

MEMORANDUM

TO: Briarwood Place Homeowners
FROM: Fran Loetterle, Pres. Briarwood Place Homeowners Assoc.
DATE: September 27, 1994
SUBJECT: Amended Bylaws

Enclosed you will find a copy of our Bylaws as amended at a meeting of the Board of Directors on July 20, 1994. Also enclosed is a 3-page explanation of the changes entitled "Notes to Bylaws."

The Board will be operating under the amended Bylaws, at least until the next annual meeting which is currently scheduled for February 13, 1995. At that time the membership will be requested to vote for or against these amendments. Passage requires the favorable vote of 29 or more members present in person or by proxy. Should there be less than 29 favorable votes, we must revert to the use of the Bylaws which were in effect prior to July 20, 1994.

Please take the time to study the amendments. We hope all of you will attend the annual meeting in person. We recommend a favorable vote. If you have questions or reservations, please feel free to discuss them with me.

Cordially yours,



Francis Robert Loetterle
(602) 483-3238

NOTES TO BYLAWS

AMENDMENTS APPROVED BY BOARD OF DIRECTORS, JULY 20, 1994

The basic objective of the Documents Committee of the Board was to amend the Bylaws as necessary to 1) make it the primary operations manual for the Board of Directors, 2) give the Board more flexibility in making decisions and taking action, 3) to rid the document of detailed procedures which are, or should be, subject to relatively frequent changes, 4) to eliminate duplication wherever possible, including duplication with the CC&R's and 5) provide for a Property Manager.

A good illustration of how some of these objectives were achieved may be found by comparing Articles I and II of the new version with the same Articles in the old version.

It was not considered necessary to refer to the Malouf brothers in Article I.

It was not necessary to say that the Articles of Incorporation were the governing instrument of the corporation twice.

Furthermore, the real governing instrument is the Declaration of CC&R's which is senior to both the Articles and the Bylaws.

Having assured the reader that our documents were properly registered, we very simply established the "pecking order."

Article III, Membership Meetings:

Section 1, Annual Meetings. Date was changed from the last Monday of January to the second Monday of February in order to reasonably assure our having received up-to-date annual statements from our accountants.

Section 2, Special Meetings. "12 Homeowners" was changed to "owners of 12 homes." This accommodates the individual owner of multiple homes.

Section 3, Meeting Notices. a. (Annual Meetings) As amended, the items which the old Bylaws required to be enclosed with the notice of the annual meeting, are now to be mailed not less than 10 days prior to the meeting. It was determined that the task of getting all these items together for mailing 30 days prior to the annual meeting was extremely difficult if not impossible. The notice is still subject to the 30-day-prior deadline. b. (Special Meetings) The format is similar to that for the annual meetings relative to mailing any supplemental material. Otherwise no change.

Section 4, Voting of Proxies. Greatly simplified and shortened by virtue of not including detailed instructions on voting procedure nor a sample proxy/ballot.

Section 5, Quorum. Owners of 24 or more of the homes who are present in person or by proxy constitute a quorum, instead of only 19. Owners of 24 homes constitute a majority.

Section 6, Members Entitled to Vote. Sections 1 and 2 of Article III of the CC&R's are substituted for the old language. Significant change was that Owners who are in default for 15 or more days are not entitled to vote.

Article IV, Directors:

Section 2, Term. Formerly Section 5, fits more appropriately as Section 2. Major changes are: 1) The term of each new regular member shall be 2 years, thus giving the Board more cumulative experience, 2) The alternate shall attend every board meeting, 3) the vice president does not necessarily succeed the president.

Section 4, Annual and Regular Meetings. The first meeting of the new Board should be held as soon as practical after adjournment of the annual meeting, but no later than three days following. Formerly immediately after adjournment of the annual meeting.

Section 6, Vacancies. Language has been added to deal with any and all types of vacancies.

Article V, Officers.

Section 1, Designation of Officers. The Board is empowered, subject to authorization by a majority of the membership, to hire a professional Property Manager and assign such duties to the Manager as they deem appropriate.

