

**BYLAWS
OF
WARNER CENTER CONDOMINIUMS**

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE 1 IDENTIFICATION	1
Section 1.1 Name.....	1
Section 1.2 Principal Office.....	1
Section 1.3 Bylaws and Applicability.....	1
Section 1.4 Definitions.....	1
ARTICLE 2 MEMBERSHIP	1
Section 2.1 Membership	1
Section 2.2 Voting Rights	1
Section 2.3 Voting	2
Section 2.4 Vesting of Voting Rights	3
Section 2.5 Transfer.....	3
ARTICLE 3 MEETINGS OF MEMBERS	3
Section 3.1 Place of Meetings.....	3
Section 3.2 Annual Meetings.....	3
Section 3.3 Special Meetings.....	4
Section 3.4 Quorum	5
Section 3.5 Proxies.....	5
Section 3.6 Adjourned Meeting and Notice Thereof.....	5
Section 3.7 Validation of Defectively Called or Noticed Meetings	5
Section 3.8 Action Without A Meeting	6
Section 3.9 Ballots	6
ARTICLE 4 BOARD OF DIRECTORS	6
Section 4.1 Powers.....	6
Section 4.2 Duties	9
Section 4.3 Number and Qualifications of Directors.....	10
Section 4.4 Election and Term of Office	10
Section 4.5 Vacancies	10
Section 4.6 Place of Meeting	12
Section 4.7 Organization Meeting	12
Section 4.8 Other Regular Meetings.....	12
Section 4.9 Special Meetings.....	12
Section 4.10 Action Without Meeting	13
Section 4.11 Action at a Meeting; Quorum and Required Vote	13
Section 4.12 Validation of Defectively Called or Noticed Meetings	13
Section 4.13 Adjournment	14
Section 4.14 Notice of Adjournment	14
Section 4.15 Fees and Compensation	14
ARTICLE 5 OFFICERS	14
Section 5.1 Officers	14
Section 5.2 Election	14
Section 5.3 Subordinate Officers, Etc.....	14
Section 5.4 Removal and Resignation	14
Section 5.5 Vacancies	15

Section 5.6	President.....	15
Section 5.7	Vice-President.....	15
Section 5.8	Secretary	15
Section 5.9	Treasurer	15
ARTICLE 6	RULES AND REGULATIONS.....	16
Section 6.1	Adoption	16
Section 6.2	Amendment.....	16
Section 6.3	Publication	16
Section 6.4	Reversing a Rule Change.....	16
Section 6.5	Access	17
Section 6.6	Violations.....	17
ARTICLE 7	COMMITTEES.....	17
Section 7.1	Committees	17
ARTICLE 8	ASSESSMENTS.....	17
Section 8.1	Assessments	17
Section 8.2	Monetary Penalties.....	18
Section 8.3	Procedure for Imposition of Monetary Penalties and Member Discipline	18
ARTICLE 9	MISCELLANEOUS	19
Section 9.1	Inspection of Association's Books, Records and Minutes	19
Section 9.2	Checks, Drafts, Etc	19
Section 9.3	Annual and Other Reports	20
Section 9.4	Contracts, Etc., How Executed	20
Section 9.5	Inspection of Bylaws.....	20
Section 9.6	Construction and Definitions	20
ARTICLE 10	AMENDMENTS	20
Section 10.1	Requirements	20
Section 10.2	Conflicts.....	21
ARTICLE 11	DECLARATION OF ESTABLISHMENT OF CONDITIONS, COVENANTS AND RESTRICTIONS	21
ARTICLE 12	ASSOCIATION QUALIFICATION	21
CERTIFICATE OF SECRETARY		22

BYLAWS OF
WARNER CENTER CONDOMINIUMS

ARTICLE 1
IDENTIFICATION

Section 1.1 Name. The name of the Association is WARNER CENTER CONDOMINIUMS (the "Association").

Section 1.2 Principal Office. The principal office of the Association is hereby fixed and located in the City of Los Angeles, County of Los Angeles, State of California, or at the nearest office of the management company, if any, retained by the Association.

Section 1.3 Bylaws and Applicability. The provisions of these Bylaws are applicable to the Condominium Project (the "Project") known as Warner Center Condominiums which is located in Los Angeles County, California; and more particularly described in the Declaration of Establishment of Conditions, Covenants and Restrictions for Warner Center Condominiums (the "Declaration") which has been, or will be, recorded in the Office of the County Recorder of Los Angeles County.

All present or future Owners, tenants, future tenants, or their employees, or any other person that might use the facilities of the Project in any manner, are subject to the regulations set forth in these Bylaws, and as the same may be amended from time to time as herein provided. The mere acquisition or rental of any of the Units of the Project or the mere act of occupancy of any of the Units or use of the Common Areas and facilities (as Owner, lessee, invitee or otherwise) will signify that these Bylaws are accepted, ratified, and will be complied with.

Section 1.4 Definitions. Each and every definition set forth in Article 1 of the Declaration shall have the same meaning herein as therein, and each and every such definition is incorporated by reference herein and made a part hereof.

ARTICLE 2
MEMBERSHIP

Section 2.1 Membership. Every person or entity who or which is an Owner of a fee or undivided fee interest in any Condominium which is subject by covenants of record to assessment by the Association shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest in a Condominium in the Project merely as security for the performance of an obligation.

Section 2.2 Voting Rights. The Association shall have two (2) classes of voting membership, as follows:

Class A. Class A Members shall be all Owners with the exception of the Declarant, and shall be entitled to one (1) vote for each Condominium owned. When more than one person holds an interest in any Condominium, all such persons shall be Members. The vote for such Condominium shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Condominium.

