

BYLAWS
OF
McCORMICK RANCH ARCHITECTURAL REVIEW COMMITTEE, INC.

ARTICLE I
Offices

Section 1. Organization. McCORMICK RANCH ARCHITECTURAL REVIEW COMMITTEE, INC. (the "Corporation") is a corporation organized under the General Corporation Law of the State of Arizona.

Section 2. Offices. The Corporation may maintain a principal office and other offices, either within or without the State of Arizona, as determined by the Board of Directors or as the business of the Corporation may require from time to time whereat all business of the Corporation may be transacted.

Section 3. Known Place of Business. The known place of business of the Corporation, as required by A.R.S. § 10-1008 to be maintained in the State of Arizona, may be, but need not be, identical with the office of its statutory agent in the State of Arizona. The address of the known place of business may be changed from time to time by the Board of Directors in accordance with A.R.S. § 10-1009.

ARTICLE II
Membership

Section 1. Corporate Membership. There shall be one (1) member of the Corporation: McCormick Ranch Property Owners' Association, Inc., an Arizona non-profit corporation (the "Corporate Member").

Section 2. Action of Corporate Member. As used herein, "action of the Corporate Member" shall mean a resolution of its board of directors. Any action taken by the Corporate Member shall in all respects be valid with respect to its membership in this Corporation if the actions taken are consistent with the procedural requirements established in the Corporate Member's bylaws and are otherwise consistent with the provisions of these Bylaws.

Section 3. Annual Meetings. The annual meeting of the Corporate Member shall be held at Scottsdale, Arizona, on the fourth Wednesday in the month of April in each year, commencing with the year 1990, or at such other time on such other day within such month as shall be fixed by the Board of Directors. The purpose of the annual meeting shall be to elect, by action of the Corporate Member, a Board of Directors for the ensuing year

and to transact, by action of the Corporate Member, such other business properly coming before said meeting. If the election of directors shall not be held on the day designated herein for any annual meeting of the Corporate Member, or at any adjournment thereof, the Board of Directors shall cause a special meeting of the Corporate Member to be held as soon thereafter as conveniently possible for the purpose of electing a Board of Directors for the ensuing year and for the transacting of such other business properly coming before said meeting.

Section 4. Special Meetings. Special meetings of the Corporate Member, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the Corporate Member, by the President or by a majority of the Board of Directors. The place of meeting shall be the known place of business of the Corporation in the State of Arizona.

Section 5. Notice of Meetings. Written notice stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall, unless otherwise prescribed by statute, be delivered to the Corporate Member not less than ten (10) nor more than fifty (50) days before the date of the meeting, either personally or by mail, by an officer of the Corporation at the direction of the person or persons calling the meeting. If mailed, such notice shall be deemed delivered when deposited in the United States mail, postage prepaid, addressed to the Corporate Member at its principal place of business. The requirements of this section shall not apply to any special meeting called by the Corporate Member.

Section 6. Presiding Officer and Order of Business. Meetings of the Corporate Member shall be presided over by the President or, if he or she is not present, by the Vice President or, if he or she is not present, by a person chosen by the Board of Directors; if no such person is present or has been chosen, the Corporate Member shall choose any person present to act as chairman of the meeting. The Secretary of the Corporation or, if he or she is not present, a person chosen by the Board of Directors, shall act as secretary at meetings of the Corporate Member; if no such person is present or has been chosen, the Corporate Member shall choose any person present to act as secretary of the meeting.

Section 7. Action by Corporate Member Without a Meeting. Any action required or permitted to be taken at a meeting of the Corporate Member may be taken without a meeting if a consent in writing, setting forth the action so taken, is executed by the Corporate Member.

ARTICLE III
Directors

Section 1. Powers of Directors. The business and affairs of the Corporation shall be managed by its Board of Directors except as may be reserved by law or the Articles of Incorporation to the Corporate Member.

Section 2. Number, Tenure and Qualifications. The Board of Directors shall consist of not less than three (3) persons nor more than five (5) persons; provided, however, that no decrease in the number of persons to serve on the Board of Directors shall have the effect of shortening the term of any incumbent Director. Each director shall hold office until the next succeeding annual meeting. Notwithstanding the foregoing, each director shall hold office until his or her successor is elected and qualified, or until his or her earlier resignation or removal. Any director may resign at any time upon written notice to the Corporation. The directors need not be residents of the State of Arizona.

Section 3. Vacancies. In the event of any vacancy occurring in the Board of Directors, including a vacancy created by an increase in the number of directors, the Corporate Member shall elect a new director to fill the vacancy and any director so elected shall hold office until the next election of directors when his or her successor is elected and qualified.

Section 4. Removal. Any director or directors may be removed at any time, with or without cause, by action of the Corporate Member.

Section 5. Quorum. A majority of the number of directors then serving shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than such majority is present at a meeting, the majority of the directors present may adjourn the meeting from time to time without further notice.

