

### **SAW/AWHOA Lawsuit Settlement Agreement**

- A \$50,000 award to SAW in exchange for dismissal of the lawsuit against AWHOA, Inc. currently pending before Judge Hicks.
- SAW and AWHOA, Inc. will each bear their own attorney fees and costs.
- AWHOA, Inc. will forego the right to appeal Judge Hicks ruling regarding the interpretation of the Special Assessment Bylaw.
- No future action will be filed by SAW with regard to the Transfer Fee.
- SAW will dismiss the current action related to the Transfer Fee.
- AWHOA, Inc. will drop the application for \$12,488.02 in attorney fees and costs related to Judge Downie's ruling on the Transfer Fee appeal as well as the request for refunding of the \$550 OAH filing fee paid to SAW
- SAW and AWHOA, Inc. agree to fully cooperate in an open process to resolve all disputes short of litigation and will work together to amend the Bylaws and CC&Rs to be consistent with current law and to bring clarity to any issues in conflict.

### **What we have gained by filing our Lawsuit with the Courts**

- The approval of a \$6020 special assessment voted on in February 21, 2007 was ruled by a Superior Court Judge to be invalid since a majority vote of all homeowners was not obtained. Savings to homeowners \$8,500,000.
- The AWCC Board has decided to build/renovate their own facility with a \$6185 special assessment of their 485 certificate holders. Country club certificate holders will vote on January 11, 2008 on whether or not to approve the project and special assessment. Approximate cost to AWCC members \$3,000,000.
- Procedures are now in place to insure a fair election for Board of Directors on January 2, 2008. These include photos and information on all candidates sent to homeowners with the absentee ballots, a PO Box to receive absentee ballots, no walk-in voting at the AWHOA office, a secret ballot (no numbers), and voting hours from 8AM to 6PM.
- Increased interest by our homeowners in the activities of the AWHOA Board and their related committees.
- At the Meet the Candidates meeting an open microphone was made available along with the 3x5 cards for

### **What we hope the Board will agree to without future litigation**

- Board members and office staff will at all times show homeowners the respect they are entitled to. Homeowners in turn will show Board members and office staff the respect they are entitled to as elected officials, homeowners and employees of the Association.
- The summer Executive Committee will consist of duly elected Board members who are full-time residents. If needed non-Board members may be appointed.
- Detailed treasurer's reports will be provided to homeowners and published in the Roundup, via e-mail or in the Apache Wells Newsletters.
- Homeowners will have input on the annual budget.
- Homeowners will have input on revisions of the current Bylaws, CC&R's and Architectural Rules and will be able to submit revisions for a vote of the homeowners as required by our current Bylaws.
- Define the transfer fee as the fee for the paperwork necessary for the transfer of property from seller to buyer. Any new "fund raising" fees will be designated as such and will require a majority vote of the homeowners for

homeowners to ask questions. Hopefully this format will be expanded to include the monthly homeowners general meetings.

- The Board seems to be more willing to listen to and resolve homeowner concerns.
- The minutes of monthly homeowners and Board meetings are more complete and are made available to homeowners more promptly. They are also published in the monthly Roundup and sent out to homeowners via e-mail.
- The 9 candidates for the Board election in January have brought up a number of issues including an outside audit of the AWHOA books, a spending cap on spending significant funds without homeowner approval, stricter adherence to the Bylaws, CC&R's and Architectural Rules, more acceptable capital improvement plans for the future of Apache Wells, to name just a few.
- Homeowners will have access to Association records as provided for by Arizona State Statutes.

approval.

- Reinstitution of a reasonable spending cap at which point a vote of the homeowners would be required.