Class B. The Class B Members shall be the Declarant, and shall be entitled to three (3) votes for each Condominium owned in the Project upon which Declarant is then paying the appropriate monthly assessments provided for hereinbelow. The Class B Membership shall cease and be converted to Class A Membership upon the happening of any of the following events, whichever occurs first:

(a) Two years from the date of the first conveyance of a subdivision interest in the most recent Phase of the overall Project; or

(b) Four (4) years from the date of the first conveyance of a subdivision interest in first Phase of the Project.

Any provision in the Articles, Bylaws or the Declaration calling for membership approval of action to be taken by the Association except provisions with respect to the action to enforce the obligations of the subdivider under any completion bond, shall expressly require the vote or written assent of the prescribed percentage of each class of membership during the time that there are two (2) outstanding classes of membership. Any requirement elsewhere in the Articles of Incorporation, Bylaws, and Declaration, except with respect to the action to enforce the obligations of the subdivider under any completion bond, that the vote of the Declarant shall be excluded in any such determination, shall be applicable only if there has been a conversion of Class B Members to Class A Members, and the same shall be read as requiring the vote of the prescribed percentage of the Class A Members and the vote of the prescribed percentage of the Class A Members other than the Declarant.

Section 2.3 Voting. If more than one (1) party is record Owner of a Unit, the vote for that Unit shall be as decided by said parties between themselves. Such vote may be viva voce or by ballot; provided, however, that all elections for Directors must be by secret written ballot. If a quorum is present, except with respect to the election of Directors, the affirmative vote of the majority of each class of membership represented at the meeting and entitled to vote on such matters shall be deemed the act of the Members, unless the vote of a greater number is required by the Declaration, or the Bylaws. Every Member entitled to vote at any election for Directors shall have the right to cumulate such Member's votes, provided no Member shall be entitled to cumulate votes for a candidate or candidates unless such candidate's name or candidates' names have been placed in nomination prior to the voting and the Member has given notice at the meeting prior to the voting of the Member's intention to cumulate votes. If any one Member has given such notice, all Members may cumulate their votes for candidates in nomination. Under cumulative voting, a Member may give one (1) candidate a number of votes equal to the number of directors to be elected multiplied by the number of votes to which such Member's interest is entitled, or distribute such Member's votes on the same principle among the various candidates as such Member may see fit. The candidates receiving the highest number of votes entitled to be

voted for them, up to the number of directors to be elected, shall be elected. Unless the entire Board of Directors is removed from office by the vote of the Members of the Association, no individual member of the Board of Directors shall be removed prior to the expiration of such Board member's term of office if the number of votes cast against such Board member's removal would be sufficient to elect the governing body member if voted cumulatively at an election at which the same total number of votes were cast and the entire number of governing body members authorized at the time of the most recent election of the governing body member were then being elected. If any or all of the directors are so removed, new directors may be elected at the same meeting.

So long as the majority of voting power resides in the Declarant, no less than twenty percent (20%) of the incumbents on the Board of Directors shall have been elected solely by the votes of the Owners other than the Declarant.

A director who has been elected to office solely by the votes of Members of the Association other than the Declarant, may be removed from office prior to the expiration of such director's term of office only by the vote of at least a simple majority of the voting power residing in Members other than the Declarant.

Section 2.4 Vesting of Voting Rights. The voting rights attributed to any given Condominium in the Project as provided for herein, shall not vest until the assessments provided for hereinbelow have been levied by the Association as against said Condominium.

Section 2.5 Transfer. The Association membership held by any Owner of a Condominium shall not be transferred, pledged, or alienated in any way, except upon the sale or encumbrance of such Condominium. In the event of such sale or encumbrance, the Association membership may only be transferred, pledged or alienated to a bona fide purchaser of the Condominium, or to the Mortgagee (or third-party purchaser) of such Condominium upon a foreclosure sale. Any attempt to make a prohibited transfer is void, and will not be reflected upon the books and records of the Association.

ARTICLE 3 MEETINGS OF MEMBERS

Section 3.1 Place of Meetings. All annual or other meetings of Members shall be held within the Project or at a meeting place as close thereto as possible. Member meetings shall not be held outside of the county in which the Project is situated, unless necessitated by unusual conditions.

Section 3.2 Annual Meetings. The first meeting of the Association will be held no later than forty-five (45) days after the closing of the Condominium which represents the fifty-first (51st) percentile interest authorized for sale under the Final Subdivision Public Report for this Project, provided that the Final Subdivision Public Report authorizes the sale of fifty (50) subdivision interests or more in the Project. However, in no event shall the first meeting be held later than six (6) months after the closing of the sale of the first subdivision interest without regard to the number of subdivision interests authorized for sale in the first Final Subdivision Public Report.

At the said first meeting, the Members of the Association shall elect a Board of Directors to govern the Association. Thereafter, Member meetings will be held on an annual basis on the third Thursday in January of each succeeding year at eight o'clock post meridian (8:00 p.m.), provided, however, that should that day fall upon a legal holiday, then such meeting of Members shall be held at the same time and place on the next day thereafter ensuing which is a full business day. At such meetings, Directors shall be elected, reports of the affairs of the Association shall be considered, and any other business may be transacted which is within the powers of the Members of the Association.

Written notice of each annual meeting shall be given to each Member entitled to vote and to Declarant (for a period of ten (10) years after the close of escrow for the sale of the last Unit in the Project covered by a Final Subdivision Public Report), either personally or by mail or by other means of written communications, charges prepaid, addressed to such Member at such Member's address appearing on the books of the Association or given by such Member to the Association for the purpose of notice. If any notice or report addressed to the Member at the address of such Member appearing on the books of the Association is returned to the Association by the United States Postal Service marked to indicate that the United States Postal Service is unable to deliver the notice or report to the Member at such address, all future notices or reports shall be deemed to have been duly given without further mailing if the same shall be available for the Member upon written demand of the Member at the principal office of the Association for a period of one year from the date of the giving of the notice or report to all other Members.

