

April 4, 2010

To Fellow Owners of Phillips Lofts:

Our current bylaws were put in place by our building's developer back in 2002. As they read today, they are neither sufficient to manage our building nor incorporate the most recent changes to the Alberta Condominium Act passed in 2000. In order to protect the interest of your condo corporation and to ensure we can all live in harmony, your board has been working for over a year to update these bylaws. This, unfortunately, comes at a cost. By the time we get our bylaws passed, the cost of this project will be around \$10,000, so this is something your board has not taken lightly.

The proposed bylaws can be found on our website www.phillipslofts.com for your review. Alternatively, you can contact our property manager, Corina MacKinnon, at 780-988-1947 or corina_mackinnon@yahoo.ca to have a printed copy sent out to you at a cost of \$25.

If after your review, you feel that changes are necessary, please submit them to information@phillipslofts.com for your board's consideration. As an aside, no condo bylaws will be perfect and updating them is a on-going process. Therefore, further changes will occur in the future, as things change in our building and with the Condominium Act. The proposed bylaws are a vast improvement to our existing ones. For example, how we deal with insurance claims is more robust. As it stands now, our bylaws are not clear with some of the insurance issues. As a result, your condo corporation was sued for \$35,000 a couple of years ago over an insurance claim. If these new bylaws are passed, they will ensure this doesn't happen again.

Our 2008/09 AGM has been postponed because of this bylaw update. Your board wanted the AGM to coincide with a meeting on the bylaws, which is now scheduled for May 5th. Depending on the feedback your board receives between now and then will determine how it takes the next steps with this process.

To have these bylaws passed, we need 75% of the unit factors and 75 of the units to vote in favor. If you are comfortable with the proposed bylaws as presented, please sign the attached form and send it to Corina MacKinnon at FOCHAUS Management. Otherwise, let your board know what needs to be changed, or bring your points up at our AGM.

On behalf of your board, I thank you in advance for your cooperation on this very important matter.

Regards,
Barry Kaiser
President
Phillips Lofts Condominium Corporation