Section 6. Manner of Acting. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 7. Regular and Special Meetings. Meetings of the Board of Directors, regular or special, may be held either within or without the State of Arizona, and may be held by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, their participation in such a meeting to constitute presence in person.

Regular meetings of the Board of Directors may be held with or without notice as otherwise prescribed for special meetings hereinafter. Said regular meetings shall be held immediately after, and at the same place as, the annual meeting of the Corporate Member.

Special meetings of the Board of Directors may be called by or at the request of the President or a majority of the Board of Directors.

Section 8. Notice. Notice of any special meeting shall be delivered at least two (2) days previous thereto by written notice delivered personally, by telegram, or mailed to each director at his business address. If mailed, such notice shall be deemed to be delivered four business days after deposit in the United States mail, so addressed, by certified delivery with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company.

Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

Section 9. Action Without a Meeting. Any action required or permitted to be taken by the Board of Directors at a meeting, may be taken without a meeting if all directors consent thereto in writing specifically setting forth such action taken. Such consent shall have the same effect as a unanimous vote.

Section 10. Compensation. Directors shall receive no compensation for their services as directors of the Corporation but, by resolution of the Board, may be reimbursed for any expenses of attendance at meetings of the Board of Directors.

Section 11. Presumption of Assent. A director of the Corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action unless his or her dissent shall be entered in the minutes of the meeting or unless he or she shall file his or her written dissent to such action with the Secretary of the Corporation within ten days after the adjournment of the meeting, or at the time of the next meeting, whichever is sooner.

Such right to dissent shall not apply to a director who voted in favor of such action.

ARTICLE IV
Officers

Section 1. Number. The officers of the Corporation shall be a President, a Vice-President and a Secretary, each of whom shall be elected by the Board of Directors. Such other officers, assistant officers and agents as may be deemed necessary may be elected or appointed by the Board of Directors. Any two or more offices may be held by the same person, except the two offices of President and Secretary.

Section 2. Election and Term of Office. The officers of the Corporation shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of the Corporate Member. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently possible. Each officer shall hold office until his or her successor shall have been duly elected and shall have qualified or until his or her earlier death, resignation or removal.

Section 3. Removal. Any officer or agent may be removed by the Board of Directors whenever in its judgment the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not of itself create contract rights.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other reason may be filled by the Board of Directors for the unexpired portion of the term.

Section 5. The President. The President shall be the chief executive officer of the Corporation and, subject to the direction of the Board of Directors, shall have general charge of the business, affairs and property of the Corporation and general supervision over its other officers and agents. In general, he or she shall perform all duties incident to the office of President and shall see that all orders and resolutions of the Board of Directors are carried into effect.

Section 6. Vice-President. In the absence of the President or in the event of his or her death, inability or refusal to act, the Vice-President shall perform the duties and exercise the powers of the President and when so acting, shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice-President shall have such powers and perform such duties as

may be delegated to him or her by the Board of Directors or assigned to him or her by the President.

Section 7. Secretary. The Secretary shall (a) keep the minutes of all meetings and proceedings of the Board of Directors and of the Corporate Member, (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law, (c) have charge of all the corporate books and records, (d) have charge of the seal of the Corporation, if any, and (e) in general perform all of the duties as, from time to time, may be assigned to him or her by the President or Board of Directors.

Section 8. Compensation. Officers shall receive no compensation for their services as officers of the Corporation but, by resolution of the Board, may be reimbursed for any expenses of attendance at meetings of the Board of Directors or of the Corporate Member.

ARTICLE V
Contracts, Loans, Checks and Deposits

Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

Section 3. Checks and Other Instruments. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 4. Deposits. All funds of the Corporation not otherwise employed shall be deposited to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

ARTICLE VI
Corporate Seal

The Board of Directors may provide a corporate seal which, in such event, shall be circular in form, shall have inscribed thereon the name of the Corporation, the year of its incorporation, and the state of incorporation. The seal shall be in the custody of the Secretary.

ARTICLE VII
Waiver of Notice

Whenever any notice is required to be given to the Corporate Member or to any director of the Corporation, a waiver thereof in writing executed by the Corporate Member or by the director or directors entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice. Attendance of the Corporate Member or of a director at a meeting shall constitute a waiver of notice of such meeting, except when such attendance is for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

ARTICLE VIII
Amendment of Bylaws

The power to alter, amend or repeal the Bylaws or adopt new Bylaws shall be vested in the Board of Directors.

ARTICLE IX
Fiscal Year

The fiscal year of the Corporation shall be determined from time to time by the Board of Directors.