All such notices shall be given to each Member entitled thereto and Declarant (for a period of ten (10) years after the close of escrow for the sale of the last Unit in the Project covered by a Final Subdivision Public Report) not less than ten (10) days nor more than ninety (90) days before each annual meeting. Any such notice shall be deemed to have been given at the time when delivered personally or deposited in the mail or sent by other means of written communication. An affidavit of mailing of any such notice in accordance with the foregoing provisions, executed by the secretary, assistant-secretary or any transfer agent of the Association shall be prima facie evidence of the giving of such notice.

Such notices shall specify:

- (a) the place, the date, and the hour of such meeting;
- (b) those matters which the Board, at the time of the mailing of the notice, intends to present for action by the Members;
- (c) if Directors are to be elected, the names of nominees intended at the time of the notice to be presented by management for election.

Section 3.3 Special Meetings. Special meetings of the Members, for the purpose of taking any action permitted by the Members under the California Nonprofit Mutual Benefit Corporation Law and the Articles of Incorporation of this Association, shall be promptly called in response to the vote of a majority of a quorum of the Board of Directors, or the receipt of a written request therefore signed by Members representing at least five percent (5%) of the total voting power of

the Association. No less than ten (10) days nor more than ninety (90) days written notice shall be given of such meeting. In addition to the matters required by items (a) and, if applicable, (c) of the preceding Section, notice of any special meeting shall specify the general nature of the business to be transacted, and no other business may be transacted at such meeting.

Section 3.4 Quorum. The presence in person or by proxy of Owners holding at least fifty-one percent (51%) of the voting power of the membership shall constitute a quorum for the transaction of business at all meetings. In the absence of a quorum at a Member's meeting, a majority of those present in person or by proxy may adjourn the meeting to another time, but may not transact any other business. An adjournment for lack of a quorum shall be to a date not less than five (5) days and not more than thirty (30) days from the original meeting date. The quorum for such a meeting shall be at least twenty-five percent (25%) of the total voting power of the Association, present in person or by proxy. If a time and place for the adjourned meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for the adjourned meeting after adjournment, notice of the time and place of the adjourned meeting shall be given to Members in the manner prescribed for regular meetings.

Section 3.5 Proxies. Every person entitled to vote or execute consents shall have the right to do so either in person or by one or more agents authorized by a written proxy executed by such person or such person's duly authorized agent and filed with the secretary of the Association. Any proxy duly executed is not revoked and continues in full force and effect until: (i) an instrument revoking it or a duly executed proxy bearing a later date is filed with the secretary of the Association prior to the vote pursuant thereto; or (ii) the person executing the proxy attends the meeting and votes in person, provided that no such proxy shall be valid after the expiration of thirty (30) days from the date of its execution, unless the person executing it specifies therein the length of time for which such proxy is to continue in force.

Section 3.6 Adjourned Meeting and Notice Thereof. Any Members' meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the Members, the holders of which are either present in person or represented by proxy thereat, but in the absence of a quorum no other business may be transacted at such meeting.

When any Members' meeting, either annual or special, is adjourned for reasons other than the absence of a quorum, for forty-five (45) days or more, or if after adjournment a new record date is fixed for the adjourned meeting, notice of the adjourned meeting shall be given as in the case of an original meeting. Except as provided above, it shall not be necessary to give any notice of the time and place of the adjourned meeting or of the business to be transacted thereat, other than by announcement of the time and place thereof at the meeting at which such adjournment is taken.

Section 3.7 Validation of Defectively Called or Noticed Meetings. The transaction of any meeting of Members, either annual or special, however called and noticed, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy, and if, either before or after the meeting, each of the persons entitled to vote, not present in person or by proxy, or who though present, has, at the beginning of the meeting,

properly objected to the transaction of any business because the meeting was not lawfully called or convened, or to particular matters of business legally required to be included in the notice, but not so included, signs a written waiver of notice, or a written consent to the holding of such meeting, or gives written approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the Association records or made a part of the Minutes of the meeting.

Section 3.8 Action Without A Meeting. Any action which may be taken by the vote of Members at a regular or special meeting, except the election of governing body Members where cumulative voting is a requirement, may be taken without a meeting if done in compliance with the provisions of Section 7513 of the Corporations Code.

Section 3.9 Ballots. Any form of proxy or written ballot distributed by any person to the membership of the Association shall afford the opportunity to specify a choice between approval and disapproval of each matter or group of matters to be acted upon. It shall not be mandatory that a candidate for election to the Board be named in the proxy or written ballot. The proxy or written ballot shall provide that, where the Member specifies a choice, the vote shall be cast in accordance with that choice. The proxy shall also identify the person who is authorized to exercise the proxy and the length of time it will be valid.

ARTICLE 4 BOARD OF DIRECTORS

Section 4.1 Powers. Subject to limitations of the Declaration and of the California Nonprofit Mutual Benefit Corporation Law as to action to be authorized or approved by the Members, and subject to the duties of directors as prescribed by the Bylaws, all corporate powers shall be exercised by or under the authority of, and the business and affairs of the Directors. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the directors shall have the following powers, to wit:

First - Enforce the provisions of the Declaration, Bylaws, and Rules and Regulations of the Association as well as any agreement of the Association;

Second - Adopt and publish Rules and Regulations governing use of the Common Area and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

Third - Fix, levy and enforce the collection of annual and special assessments in accordance with the Declaration;

Fourth - Suspend the voting rights and right to use the recreational facilities of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, as so provided in Section 7341 of the California Corporations Code, for a period not to exceed thirty (30) days, for the infraction of published rules and regulations;

* Fifth - Impose monetary penalties upon Owners as a disciplinary measure (1) for failure of an Owner to comply with the Bylaws and the Declaration, or (2) as a means of reimbursing the Association for costs incurred by the Association in the repair of damages to bring Areas and facilities for which the Owner is allegedly responsible, or (3) to bring an Owner or its Condominium into compliance with the Declaration or Bylaws.