Section 2, Duties of Certain Officers. Certain duties are or may be assigned to the Property Manager. Procedures for collection of delinquent accounts are changed.

Section 3, Property Manager (formerly Other Employees). Deleted in its entirety. Employment and utilization of a Property Manager is covered in Article V. Other employees are handled in other sections.

Article VI, Amendments.

No change.

Article VII, Authority of the Board.

Section 2. Deleted in its entirety. Requiring 30 days notice to the membership was considered too restrictive.

Otherwise there were no changes in Article VII.

Article VIII, Sale of Homes - Use of Signs.

Third sentence of the first paragraph is changed so that documents relating to the sale and transfer of ownership are to be delivered by the Property Manager rather than the Secretary.

The Association's copies of all executed documents are to be delivered to the Property Manager, who check them for completeness and accuracy and then turn them over to the Secretary.

The second and third paragraphs have undergone considerable change. We no longer furnish signs. Placement (location and timing) of "Open House", "Estate Sale" and "Garage Sale" signs is somewhat more restrictive but less complicated.

No change in the fourth paragraph.

OFFICIAL RECORDS OF
MARICOPA COUNTY RECORDER
HELEN PURCELL

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At the request of
The Briarwood Homeowners Association
7119 E. Shea Blvd., Suite 106
Scottsdale, Arizona

92-0695676

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AMENDMENT TO THE

BYLAWS

OF

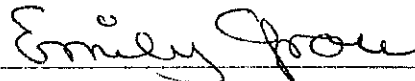
THE BRIARWOOD HOMEOWNERS ASSOCIATION, INC.

The Bylaws of The Briarwood Homeowners Association, Inc. are hereby
amended with the addition as follows:

ARTICLE IIIMEMBERSHIP MEETINGSection 8: 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. Every proxy shall be revocable and shall automatically cease
upon conveyance by the member of his lot.

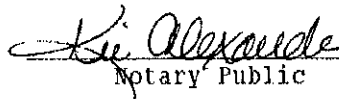
IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of February,
1992.



Emily Grow, President

STATE OF ARIZONA)
) SS
COUNTY OF MARICOPA)

SUBSCRIBED AND SWORN to before me on this 18 day of February, 1992, by
Emily Grow.



Notary Public

My commission expires: **My Commission Expires May 31, 1994**

BRIARWOOD PLACE HOMEOWNERS ASSOCIATION

BYLAWS

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BYLAWS
OF
THE BRIARWOOD PLACE HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

ARTICLES OF INCORPORATION

The Articles of Incorporation, which constitute the governing instrument for the corporation, were filed with the Arizona Corporation Commission on December 27, 1976 and recorded in the Maricopa County Court House on December 28, 1976 under the name of Briarwood III. The Articles of Incorporation, which constitute the governing instrument for Briarwood Place are senior and superior to these Bylaws, with any inconsistency to be resolved in favor of the Articles. These Bylaws shall be deemed to be amended automatically when necessary to eliminate any such inconsistency. The Articles are subordinate to the Declaration of Covenants, Conditions and Restrictions (hereinafter called CC&R's). In the event of any inconsistency between the Articles and the CC&R's, the CC&R's shall prevail. Amendments to the Articles of Incorporation must be filed with the Arizona Corporation Commission.

ARTICLE II

DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS

The Declaration of Covenants, Conditions and Restrictions is a document prepared by the developers of Briarwood III, the Malouf brothers, and by W.J. Small and Hazel Small, owners of the land which is leased to the Briarwood (III) Place Homeowners Association and sub-leased to individual homeowners, and recorded in the Maricopa County Court House. The document was executed on December 13, 1976 before Notary Public Robert L. Blackwell, a co-Trustee of the Small Estate with the 1st Interstate Bank of Arizona, and it was recorded on December 24, 1976 in Docket 12003 on Pages 47-68. The Declaration of CC&R's is the governing instrument of Briarwood Place, setting out the rights and responsibilities of the Association and of the individual homeowners. The Declaration of CC&R's, as amended from time to time, is incorporated herein by reference.

