

**AMENDMENT TO THE BYLAWS  
OF  
CANDLEWOOD HOMEOWNERS ASSOCIATION INC.**

This AMENDMENT TO THE BYLAWS OF CANDLEWOOD HOMEOWNERS ASSOCIATION INC. (the "Amendment") is made as of this 23 day of JANUARY, 2006, by Candlewood Homeowners Association Inc., an Arizona nonprofit corporation (the "Association").

**RECITALS**

**WHEREAS**, pursuant to the terms of Article VII of the Bylaws of Candlewood Homeowners Association (the "Bylaws"), the Bylaws may be amended at a regular or special meeting of the Directors by a majority vote of the Directors; and

**WHEREAS**, the Association wishes to amend the Bylaws to conform them to recent changes in Arizona law; and

**WHEREAS**, this Amendment has been approved at a regular or special meeting of the Directors by a majority vote of the Directors.

**NOW, THEREFORE**, the Bylaws are amended as follows:

- 1. The following is added as the last sentence of Article II, Section 3 of the Bylaws:**

The calling of a special meetings of the members to remove members of the Board of Directors shall be governed by Arizona Revised Statutes (A.R.S.) §33-1813.

- 2. The second sentence of Article II, Section 4 of the Bylaws is hereby deleted and replaced with the following:**

At the first such meeting called, the presence of Members or absentee ballots issued pursuant to Arizona Revised Statutes (A.R.S.) §33-1812 entitled to cast twenty percent (20%) of all votes shall constitute a quorum.

- 3. Article II, Section 5 of the Bylaws is hereby deleted in its entirety.**

- 4. The term "or by proxy" found in Article II, Section 6 of the Bylaws is hereby deleted and replaced with the following:**

or by absentee ballot issued pursuant to Arizona Revised Statutes (A.R.S.) §33-1812,

- 5. Article II, Section 7 is hereby deleted in its entirety.**

6. **The term "form of proxies" found in Article II, Section 8 is hereby deleted and replaced with the following:**

absentee ballot issued pursuant to Arizona Revised Statutes (A.R.S.) §33-1812,

7. **Article III, Section 3 is hereby deleted and replaced with the following:**

Any one or more members of the Board of Directors may be removed from the Board of Directors pursuant to Arizona Revised Statutes (A.R.S.) §33-1813.

8. **The following sentence shall be added to Article III, Section 4 of the Bylaws:**

If the offices of the entire Board of Directors becomes vacant, then the executive functions of the Association shall be administered by the Association's managing agent or attorney until a new Board of Directors is elected, said election will be held pursuant to Article II, Section 3 of the Bylaws.

Except as expressly amended by this Amendment, the Bylaws shall remain in full force and effect. In the event of any conflict or inconsistency between this Amendment and the Bylaws, this Amendment shall prevail. All terms not defined in this Amendment shall have the same definition assigned to them in the Bylaws.

**IN WITNESS WHEREOF**, the Candlewood Homeowners Association, Inc., an Arizona nonprofit corporation, has executed this Amendment as of the day and year first above written.

**CANDLEWOOD HOMEOWNERS ASSOCIATION, INC.**  
an Arizona nonprofit corporation

By: Veronica Rios  
Its: President

**SECRETARY'S ATTESTATION**

I, Brian O'Brien, being the duly elected Secretary of the Candlewood Homeowners Association, Inc., hereby attest that the foregoing Amendment has been approved by a majority vote of Directors of the Association in a validly held regular or special meeting of the Directors.

By: [Signature]  
Secretary, Candlewood Homeowners Association, Inc.