Sixth - Exercise for the Association all powers, duties, and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, or the Declaration;

Seventh - Employ a manager, independent contractors, or such other employees as they deem necessary, and to prescribe their duties and compensation;

Eighth - Contract and pay for maintenance, gardening, materials and supplies, and services for the care and upkeep of the Common Areas and facilities;

Ninth - Contract and pay for all gas, water and electric utilities to the Project which are not metered at each individual Unit;

Tenth - Contract and pay for fire, casualty, liability and other insurance insuring the Project and Owners (without limiting any Owner's right to provide such further insurance as such Owner may desire);

Eleventh - Pay taxes and special assessments which are or would become a lien on the entire Project or Common Areas;

Twelfth - Enter into any Unit when necessary, in connection with the maintenance or construction for which the Association is responsible;

Thirteenth - To borrow money and incur indebtedness for the purposes of the Association, and to cause to be executed and delivered therefore, in the Association's name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations or other evidences of debt and securities therefore, pursuant to a vote or written consent therefore from a majority of the Members of the Association, excluding the vote of the Declarant;

Fourteenth - The Board of Directors of the Association shall ordinarily be prohibited from taking any of the following actions, except with the assent, by vote at a meeting of the Association or by written ballot without a meeting pursuant to Corporations Code Section 7513, of a simple majority of the Members, other than Declarant, constituting a quorum consisting of more than fifty percent (50%) of the voting power of the Association residing in Members other than the Declarant:

(1) Entering into a contract with a third person wherein the third person will furnish goods or services for the Common Area or the Association for a term longer than one year with the following exceptions:

(a) A contract with a public utility company if the rates charged for the materials or services are regulated by the Public Utilities Commission provided, however, that the term of the contract shall not exceed the shortest term for which the supplier will contract at the regulated rate;

(b) Prepaid casualty and/or liability insurance policies of not to exceed three years duration provided that the policy permits for short rate cancellation by the insured;

(c) Lease agreements for laundry room fixtures and equipment of not to exceed five (5) years duration provided the lessor under the agreement is not an entity in which the Declarant has an ownership interest;

(d) Agreements for cable television services and equipment or satellite dish television services and equipment of not to exceed five years duration provided that the supplier is not an entity in which the Declarant has a direct or indirect ownership interest of ten percent (10%) or more; or

(e) Agreements for sale or lease of burglar alarm and fire alarm equipment, installation and services or leases of furnishings of Units in the Project of not to exceed five (5) years duration provided that the supplier or suppliers are not entities in which the Declarant has a direct or indirect ownership of ten percent (10%) or more.

(f) A contract for a term not to exceed three (3) years that is terminable by the Association after no longer than one (1) year without cause, penalty or other obligation upon ninety (90) days written notice of termination to the other party.

(2) Incurring aggregate expenditures for capital improvements to the Common Area in any fiscal year in excess of five percent (5%) of the budgeted gross expenses of the Association for that fiscal year.

(3) Selling during any fiscal year property of the Association having an aggregate fair market value greater than five percent (5%) of the budgeted gross expenses of the Association for that fiscal year.

(4) Paying compensation to Members of the Board of Directors or to officers of the Association for services performed in the conduct of the Association's business provided, however, that the Board may cause a Member or officer to be reimbursed for expenses incurred in carrying on the business of the Association.

(5) Filling of a vacancy on the Board of Directors created by the removal of a director.

(6) Under no circumstances may the Association cause a forfeiture of an Owner's right to use and enjoy such Owner's Condominium for failure of a Member to comply with provisions of these Bylaws, or the Declaration, or the Rules and Regulations of the Association,

except (1) by judgment of a court or decision arising out of arbitration, or (2) on account of a foreclosure or sale under a power of sale for failure of the Owner to pay assessments duly levied by the Association, as set forth in Article 8 hereof.

Fifteenth - By resolution adopted by a majority of the authorized number of directors, to designate an executive and other committee, to consist of two (2) or more directors and/or Members, to serve at the pleasure of the Board. Unless the Board of Directors shall otherwise prescribe the manner of proceedings of any such committee, meetings of such committee will be regularly scheduled in advance or called at any time by any two (2) Members thereof; otherwise, the provisions of these Bylaws with respect to notice and conduct of meetings of the Board shall govern. Any such committee, to the extent provided in a resolution of the Board, shall have all of the authority of the Board, except with respect to:

- (a) The approval of any action for which the Nonprofit Mutual Benefit Corporation Law, or the Declaration also requires Member approval;
- (b) The filling of vacancies on the Board or in any committee;
- (c) The adoption, amendment or repeal of Bylaws;
- (d) The amendment or repeal of any resolution of the Board;
- (e) Any reassessment of Member fees and charges; and
- (f) The appointment of other committees of the Board or the Members thereof.

Section 4.2 Duties. It shall be the duty of the Board of Directors to:

First - Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at each annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth of the Members of the Association;

Second - Supervise all officers, agents and employees of this Association and see that their duties are properly performed;

Third - Procure and maintain adequate liability and hazard insurance on property owned by the Members of the Association;

Fourth - The Board of Directors shall require that all directors, officers, and employees of the Association handling or responsible for Association funds shall be covered by a fidelity bond in an amount at least equal to the sum of three months' assessments on all Units in the Project. The premium on such bond shall be paid by the Association.

Fifth - Cause the Common Area, sewer mains and laterals, and fences bounding the Project to be maintained at all times;

▪ Sixth - Cause the exterior of the building and related improvements situated within the Project to be maintained as set forth in the Declaration;

Seventh - Do any act directed by the majority of the Owners, unless such act is contrary to the Declaration and these Bylaws;

Eighth - In addition to duties imposed by these Bylaws, be responsible for such other duties which may be imposed by resolutions adopted by the Association at meetings called for the purpose.

Ninth - Employ, for the Association, a management agent at a compensation established by the Board to perform such duties and services as the Board shall authorize, including but not limited to, the duties listed in Paragraphs Fifth and Sixth of this Article.