ARTICLE III

MEMBERSHIP MEETINGS

Section 1: Annual Meetings. The annual meetings of the members shall be held on the second Monday of February at 7:00 p.m. at a location to be fixed by the Board of Directors and set forth in the notice of the meeting; however, the Board may, for good cause, alter the date and/or time.

Section 2: Special Meetings. Special meetings of the membership may be called by the President, having a majority vote of the Board of Directors in favor, or on the written request of the owners of at least 12 homes.

Section 3: Meeting Notices.

a) Notice of the annual meeting must be mailed to each homeowner at least thirty (30) days prior to the session. The notice shall set forth the time, date and place the meeting will be held. The following information shall be mailed not less than ten (10) days prior to the meeting:

1. The names of the holdover Board members.
2. The list of candidates for election recommended by the nominating committee and approved by the Board to fill the vacancies on the new Board of Directors.
3. An explanation of the various items to be voted upon, e.g., assessments, resolutions, propositions, amendments, etc., and the Board's recommendation on each.
4. A copy of the Policy and Procedure bulletin dealing with the election of Board Members.
5. The meeting agenda
6. An up-to-date roster of the Association membership with address(es) and phone number(s) of record.
7. An Association return-addressed envelope.
8. Financial Report for year ending December 31, if available.
9. Income Projection and Expense Budget for the current year.
10. Minutes of the last annual meeting of the membership.
11. Proxy form with ballot. Instructions for use shall be contained in the Policy and Procedure bulletin mentioned above.

b) Notice of special meetings of the membership must be mailed at least twenty-one (21) days prior to the meeting. The notice shall specify the time, date and place for the meeting and the mailing shall contain a meeting agenda. Additional informational material, if any, relating to agenda items, shall be mailed or otherwise distributed to the membership not less than ten (10) days prior to the meeting.

Section 4: Voting of Proxies. Proxies shall be made available to every member for use in the event that they cannot attend the meeting in person.

Section 5: Quorum. At any regular or special meeting of the members other than meetings concerning special assessments pursuant to Article VI, Section 9 of the CC&R's, the owners (or their representatives designated pursuant to Article VII of the Articles), of twenty four (24) or more of the homes who are present in person or

by proxy, shall constitute a quorum for the transaction of business. A majority of the quorum shall be necessary to elect directors and/or, subject to certain exceptions set forth in the CC&R's and Articles or any amendments thereto, transact any other business. In the absence of a quorum the Chairperson of the meeting may adjourn the meeting from time to time, without notice other than an announcement at the meeting, until a quorum shall attend. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 6: Members Entitled to Vote.

- a) The Association shall have one class of voting membership who shall be all those owners of homes as defined in Section 6 of Article I of the CC&R's. Each owner shall be entitled to one vote, in person or by proxy, for each home owned by such member.
- b) In the event any owner shall be in arrears in the payment of any amounts due under any of the provisions of these Bylaws or the CC&R's for a period of fifteen (15) days, or shall be in default in the performance of any of the terms of these Bylaws or the CC&R's for a period of fifteen (15) days, such owner's right to vote as a member of the Association shall be suspended and shall remain suspended until all payments are brought current and all defaults remedied.

Section 7: Irregularities. All informalities and/or irregularities in calls, notices of meetings, the manner of voting, credentials, and methods of ascertaining those present, shall be deemed waived if no objection is made at the meeting.

ARTICLE IV

DIRECTORS

Section 1: Management. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the corporation and may do all such acts and things as are not by law or otherwise directed to be exercised and done by the members. The powers of the Board of Directors shall include, but not be limited to, all of the rights and duties of the Board of Directors, as set forth elsewhere in these Bylaws, the Articles and the Declaration. The Board is also granted the power to promulgate such rules and regulations pertaining to the rights and duties of the members of the corporation, and all other matters as may be deemed proper and which are consistent with the foregoing. The Board of Directors may delegate to one or more committees thereof, and to other persons, such duties and powers as appears to the Board of Directors to be in the best interest of the corporation, and to the extent permitted by law.

