

Answers to Questions 18-20

I took these questions directly from email.

18. Please address Draft Bylaws Section 2.8 regarding definition of what constitutes a "quorum". Challenge: a (one-percent) 1% unit owner "presence" is unacceptable for conducting business/decisions affecting our community. The level of acceptable representation MUST BE VOTED ON BY 2/3 or total unit owners to agree on an acceptable "quorum" definition.

- I completely understand the confusion. There are different aspects to your question, and the attorney can address this more tonight.
- **You are absolutely correct, 1% owner presence is unacceptable for conducting business/decisions affecting our community. The problem is ZERO Homeowners show up for monthly Board meetings.** This bears repeating; beside the Board, we get ZERO (0) participation at most monthly Board meetings.
- **The lower quorum percentage protects Homeowners & does nothing for Board members. If quorum was higher, we would never be able to have an official Board meeting & no business would ever get done. Who wants that?** We are required to have quorum in the proposed bylaws, but we kept it at a number that only requires enough Board members to show up to conduct meetings.
- I don't see a quorum threshold in the current documents, so the **proposed Indenture/Declaration is actually more strict than the current.** There does need to be a majority of the Board in attendance for Board meetings, but that's it. Not one person besides Board members showed up to vote on the last Board member election one month ago. A few showed up the year before. This means the Board can appoint members. If the threshold was higher, those few who show up would not make a quorum, so their votes would not count. The lower quorum number allows those few Homeowners who may vote to have a voice instead of the Board having full autonomy to choose the members. Look at 2.2 (quorum needed for place of meeting) 2.6 (quorum needed to have a monthly Board meeting), & 2.7 (e) (4)(approval of Board by ballot). Again, having a higher percentage for quorum means nothing gets done in the community; good luck opening the pool, getting the grass mowed, having anyone look after the clubhouse, etc...get my point...Homeowners should want quorum to be as low as possible unless they want to take over all the duties. I'm not intending that to sound snarky, but this is factual and I don't want to hide the reality because this is too important.
- Quorum does not change the number required to alter the Indentures/Declaration now or the proposed Indentures/Declaration, so this does not keep Homeowners from making important decisions.
- The proposed indentures say 2/3 of the entire community is needed to alter the Indentures/Declaration. Quorum in the Bylaws does not change the percentage needed to alter the Indentures/Declaration or even the Bylaws. In the proposed Indentures/Declaration, page 2, H states, "The Owners are authorized to amend the Original Declaration by an affirmative "vote of two-thirds (2/3rds) of the Owners;" This means it takes an affirmative vote of 2/3 of all Owners in good standing for this to pass. The proposed Indentures make the new threshold more than 50% of all Owners instead of 2/3rds which is standard in current HOA Indentures/Declarations. Basically, it ensures that if this is important to you, show up and vote. 4.23 on page 12, Limitations on Board, address this issue as well.

19. I understand there is an option on the table to fine or ban residents from facilities for not being "Good neighbors" or "Rude Neighbors". I think this walks a thin line. This surely puts the board into an uncomfortable position of word against word. What prevents someone from fabricating an event...banning

a good neighbor? Who is to decide what is RUDE? I certainly think our board was NOT put into place to eradicate disputes between neighbors...but to protect our property value, by means of updates/ upgrades pertaining to property...not people, This is an overstretch of the board, in my opinion. What is your mission?...I thought it was to protect homeowners? Is this NOT what we pay for! I hope so!

- I'm not sure you are hearing correct information. There is nothing about banning residents from facilities or the like. In total, the new Indentures/Declaration is less restrictive and gives more Homeowner voice and input than the current Indentures/Declaration. This proposed Indentures/Declaration also holds the Board to a higher standard.
- The current Indentures/Declaration already has a nuisance section. You might be referring to the Abusive Behavior section 10.11 on page 25. This follows rules established by HUD (Federal—Housing and Urban Development), so we would be bound by them in abusive situations anyway without the section. The attorney can speak more about this tonight.
- Currently, Community Standards section allows for most aspects to be approved by the Architecture Committee, and where this is the case, that has not changed in the proposed Indentures/Declaration. This does not mean the Board gets to decide what to do; it means Homeowners get to make changes if enough of them wish to. Show up to meetings and voice your opinion; if enough people feel the way you do, the Board listens.

20. I am concerned that amendments can be conducted via email with no assurance to accuracy. I recommend that 5 -10 random homeowners, NOT SELECTED BY THE HOMEOWNERS ASSOCIATION be asked to oversee the count to ensure accountability.

- I don't believe you are hearing accurate information. Nothing can be formally approved via email, and amendments have a high threshold to alter them. I can answer again if you are more specific.