Section 4.3 Number and Qualifications of Directors. The authorized number of directors shall be five (5) until changed by amendment of the Articles of Incorporation, Declaration, or Bylaws; provided that a proposal to reduce the authorized number of directors below three (3) cannot be adopted if the votes cast against its adoption at a meeting, or the Members not consenting in the case of action by written consent, are equal to more than sixteen and two-thirds percent (16-2/3%) of the outstanding memberships.

Section 4.4 Election and Term of Office. At the first annual meeting of Members, five (5) Directors shall be elected for staggered terms as provided herein. The two (2) candidates with the most votes shall be elected for terms of three (3) years each; the next two (2) candidates with the most votes shall be elected for terms of two (2) years each, and the candidate with the fifth most votes shall be elected for a term of one (1) year. Upon the expiration of each director's initial term of office, each successor director shall be elected for a three (3) year term thereafter. If any such annual meeting is not held or the directors are not elected thereat, the directors may be elected at any special meeting of Members for that purpose. All directors shall hold office until their respective successors are elected, subject to the Nonprofit Mutual Benefit Corporation Law and the provisions of these Bylaws with respect to vacancies on the Board.

Section 4.5 Vacancies. A vacancy on the Board of Directors shall be deemed to exist in case of (i) the death, resignation or removal of any Director, (ii) a Director having been declared of unsound mind by order of court or convicted of a felony, (iii) a decision to increase the authorized number of directors, or (iv) failure of the Members to elect the full authorized number of directors to be voted for at any annual or special meeting of Members at which any director or directors are to be elected.

4.5.1 Except for directors appointed by the Declarant, the Board, by a majority vote of the directors who meet all of the required qualifications to be a director, may declare vacant the office of any director who commits any of the following acts:

(a) Fails to attend three (3) consecutive regularly scheduled meetings of the Board or fails to attend more than six (6) meetings of the Board, regular or special, within any twelve (12) month period;

(b) Fails to comply with a duly approved action of the Board;

(c) Fails to comply with the Association's governing documents having been provided proper notice and received a hearing on the matter at which the Board determines that a violation exists; or

(d) Falls more than three (3) months in arrears in the payment of monthly assessments.

(e) Receives any type of money gain or other gain such as services, products, gifts or gratuities of a significant value, which have been provided in relation to a director's service on the Board, and which is not disclosed. Disclosure must take place at an open meeting of the Board and be recorded in the minutes. Compensation for services duly approved by the Board and unrelated to duties as a director or officer of the Association, or reimbursement of expenses associated with service to the Members do not constitute unethical or detrimental behavior and is permissible;

(f) Takes any action considered to be grossly detrimental to the general safety, health and welfare of the Association and its Members; or

(g) Addresses fellow directors with abusive language in a harmful or offensive manner. Abusive language is any language which causes humiliation and intimidation; or inflicts ridicule, coercion, threats, mental abuse or other language of a punitive nature; or in which prejudicial or grossly profane language is used.

4.5.2 Vacancies on the Board of Directors, except for a vacancy created by the removal of a director, may be filled by a majority vote of the remaining directors, though less than a quorum, or by a sole remaining director, and each director so elected shall hold office until a successor is elected at an annual or a special meeting of the Members. A vacancy on the Board of Directors created by the removal of a director by the Board may only be filled after obtaining the vote of a majority of the Members, excluding the vote of the Declarant.

4.5.3 The Members may elect a director or directors at any time to fill any vacancy or vacancies not filled by the directors. Any such election shall require the consent of the holders of a majority of the outstanding memberships.

4.5.4 Any director may resign effective upon giving written notice to the president, the secretary or the Board of Directors of the Association, unless the notice specifies a later time for the effectiveness of such resignation. If the Board of Directors accept the resignation of a director tendered to take effect at a future time, the Board or the Members shall have power to elect a successor to take office when the resignation is to become effective.

4.5.5 No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of this term of office.

Section 4.6 Place of Meeting. All meetings of the Board of Directors shall ordinarily be held within the Project, unless same is impractical, in which case meetings shall be held as close as reasonably possible to the Project in the Board of Directors' discretion.

Section 4.7 Organization Meeting. Immediately following each annual meeting of Members, the Board of Directors shall hold a regular meeting at the place of said annual meeting for the purpose of organization, election of officers, and the transaction of other business. Call and notice of such meetings are hereby dispensed with.

Section 4.8 Other Regular Meetings. Other regular meetings of the Board of Directors shall be held no less frequently than quarterly, without call at a place within the Project and at a time designated by the newly elected Board of Directors. Notice of all such regular meetings of the Board of Directors shall be posted at a prominent place or places in the Common Area, and shall be communicated to each director and to Declarant (for a period of ten (10) years after the close of escrow for the sale of the last Unit in the Project covered by a Final Subdivision Public Report), not less than four (4) days prior to the meeting; provided, however, that notice of a meeting need not be given to any director who has signed a waiver of notice or a written consent to holding of the meeting. If the Common Area consists only of an easement or is otherwise unsuitable for posting of such notice, the governing body shall communicate the notice of the time and place of such meeting by mail or delivery of the notice to each unit in the development, or by newsletter or similar means of communication. With respect to the Board, the term "meeting" shall include any congregation of a majority of the members of the Board at the same time and place to hear, discuss or deliberate upon any item of business scheduled to be heard by the Board, except those matters that may be discussed in Executive Session.

Section 4.9 Special Meetings. Special meetings of the Board of Directors for any purpose or purposes shall be called at any time by the president of the Board, or by any two (2) directors other than the president if there are circumstances that could not have been reasonably foreseen which require immediate attention and possible action by the Board, and which of necessity make it impractical to provide notice as required by Section 4.8 above.