Section 2: Term. The Board of Directors shall consist of five (5) regular members and one (1) alternate member duly elected by the membership at an annual meeting. The Board shall elect a President, Vice President, Secretary and Treasurer from among its members in its first meeting following the annual meeting. The term of each new, regular member shall be two (2) years. At annual meetings held in odd-numbered years, the membership shall elect three (3) directors and one alternate; in even-numbered years they shall elect two (2) directors and one alternate. The candidate having the fourth highest number of votes in odd-numbered years, or having the third highest number of votes in even-numbered years shall become the alternate member of the Board. The alternate shall attend every Board meeting and shall vote as a regular member in the absence of any one of the five regular members. The Board-

approved list of candidates for Directorships shall have agreed to serve, if elected, prior to Board approval. Similarly, any members that may be nominated from the floor at the annual meeting shall have agreed to serve if elected.

Should unplanned vacancies occur, the Board must be fill them by electing the required number of additional directors for the unexpired terms.

If the immediate past President has just completed a term as a director, he/she shall serve the coming year as an ex-officio member of the Board in an advisory role, but shall have no vote.

The Board may enlist the services of an assistant, to either or both the Secretary and Treasurer, from among membership volunteers. Neither directors nor assistants may be paid for such services unless expressly approved by the membership at the annual meeting, and then only for a specific salary and a specified time frame.

Section 3: Quorum. A quorum for the transaction of business at any meeting of the Directors shall consist of a majority of the Board of Directors then in office.

Section 4: Annual and Regular Meetings. The first meeting of the newly constituted Board of Directors should be held as soon as practical after adjournment of the annual meeting, but no later than three (3) days following. Subsequent meetings, regular or special, may be held without notice to the Homeowners, except for meetings in which amendments to the Bylaws and/or CC&R's are to be considered, in which case ten (10) days notice is required; however, no meeting shall be closed to any interested Homeowner. All meetings of the Board and the membership shall be conducted, to the extent practical, in accordance with Roberts Rules of Order.

Section 5: Special Meetings. Special meetings of the Board of Directors shall be held at such times and places as may be designated by the Board of Directors whenever such meetings are called orally or in writing by the President or a majority of the Board. Notices of special meetings shall be given by the Secretary to each Director, orally or in writing, at least three (3) days before the time fixed for the meeting. Such notice shall advise each director of the time, place and general purpose of the meeting, and shall be delivered personally, or shall be given by telephone or telegram, or, if sent by mail, such three (3) days' notice shall be deemed to have been given if the notice is postmarked at least five (5) days before the date of the meeting. By unanimous consent of the Directors, special meetings of the Board may be held at any time without call or notice, or waiver of call and notice.

Section 6: Vacancies. The Board of Directors is empowered to remove a member of its body for conduct deemed detrimental to the Association should the vote of four or more members support such action. In the event of termination of office by a Director during his/her elected term, such vacancy shall be filled by the alternate member.

In the unlikely event that the Board is unable to attain a quorum to deal with an extreme emergency, the available Board members shall enlist the services of any past President(s) to fill the vacancies temporarily, and should the President and Vice President be unable to serve, the remaining Board members shall select the Chairman for the meeting.

Section 7: Expenses. A director may be reimbursed for actual expenses incurred in the performance of duties.

ARTICLE V

OFFICERS

Section 1: Designation of Officers. The Directors shall elect the officers of the corporation at their first meeting following the annual membership meeting; provided, however, that elections of additional officers may be held at any other meeting of the Board of Directors specifically called for such purpose. The officers of the corporation shall consist of a President, Vice-President, Secretary and Treasurer, who shall be members of the Board of Directors. With the specific prior approval of a majority of the members, the Board may enlist the services of a professional Property Manager. The Board may assign such duties and responsibilities of the President, Secretary and Treasurer to the Property Manager as they find appropriate. In addition, the Board of Directors may appoint assistant officers as prescribed by the corporation's Articles. The assistant officers shall have authority to perform such duties as may be prescribed by the Board of Directors or the President.