ARTICLE X
Affiliated Transactions and Interested Directors

Section 1. Affiliated Transactions. No contract or other transaction between the Corporation and one or more of its directors, or between the Corporation and any other corporation, firm, association or other entity in which one or more of its directors are directors or officers, or are financially interested, shall be void or voidable because of such relationship or interest or because such director or directors are present at the meeting of the Board of Directors or a committee thereof which authorizes, approves or ratifies such transaction or because his or her or their votes are counted for such purpose, if:

(a) The fact of such relationship or interest is disclosed or known to the Board of Directors or committee

which authorizes, approves or ratifies the contract or transaction by a vote or consent sufficient for the purpose without counting the votes or consents of such interested directors; or

(b) In the event the Corporate Member is entitled to vote thereon, the fact of such relationship or interest is disclosed or known to the Corporate Member, and it authorizes, approves or ratifies such contract or transaction in writing; or

(c) The contract or transaction is fair and reasonable to the Corporation at the time the contract or transaction is authorized, approved or ratified in the light of circumstances known to those entitled to vote thereon at that time.

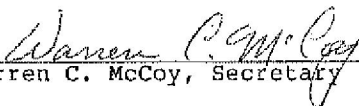
Any person seeking to establish that a contract or transaction described in this Article is void or voidable for any reason set forth in this Article shall first prove, by a preponderance of the evidence, that the provisions of subparagraphs (a), (b) and (c) of Section 1 are not applicable.

Section 2. Determining Quorum. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee thereof which authorizes, approves or ratifies the contract or transaction.

CERTIFICATE

I, Warren C. McCoy, the duly elected, qualified and acting Secretary of McCormick Ranch Architectural Review Committee, Inc., an non-profit Arizona corporation, do hereby certify that the above and foregoing are the Bylaws of the Corporation duly and regularly adopted by the directors thereof by unanimous consent, effective June 30, 1989.

IN WITNESS WHEREOF, I have hereunto set my hand this 30th day of June, 1989.



Warren C. McCoy, Secretary

STATEMENT OF
RESOLUTIONS AND ACTION TAKEN BY THE BOARD OF DIRECTORS
OF
McCORMICK RANCH ARCHITECTURAL REVIEW COMMITTEE, INC.,
an Arizona non-profit corporation

June 30, 1989

The Board of Directors named in the Articles of Incorporation of McCormick Ranch Architectural Review Committee, Inc., an Arizona non-profit corporation, incorporated on June 30, 1989, ("Corporation"), acting by unanimous written consent of all Directors in lieu of an organizational meeting, as authorized by Arizona Revised Statutes Section 10-1095, hereby adopts the following resolutions which shall be effective June 30, 1989, as signified by all their signatures to this Statement of Resolutions and Action Taken by the Board of Directors.

Bylaws

RESOLVED, that the form of Bylaws attached hereto be adopted as the Bylaws of the Corporation and that a copy, certified to by the Secretary, be placed in the corporate minute book.

RESOLVED FURTHER, that the Corporation shall not have a corporate seal.

Officers

RESOLVED, that the following named persons are hereby elected to serve as officers of the Corporation:

Garth E. Saager	President
Warren C. McCoy	Vice President/ Secretary

Banking Depository

RESOLVED, that the Valley National Bank of Arizona be and it is hereby designated as the official depository of the Corporation;

RESOLVED FURTHER, that checks of the Corporation in an amount up to \$499.99 drawn on any commercial checking account at the official depository may be executed by: Garth E. Saager and checks of the Corporation in an amount of \$500.00 or more drawn on any commercial checking account at the official depository shall be executed by Garth Saager and by any member of the board of directors of McCormick Ranch Property Owner's Association, Inc., the Corporate Member of the Corporation; and

RESOLVED FURTHER, that the officers of the Corporation are hereby authorized to execute any and all signature cards and resolution forms required by the official depository, and the resolution form of the official depository, attached hereto as Exhibit A and incorporated herein by this reference is hereby adopted.

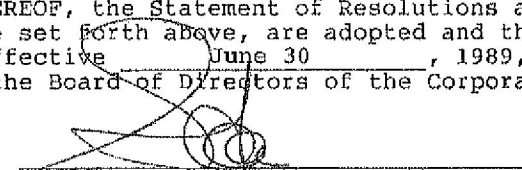
Authorization to Act

RESOLVED, that the President of the Corporation be and hereby is empowered, authorized and directed to take any and all action necessary to enforce the restrictions set forth in Article IV, Section 2 of that certain Declaration of Restrictions executed by Botaba Realty Company, a Texas general partnership, dba Transcontinental Properties. Such action may include, but is not limited to, institution of a civil action or proceeding for enforcement thereof.

Fiscal Date

RESOLVED that the fiscal date of the Corporation shall be December 31 of each year.

IN WITNESS WHEREOF, the Statement of Resolutions and Action taken, which are set forth above, are adopted and this consent is executed, effective June 30, 1989, by all of the members of the Board of Directors of the Corporation.



Garth E. Saager

Warren C. McCoy
Warren C. McCoy

Paul Marshall
Paul Marshall

Archie Holm
Archie Holm