Written notice of the time and place of special meetings shall be delivered personally to each director and to Declarant (for a period of ten (10) years after the close of escrow for the sale of the last Unit in the Project covered by a Final Subdivision Public Report) or communicated to each director by telephone, or by telegraph or mail, charges prepaid, addressed to such director at such director's address as it is shown upon the records of the Association or, if it is not so shown on such records or is not readily ascertainable, at the place at which the meetings of the directors are regularly held. In case such notice is mailed or telegraphed, it shall be deposited in the United States mail or delivered to the telegraph company at least seventy-two (72) hours prior to the time of the holding of the meeting. In case such notice is delivered, personally or by telephone, as above provided, it shall be so delivered at least twenty-four (24) hours prior to the time of the holding of the meeting. In addition to any one of the hereinabove described methods for providing notice, notice must also be posted in a prominent place or places in the Common

Area not less than seventy-two (72) hours prior to the scheduled time of the meeting. Such mailing, telegraphing, posting or delivery, personally or by telephone, as above provided, shall be due, legal and personal notice to such director.

Regular and special meetings of the Board of Directors shall be governed by the provisions of Section 1363.05 of the Civil Code. Any matter discussed in Executive Session shall be generally noted in the minutes of the Board. The Board of Directors shall permit any Member, and Declarant (for a period of ten (10) years after the close of escrow for the sale of the last Unit in the Project covered by a Final Subdivision Public Report), to speak at any meeting of the Association or the Board, except for meetings of the Board held in Executive Session. A reasonable time limit for all Members to speak to the Board or before a meeting of Members shall be established by the Board.

Any notice shall state the date, place and hour of the meeting and the general nature of the business to be transacted, and no other business may be transacted at that meeting.

Section 4.10 Action Without Meeting. Any action by the Board of Directors may be taken without a meeting if all Members of the Board shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board and shall have the same force and effect as a unanimous vote of such directors. Any action so taken by the Board shall be posted in a prominent place within the Common Area within three (3) days after all of the written consents have been obtained. If the Common Area consists only of an easement or is otherwise unsuitable for posting the explanation of the action taken, the governing body shall communicate said explanation by any means it deems appropriate.

Section 4.11 Action at a Meeting: Quorum and Required Vote. Presence of a majority of the authorized number of directors at a meeting of the Board of Directors constitutes a quorum for the transaction of business, except as hereinafter provided. Members of the Board may participate in a meeting through use of conference telephone or similar communications equipment, so long as all members participating in such meeting can hear one another. Participation in a meeting as permitted in the preceding sentence constitutes presence in person at such meeting. Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors, unless a greater number, or the same number after disqualifying one or more directors from voting, is required by law, by these Bylaws, or the Declaration. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of a director, provided that any action taken is approved by at least a majority of the required quorum for such meeting.

Section 4.12 Validation of Defectively Called or Noticed Meetings. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum is present and if, either before or after the meeting, each of the directors not present or who, though present, has prior to the meeting or at its commencement, protested the lack of proper notice to such director, signs a written waiver or notice or a consent to holding such meeting or approves the minutes

thereof. All such waivers, consents or approvals shall be filed with the Association records or made a part of the minutes of the meeting.

Section 4.13 Adjournment. A quorum of the directors may adjourn any directors' meeting to meet again at a stated day and hour; provided, however, that in the absence of a quorum, a majority of the directors present at any directors' meeting, either regular or special, may adjourn such meeting until the time fixed for the next regular meeting of the Board.

Section 4.14 Notice of Adjournment. If the meeting is adjourned for more than twenty-four (24) hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the directors who were not present at the time of adjournment. Otherwise notice of the time and place of holding an adjourned meeting need not be given to absent directors if the time and place be fixed at the meeting adjourned.

Section 4.15 Fees and Compensation. No director nor member of any committee which may be formed to assist the Board shall receive compensation. However, any director or member of a committee may be reimbursed for any actual expenses incurred in the performance of such person's duties.

ARTICLE 5 OFFICERS

Section 5.1 Officers. The principal officers of the Association shall be a president, vice-president, a secretary and a treasurer, all of whom shall be elected by and from the Board of Directors. The directors may appoint an assistant-secretary, and such other officers as in their judgment may be necessary. Any person may hold more than one (1) office except that the same person cannot be president and secretary.

Section 5.2 Election. The officers of the Association, except such officers as may be appointed in accordance with the provisions of Section 3 or Section 5 of this Article, shall be chosen annually by the Board of Directors, at the organization meeting, and each shall hold office until a successor shall be elected and qualified, or such officer shall be disqualified.

Section 5.3 Subordinate Officers, Etc. The Board of Directors may appoint, and may empower the president to appoint such other officers as the business of the Association may require, each of whom shall hold office, for such period, have such authority and perform such duties as are provided in the Bylaws or as the Board of Directors may from time to time determine.

Section 5.4 Removal and Resignation. Any officer may be removed, either with or without cause, by a majority vote of the members of the Board of Directors, at any regular or special meeting thereof and a successor elected. Any officer may resign at any time by giving written notice to the Board of Directors or to the president, or to the secretary of the Association, without prejudice however, to the rights, if any, of the Association under any contract to which such officer is a party. Any such resignation shall take effect at the date of the receipt of such notice

or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5.5 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in the Bylaws for regular appointments to such office.

Section 5.6 President. The president shall be the chief executive officer of the Association and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the Association. The president shall preside at all meetings of the Members and, at all meetings of the Board of Directors. The president shall be ex officio a member of all the standing committees, if any, and shall have the general powers and duties of management usually vested in the officer of president of a corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors or the Bylaws.

Section 5.7 Vice-President. In the absence or disability of the president, the vice-president designated by the Board of Directors, shall perform all the duties of the president, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the president. The vice-president shall have such other powers and perform such other duties as from time to time may be prescribed by the Board of Directors or the Bylaws.