Section 2: Duties of Certain Officers.

(a) President. The President shall be the chief executive of the corporation. He/she shall preside at all meetings of the directors and at all meetings of the membership; shall be an ex-officio member of all standing or special committees; shall have general charge of the activities of the corporation; shall sign on behalf of the corporation all contracts and other written instruments to be executed by the corporation; shall see that all resolutions of the Board are carried into effect; and shall, within five working days of assuming office, appoint chairpersons of the following committees: Landscaping-Maintenance, Architecture, and Entry Gate, and advise them as to their duties, responsibilities and authority. Legal, Audit, Document, Social and other committees may be appointed at a later date, as seems necessary.

The President is responsible for having financial audits conducted to insure the credibility and accuracy of the financial records of the corporation. The corporate Audit Committee shall be comprised of the President, the Vice President and one Homeowner appointed by the President who shall not be a Board member. The Audit Committee shall conduct an informal audit of the financial records of the corporation within two weeks following the election of the new Board. In those calendar years evenly divisible by four (4), the President shall engage the services of a certified public accountant, with professional auditing experience, to conduct a formal financial audit at Association expense.

Further, the President shall, at least ninety (90) days prior to the annual meeting, appoint a 3-person Nominating Committee comprised of one Board Member, who shall be Chairman, and two members who are not Board Members, whose responsibility it shall be to select at least four members who are willing and eligible, if elected, to serve on the Board of Directors. The Nominating Committee shall report their list of

nominees to the Board at least sixty (60) days prior to the annual meeting and, if approved, this list will be presented, unaltered, to the membership as set forth above.

The President, with the assistance of the Property Manager, shall be responsible for establishing and maintaining good communication with the membership. He/she shall be a signator on all bank accounts of the Association; shall present an oral report to the membership at the annual meeting summarizing the major actions of the Board for the past year, and shall do and perform such other acts and duties as may be required of him/her by the Board of Directors. The President's authority shall be subject to the control and direction of the Board of Directors at all times.

(b) Vice President. The Vice President, in the absence or disability of the President, shall perform the duties and exercise the powers of the President, and shall perform such other duties as the Board of Directors shall assign, including being the chairperson of one or more major committees. He/she shall be a signator on all bank accounts of the Association.

(c) Secretary. The Secretary shall keep a permanent and complete record of all proceedings of each meeting of the Board of Directors and of each membership meeting, including the entire annual meeting. Minutes of the Board of Directors meetings shall be prepared and signed by the Secretary, then approved and signed by the President prior to submission for Board approval. Copies of the Minutes of Board Meetings must be submitted to members of the Board no later than five (5) days prior to the next Board Meeting. Minutes of membership meetings, including the annual meeting, must be prepared and signed by the Secretary, approved and signed by the President, approved by the Board and approved by the membership at their next meeting. Copies of membership meeting minutes must be submitted to the members as set forth above.

Further, the Secretary shall maintain the files of the corporation, the Association and the Board of Directors including a file for each of the forty-seven lots by lot number which contains the complete chronological history of the owners and tenants of the property. As ownership changes, and while the sale is still in escrow, he/she or the Association's Property Manager is responsible for effecting delivery to the buyer, via the seller, real estate agent, escrow agent, title company or otherwise, a complete packet of documents including two copies of the Sub-Lease, one copy of the the CC&R's, one copy each of the Bylaws and the Rules and Regulations, two copies each of the Cancellation of Memorandum of Sublease and the Memorandum of Sublease, an Application for Association Membership form, an initial receipt for the packet, a Certificate of Receipt for the By-Laws, Rules and Regulations and CC&R's, and a disclosure statement relative to the subordination and re-evaluation issues in the sub-lease, along with instructions for processing the documents. The Secretary or the Property Manager will follow-up to be sure that all documents have been signed and notarized where necessary before submitting them to the President for signature. He/she will be responsible for obtaining the transfer fee from the buyer or the escrow agent, unless the Board assigns this responsibility to the Property Manager. The receipts and the Association's copies of the documents will be filed in the appropriate file jacket.

