

March 11, 2003

STONEWOOD TOWERS PROCEDURE NO. 37

Subject: Posting Certain Conditions in Unit Sales Contracts

Background:

Our Declaration of Condominium, Part XIII, Sales of Apartments, requires the posting of intent to sell because all owners have a first right of refusal, and posting informs them of certain conditions in the sales contract. The two units which are horizontally contiguous have first priority to buy; thereafter, the seller may choose which member to sell to if there are multiple bids. The documents do not address the situation of a seller who has a contract to sell to another member.

A letter from our Association lawyer, Robert L. Beals, dated December 6, 2002, addresses our documents omission of posting member-to-member sales: "At issue seems to be the right of privacy as opposed to the literal language of the Declaration. I believe that the Board can overlook the literal requirement contained in the Declaration if the affect is moot. That, however, is fully within the discretion of the Board."

Procedure:

The selling conditions of all unit sales must be posted in accordance with Paragraph XIII, Declaration of Condominium. This includes sales made member-to-member as well as member to non-member.

While a reasonable argument may be made to exempt the requirement for posting member-to-member sales, the overriding requirement exists for our rules to be accepted as fair by all owners. This decision is intended to diminish talk of favoritism or selective enforcement by applying the same rule to everyone.

FOR THE BOARD OF ADMINISTRATION

Secretary