Section 5.8 Secretary. The secretary shall record or cause to be recorded, and shall keep or cause to be kept, at the principal executive office and such other place as the Board of Directors may order, a Book of Minutes of actions taken at all meetings of directors and members with the time and place of holding, whether regular or special, and, if special, how authorized, the notice thereof given, the names of those present at directors' meetings, the number of members present or represented at members' meetings, and the proceedings thereof. The secretary shall keep, or cause to be kept, at the principal executive office a membership register, or a duplicate membership register, showing the names of the Members and their addresses. The secretary shall give, or cause to be given, notice of all the meetings of the Members and of the Board of Directors required by the Bylaws or by law to be given. The secretary shall keep the seal of the Association in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or by the Bylaws.

Section 5.9 Treasurer. The treasurer shall be the chief financial officer of the Association and shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the property and business transactions of the Association, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital and surplus. Any surplus, including earned surplus, paid-in surplus and surplus arising from a reduction of stated capital, shall be classified according to source and shown in a separate account. The books of account shall at all reasonable times be open to inspection by any director. The treasurer shall deposit all monies and other valuables in the name and to the credit of the Association with such depositories as may be designated by the Board of Directors. The treasurer shall disburse the funds of the Association as may be ordered by the Board of Directors, shall render to the president and directors, whenever they request it, an account of all transactions conducted as treasurer and of

the financial condition of the Association and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or the Bylaws.

ARTICLE 6 RULES AND REGULATIONS

Section 6.1 Adoption. The Board of Directors shall have the power to adopt reasonable Rules and Regulations that are not inconsistent with the Declaration and that are subject to Civil Code Sections 1357.100 *et seq.* regarding "operating rules" for governing the conduct of the Members in the use of the Common Areas.

Section 6.2 Amendment. Any amendment to or repeal of any of the Rules and Regulations and notice thereof to Members shall comply with Civil Code Sections 1357.100 *et seq.* regarding "operating rules."

6.2.1 The Board shall provide written notice of a proposed rule change to the Members at least thirty (30) days before making the rule change. The notice shall include the text of the proposed rule change and a description of its purpose and effect. Notice is not required under this Article if the Board determines that an immediate rule change is necessary to address an imminent threat to public health or safety or imminent risk of substantial economic loss to the Association; and, in such event, the Board may make an emergency rule change. An emergency rule change is effective for a period of one hundred twenty (120) days, unless the rule change provides for a shorter effective period. An emergency rule change may not be readopted again as an emergency rule change without notice.

6.2.2 A decision on a proposed rule change shall be made at a meeting of the Board of Directors, after consideration of any comments made by Association members.

Section 6.3 Publication. As soon as possible, but not more than fifteen (15) days after making a rule change, the Board shall deliver notice of the rule change by regular U.S. Mail to every Member. If the rule change was an emergency rule change made under Section 6.2.1, the notice shall include the text of the rule change, a description of its purpose and effect, and the date that the rule change expires.

Section 6.4 Reversing a Rule Change.

6.4.1 Members of an association owning five percent (5%) or more of the separate interests may call a special meeting of the Members to reverse a rule change, other than an emergency rule change.

6.4.2 A special meeting of the Members may be called in conformity with Section 3.3 herein, provided that the written request delivered to the Board by the Members as provided in Section 3.3 is delivered to the Board within thirty (30) days after the Members are notified of the rule change.

6.4.3 The rule change may be reversed by the affirmative vote of a majority of a quorum voting at a duly held meeting of Members at which a quorum is present. In lieu of calling the special meeting described in this Section, the Board may distribute a written ballot to every Member as provided in Section 3.9 herein.

6.4.4 A rule change reversed under this section may not be readopted for one year after the date of the meeting reversing the rule change. Nothing in this section precludes the Board from adopting a different rule on the same subject as the rule change that has been reversed.

6.4.5 Not more than fifteen (15) days after the meeting, the Board shall give written notice of the results of a Member vote to every Association member.

Section 6.5. Access. Members shall have the same access to the Rules and Regulations pursuant to Civil Code Section 1363(f) as they have to the accounting books, records, and minutes of the Association pursuant to Section 9.1 below.

Section 6.6. Violations. Violation of the Rules and Regulations shall be grounds for temporary suspension of the membership and/or privileges, by the Board of Directors, after notice has been given to the offending Member and a reasonable opportunity to be heard was afforded.

ARTICLE 7 COMMITTEES

Section 7.1 Committees. The Association shall appoint an Architectural Control Committee, as provided in the Declaration. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE 8 ASSESSMENTS

Section 8.1 Assessments. As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of such Owner's Unit.

This Article 8 shall not apply to monetary penalties imposed by the Association as a disciplinary measure (1) for failure of an Owner to comply with the Bylaws and the Declaration, or (2) to bring an Owner or its Condominium into compliance with the Declaration or Bylaws.

Section 8.2 Monetary Penalties. If any policy is adopted imposing a monetary penalty, including any fee, on any Member for a violation of the Declaration, the Articles, Bylaws or Rules and Regulations of the Association, including any monetary penalty relating to the activities of a guest or invitee of a Member, the Board shall adopt and distribute to each Member by personal delivery or first class mail, a schedule of the monetary penalties that may be assessed for those violations, which shall be in accordance with authorization for Member discipline contained in these Bylaws or the Declaration. The Board of Directors may adopt said guidelines as part of the Association's Rules and Regulations. The Board shall not be required to distribute any additional schedule of monetary penalties unless there are changes from the schedule that was adopted and distributed.

Section 8.3 Procedure for Imposition of Monetary Penalties and Member Discipline. The imposition of monetary penalties and Member discipline by the Association shall be governed by the following provisions:

(a) In accordance with the provisions of California Corporations Code Section 7341, the accused Owner shall be given notice and an opportunity to be heard with respect to the alleged claim and/or non-compliance giving rise to potential imposition of monetary penalties or other form of discipline.