The Secretary or the Property Manager shall obtain signature cards from the banks used by the Association, have them signed by the appropriate officers, and file them with the bank with instructions to void the previous card, within five (5) working days following his/her election as Secretary. Names of the new directors and officers should be given to the Scottsdale Council of Homeowners Associations (SCOHA) within two weeks following his/her election to the office.

The Secretary shall maintain an accurate, up-to-date membership roster of the Association including all addresses and telephone numbers of the Homeowners as well as of tenants, if any. Copies of the roster should be sent to all Homeowners at least twice per year.

The Secretary, or the Property Manager, shall have the primary responsibility for the preparation and mailing of the annual meeting notice and the informational documents relating thereto. He/she shall make sure that all proxies received through the last mail delivery on the date of the annual meeting have been checked by the Treasurer for qualification of the Homeowner, and delivered to the office of the Secretary. He/she shall perform such other duties as the Board may assign.

(d) Treasurer. The Treasurer and/or Property Manager shall be a signator on all Association bank and money market accounts. The Treasurer and/or Property Manager shall have the custody of the corporation's funds; shall keep full and accurate accounts of receipts and disbursements; shall deposit all monies and other valuable effects in the name and to the credit of the corporation in such depositories as may be designated by the Board of Directors; shall disburse the funds of the corporation as may be ordered by the Board, demanding proper vouchers for such disbursements; shall prepare a financial statement and report for the full year ending December 31, and submit it to the Board for its approval no later than February 1 of the following year, if possible. The approved report shall be printed, and a copy mailed or otherwise delivered to every Homeowner as set forth above. The Treasurer will review the report in person at the annual meeting for the benefit of those in attendance. The Treasurer and/or the Property Manager may be required to furnish a surety bond in an amount determined by the Board, the premium of which shall be paid by the corporation. Further responsibilities of the Treasurer and/or Property Manager include:

* Collection of delinquent accounts including fines and special assessments. Payment of monthly rentals and assessments are requested on the twentieth (20th) day of the prior month. Such payments are due on the first day of each month in advance and are past due on the second day of the month. If payments have not been postmarked on or before the tenth (10th) day of the month due, a late charge of twenty-five dollars (\$25) will be assessed, unless other payment arrangements have been made with the Board and approved in advance. Should the Homeowner become past due for sixty (60) days or more, the Board may elect to file a lien against the Homeowner's property.

* Preparation of a monthly report of receipts and disbursements, beginning and ending status of bank accounts and money market fund(s) and including a comparison, monthly and year to date, with the budgeted figures for the major categories of income and expense. This report must be presented to and approved by the Board of Directors at their first meeting of each month.

* With the assistance of the President, the Secretary, and the Committee Chairman of the Landscape/Maintenance Committee, the Treasurer and/or Property Manager shall prepare an income projection and expenditure budget for the coming year on a monthly and full year basis. This budget shall be submitted to the Board of Directors for their approval no later than February 1 of each year and this budget, as amended and approved shall be presented in typewritten or printed form to the membership along with the financial report for December and the calendar year in the mailing as set forth above.

The Treasurer and Property Manager shall cooperate fully with the Internal Audit Committee and with any professional auditor hired to conduct an independent audit. This responsibility is incumbent upon the immediate past Treasurer as well as the current Treasurer. An Assistant Treasurer, if appointed, shall, in the event of the Treasurer's absence or inability to act, perform the duties and functions of the Treasurer.

Section 3: Property Manager The Board of Directors may employ a paid Property Manager with approval, in principle, of a majority of the members present, in person or by proxy, at an annual membership meeting.

Section 4: Committees. The President may, with the approval of the Board of Directors, appoint such additional standing or special committees, councils or boards of such size as the President or Board of Directors may deem necessary to properly carry on the activities, and effect the attainment of objectives and purposes of the corporation. Such committees shall perform such duties as the President or the Board of Directors may direct.

