

CO_OWNER MAILOUT LETTER

Regime VII co-owners,

October 2008

The Regime VII Board of Directors is sending this document and the attachments to bring you up to date on Board Actions and the request to vote for the proposed amendment to Article VI of our Bylaws.

Attachments:

Minutes of our September 25, 2008 Meeting.

#1. There is a requirement for a copy of the attached 'Crime Free Lease Addendum' be made out and submitted by new renters to the Board.

Comment: We have legal advice that once a renter agrees to the terms of the addendum it will make it easier to bring legal action against them if they break the law.


#2. The Board will now allow installation of wood flooring in units, with the restriction that the existing and all future owners will be required to promptly carpet over all the wood not in the kitchen, bathrooms, or hallway if there is any noise complaint associated with the unit.

#3. We need your ballots regarding the proposed amendment to Article VI of our Bylaws returned to the Board before our January 2009 Annual Meeting to be effective.
Note: We are enclosing a return addressed, stamped envelope for your convenience.

Comment: Our Treasurer highly recommended your approval of the amendment.

#4. Window Replacements must conform in appearance to the existing windows. They must not have reflective treatment. The panes and frame appearance must be the same as the existing windows – no three pane windows are allowed.

In January we will have an election for two places on our Board. If you have an interest in being on the Board, please so advise the Board. Board member requirements are specified in our Bylaws. Our corporate documents are posted on the ScottsdaleShadowsArizona.com website.


Ron McCarthy, President Regime VII

SCOTTSDALE SHADOWS REGIME VII, INC.

LEASING RULES

Pursuant to the Association's rulemaking authority as set forth in Section 5 of the Declaration Submitting Property to a Horizontal Property Regime and Declaration of Covenants, Restrictions and Conditions, recorded on May 7, 1979, in Docket 13616, Page 264, Official Records of Maricopa County Recorder, ("Declaration") and Article IV, Section 3(j) of the Bylaws, Scottsdale Shadows Regime VII, Inc. adopts the following Leasing Rules.

RENTING/LEASING

Effective as of the date of adopting these Leasing Rules, all leases must be in writing, shall in all respects be subject to and in compliance with the provisions of the Declaration, Articles, Bylaws and Rules (hereinafter "Community Documents"), and shall expressly provide that a violation of any provision of the Community Documents shall be a default under such lease requiring the Owner to terminate the lease or to bring summary proceedings to evict the tenants. The term Community Documents shall also include all RCI Rules and Regulations, By Laws and any other documents affecting or pertaining to Common Areas located within Scottsdale Shadows. Any Owner who leases a Unit shall deliver to the tenant, prior to the start of the tenancy, a copy of the Community Documents. Each Owner shall deliver to the Association within ten (10) days of commencement of the tenancy: 1) a fully executed Crime Free Lease Addendum, as may be established by the Board; 2) a copy of the lease agreement; 3) a signed acknowledgment that a copy of the Community Documents have been delivered to the tenant; and 4) a paperwork processing fee in such amount as established by the Board. The Board has the right to exclude any person from the Association property, including Common Areas and Common Elements other than a record Owner and his/her immediate family members, who attempts to occupy a Unit or any portion thereof, who has not complied with the foregoing or who attempts to hold over. This right is in addition to such other rights and remedies available to the Association, including fining the Owner and suspending rights.

Adopted at a meeting of the Scottsdale Shadows Regime VII Board of Directors this 25th day of SEPT, 2008.

Scottsdale Shadows Regime VII, Inc.

By: Ron M. Coakley
Its President

By: Myra Gubzy
Its Secretary

**CRIME FREE LEASE ADDENDUM
Scottsdale Shadows Regime VII, Inc.**

All Owners who rent or lease their Unit within Scottsdale Shadows Regime VII, Inc. ("Association") and their Tenants are required to complete, sign and return this Crime Free Lease Addendum to the Board of Directors.

Owner Name(s): _____ Unit #: _____

Owner(s) Mailing Address: _____

Owner(s) Telephone Number(s): _____

Property Address: _____

Name of Property Management Company (if applicable): _____

Address of Management Co.: _____

Telephone Number of Management Co.: _____ Representative: _____

Tenant Name(s): _____

Tenant's Telephone Number: _____ Number of Children: _____

Age of Children: _____ Pets: _____

Length of Lease: _____ Number of Vehicles on Property: _____

Vehicle No. 1: License Plate #: _____ Make: _____ Color: _____

Vehicle No. 2: License Plate #: _____ Make: _____ Color: _____

Rental Property Registration Number: _____

In consideration of the execution or renewal of a Lease, Rental or Occupancy Agreement between Owner(s) and Tenant(s) of the dwelling unit within Scottsdale Shadows Regime VII, Inc. ("Lease Agreement"), the Owner(s) and Tenant(s) agree as follows:

NOTE: For the purposes of this Addendum, the term ("premises"), shall include, but not be limited to, all areas owned and/or controlled by RCI and/or the Association, within the Community known as Scottsdale Shadows.

CRIME FREE NEIGHBORHOOD AGREEMENT

1. Tenant, any member of the tenant's household or a guest or other person affiliated with tenant or under the tenant's control shall not engage in criminal activity, including drug-related criminal activity, on or near the said premises. "Drug-related criminal activity" means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use of a controlled substance (as defined in Section 102 or the Controlled Substance Act [21 U.S.C. 802]).
2. Tenant, any member of the tenant's household, or a guest or other person affiliated with the tenant or under the tenant's control shall not engage in any act intended to facilitate criminal activity, including drug-related criminal activity, on or near said premises.
3. Tenant or any member of the tenant's household will not permit the dwelling to be used for, or to facilitate, criminal activity, including drug-related criminal activity, regardless of whether the individual engaging in such activity is a member of the household or a guest.
4. Tenant, any member of the tenant's household or guest, or another person affiliated with tenant or under the tenant's control shall not engage in the manufacture, sale, or distribution of illegal drugs at any location, whether on or near the dwelling unit, premises, or otherwise.
5. Tenant, any member of the tenant's household, or a guest or another person affiliated with tenant or under the tenant's control shall not engage in any illegal activity, including prostitution as defined in A.R.S. 13-3211, criminal street gang activity, as defined in A.R.S. 13-105 and 13-2308, threatening or intimidating as prohibited in A.R.S. 13-1202, assault as prohibited in A.R.S. 13-1203, including but not limited to the

