

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.