Section 5: Compensation. No member of the Briarwood Place Homeowners Association may be compensated for services rendered to the corporation; members may be reimbursed for actual expenses incurred in the performance of their regular or assigned duties as set forth above. Reimbursement of expenditures in excess of \$ 250.00 require the prior approval of the Board. Reimbursement of expenditures of less than \$ 250.00 but more than \$ 100.00 require the approval of both the President and the Treasurer or Property Manager. Reimbursement amounting to \$100.00 or less may be approved by the Treasurer or Property Manager only.

ARTICLE VI

AMENDMENTS

The Board of Directors shall have the power to make, amend or repeal the Bylaws of the corporation by an affirmative vote of four of its members, provided that written notice of its intent to make such changes is given the general membership at least ten (10) days prior to the meeting at which the changes will be considered. Ratification of such changes in the Bylaws requires the favorable vote of twenty-nine (29) or more members present in person or by proxy at the next annual meeting. Failing such ratification, the amendments are automatically null and void and the Bylaws revert to their former state.

ARTICLE VII

AUTHORITY OF THE BOARD

Section 1: Fidelity Bonds. The Board is authorized to acquire fidelity bonds concerning any director, officer, or Property Manager for the benefit of the Association.

Section 2: Maintenance Assessments. In order to conduct the day to day business of the Association, the Board is empowered to enter into contracts for, and engage companies or independent contractors to perform the maintenance and landscaping of Briarwood Place common areas, streets, lighting, gates and other common or shared facilities. It is further empowered to purchase those items or materials deemed necessary to maintain or improve the appearance of the premises, within budgetary constraints and assessment limitations. Should necessary capital expenditures, unexpected repairs, or alterations, replacements, or demolition of some of the common facilities become necessary, and should the cost exceed budget limitations, the Board may impose a special assessment once each calendar year not to exceed \$ 100 per Homeowner, or a total of \$4,700. Should the proposed project require an assessment in excess of \$4,700, the expenditure requires the approval of at least twenty-nine (29) votes, representing 29 lots, at an annual or special meeting of the membership. The Board shall seek bids for goods or services whenever practical, but is not bound to take the low bid. Rather they shall accept that bid and proposal which appears to offer the best value for the price.

Section 3: Professional Services. The Board may engage the professional services of a lawyer, certified public accountant, real estate appraiser, engineer, or architect within budgetary restrictions and with the favorable vote of four or more of its members.

ARTICLE VIII

SALE OF HOMES - USE OF SIGNS

If a Homeowner should decide to sell his/her home, the Secretary shall, upon request of the Homeowner, advise the membership of the offer to sell and the asking price. If and when a Homeowner has agreed to sell his/her home to a specific buyer and is opening an escrow, the Homeowner shall so advise the Secretary, who in turn will advise the Board of Directors. The seller is responsible for making sure that the Property Manager has delivered the standard packet of all of the documents relating to the transfer of ownership to the proper party or parties. On or before the close of escrow, the seller, or the title company, upon the instruction of the seller, shall advise the Secretary the selling price, the name, address and telephone number of the buyer and the title company, and shall furnish the Secretary a signed Certificate of Receipt for the documents, and signed and notarized copies of the Sub-Lease, Memorandum of Cancellation of Sub-Lease, and the Memorandum of Sub-Lease.

No "For Sale" signs are to be displayed within Briarwood Place. Temporary "Open House" signs are allowed to be displayed during daylight hours on the day of the Open House - one in front of the house and one outside each entry gate. One internal directional sign is permissible. The Open House sign will display an appropriate telephone number to call, as specified by the seller, for each property being sold. The telephone information must be readily changeable.

If Board approval is granted in advance, "Garage Sale", and "Estate Sale" signs may be placed in front of the house and just outside each gate on the day of event. With respect to Garage and Estate sales, only one of either may be held on any given day without advance Board approval.

Small signs displaying the name of the company providing and monitoring the security alarm system of the home, as well as the alarm permit sticker required by the city of Scottsdale, may be posted on the premises.

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