

Scottsdale Shadows VII, Inc.

To: Co-Owners of Scottsdale Shadows VII, Inc.

From: Board of Directors

Subject: Leased Units

Date: June 1, 2004

Dear Co-Owners:

Please be advised that at an open meeting March 30, 2004 the Board of Directors voted to adopt our rental restrictions based on a fiscal year (July 1 to June 30) rather than a calendar year (January 1 to December 31). This was done to simplify our accounting procedures.

This means a unit may be rented only one (1) time per fiscal year for a minimum of four (4) months. All other rental restrictions are the same which have been in effect. All leases are to be on file in the R.C.I. office before occupancy.


Libby Friedman

Vice-President

AMENDMENTS TO SCOTTSDALE SHADOWS VII, INC. BY-LAWS

AMENDMENT TO ARTICLE IV:

PRESENT:

Section 1. Number and Qualification of Board of Directors: The affairs of the corporation shall be governed by a Board of Directors composed of three (3) to seven (7) persons, all of whom must be Owners of Units in the Regime.

PROPOSED:

AMEND TO: The affairs of the corporation shall be governed by a Board of Directors composed of three (3) to seven (7) persons, all of whom must be Co-Owners in Scottsdale Shadows VII (Regime VII) and to have resided in Regime VII at least six months prior to becoming a Board Member. They must be in residence in Scottsdale Shadows VII at least nine (9) months of the year. Being in residence implies that the person's primary residence is Regime VII, even though the individual spends considerable time traveling on business. Board Members who miss three (3) consecutive Regime VII scheduled meetings are automatically removed from the Board.

This change adds the need for a Board Member to be in residence in either Building 32 or Building 33. The change also makes it possible for a Board Member to better administer the affairs and address the needs of Scottsdale Shadows VII by being on Regime property for at least nine (9) months of the year. Non-attendance for three (3) consecutive meeting automatically disqualifies the member.

PRESENT:

AMENDMENT TO ARTICLE XIII: The fiscal year of the corporation shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

PROPOSED:

AMEND TO: The fiscal year of the corporation shall begin on the first day of July and end on the 30th day of June of every year except that the first fiscal year shall begin on the date of incorporation.

This change is mandatory and in compliance with Arizona Corporate Commission requirements as we have changed our reporting year from a calendar year to a fiscal year.

December 20, 2004

Max Greenberg sec. *Regime VII*
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STATE OF ARIZONA)
) ss
County of Maricopa)

ACKNOWLEDGED before me this 27th day of January 2006
By Max Greenberg the secretary of the Association
Notary Public *C. Vilchis*

