy of the Dreamland Villa Retirement Community to establish Policies and Procedures to comply with the requirements set forth in the US Department of Housing and Urban Development Housing for Older Persons Act of 1995, Final Rule Effective May 3, 1999, and the Maricopa County Zoning Ordinance, Chapter 10 Overlay Zoning Districts, Section 1006. Senior Citizen Overlay.