(b) The Board of Directors of the Association shall meet in executive session if requested by the accused Owner, or at the direction of the Board of Directors, and the accused Owner shall be entitled to attend the executive session in accordance with Civil Code section 1363.05(b).

(c) Any Owner subject to discipline shall be provided at least fifteen days' prior notice of any intended expulsion, suspension, or termination of membership and/or imposition of any such monetary penalty, and the reasons for such action. Notice to the accused Owner may be given by any method reasonably calculated to provide actual notice. Any notice given by mail to the Owner will be mailed by first class or registered mail sent to the last address of the Owner shown on the Association's records.

(d) The Association shall provide an opportunity for the Owner subject to discipline to be heard, orally or in writing, not less than five (5) days before the effective date of the Owner's expulsion, suspension or termination of membership and/or not less than five (5) days before the imposition of a monetary penalty.

ARTICLE 9
MISCELLANEOUS

Section 9.1 Inspection of Association's Books, Records and Minutes. The membership register, including mailing addresses and telephone numbers, books of account and minutes of meetings of the members of the Board of Directors and of committees of the Board of Directors of the Association shall be made available for inspection and copying by any Member of the Association, or by any Member's duly appointed representative, at any reasonable time and for a purpose reasonably related to such Member's interest, at the office of the Association or at such other place as may be agreed upon by the Member and the Board of Directors. If the Association and the Member cannot agree upon a place for inspection, or if the Member so requests in writing, the Association may provide copies of the books, records, and minutes by first-class mail within ten (10) days of receiving the Member's request. The Association may bill the Member for the actual cost of copying and mailing, provided the Association notifies the Member of the costs before sending the copies. The Association may withhold or redact information from the books, records, and minutes for any of the following reasons:

(a) The release of the information is likely to lead to the unauthorized use of another person's personal identifying information to obtain credit, goods, services, money, or property; or

(b) The release of the information is likely to lead to fraud in connection with the Association; or

(c) The information is privileged under law.

Except as provided by attorney-client privilege, the Association may not withhold or redact information concerning the compensation paid to employees, vendors, or contractors. Compensation information for individual employees shall be set forth by job classification or title, not by any personal information of the employee. The accounting books, records, and minutes, and any information from them may not be sold, used for commercial purposes, or used for any other purpose not reasonably related to a Member's interest as a Member.

Every director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a director includes the right to make extracts and copies of documents.

In addition to the foregoing, for a period of ten (10) years after the close of escrow for the sale of the last Unit in the Project covered by a Final Subdivision Public Report, Declarant shall have the same rights as Owners under this Section to inspect, examine and audit the books of the Association.

Section 9.2 Checks, Drafts, Etc. All checks, drafts or other order for payment of money, notes or other evidences or indebtedness, issued in the name of or payable to the Association,

shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by resolution of the Board of Directors.

Section 9.3 Annual and Other Reports. An annual report, pro forma operating statement (budget) and other reports and statements shall be prepared and distributed to the Members as provided in Article 17 of the Declaration.

Section 9.4 Contracts, Etc., How Executed. The Board of Directors, except as otherwise provided in the Bylaws, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances; and, unless so authorized by the Board of Directors, no officer, agent or employee shall have any power or authority to bind the Association by any contract or engagement or to pledge its credit or to render it liable for any purpose or to any amount.

Section 9.5 Inspection of Bylaws. The Association shall keep in its principal executive office, (or otherwise provide upon written request of any Member) the original or a copy of the Bylaws as amended or otherwise altered to date, certified by the secretary, which shall be open to inspection by the Members at all reasonable times during office hours.

Section 9.6 Construction and Definitions. Unless the context otherwise requires, the general provisions, rules of construction and definitions contained in the Declaration and in the California Nonprofit Mutual Benefit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the foregoing, the masculine gender includes the feminine and neuter, the singular number includes the plural and the plural number includes the singular, and the term "person" includes a corporation as well as a natural person.

ARTICLE 10 AMENDMENTS

Section 10.1 Requirements. So long as the two-class voting structure provided for herein shall remain in effect, these Bylaws may be amended only by the vote or written assent of at least fifty-one percent (51%) of the voting power of each class of Members. At such time as the Class B membership shall cease and be converted to Class A membership, amendments to these Bylaws shall be enacted by requiring the vote or written assent of:

- (1) At least two-thirds (2/3) of a quorum of the Members of the Association; and
- (2) At least fifty-one percent (51%) of the votes of Members other than the Declarant.

Notwithstanding the foregoing, the percentage of a quorum of the Members or of the votes of Members other than the Declarant necessary to amend a specific provision in these Bylaws shall not be less than the prescribed percentage of affirmative votes required for action to be taken under said provisions.

Section 10.2 Conflicts. In the case of any conflict between the Declaration of Restrictions and these Bylaws, the Declaration shall control.

ARTICLE 11
DECLARATION OF ESTABLISHMENT OF
CONDITIONS, COVENANTS AND RESTRICTIONS

The provisions of the Declaration are hereby incorporated herein by this reference. In the event of a conflict between the provisions of these Bylaws and the provisions of said Declaration, the provisions of the Declaration shall prevail.

ARTICLE 12
ASSOCIATION QUALIFICATION

This Association is intended to qualify as a homeowners' association under the applicable provisions of the Internal Revenue Code, and of the Revenue and Taxation Code of California. Notwithstanding any of the above statements of purposes and powers, this Association shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the specific purpose of this Association. Furthermore, this Association is one which does not contemplate pecuniary gain or profit to the Members thereof, and is organized solely for nonprofit purposes. In no event shall the net earnings, income or assets of this Association be distributed to, or inure to the benefit of, any Member, director or officer of this Association or other private individual either directly, or indirectly, except upon winding up and dissolution. Upon winding up and dissolution of this Association, after paying or adequately providing for the debts and obligations of the Association, the remaining assets may be distributed to the members as provided in the Bylaws. Notwithstanding the foregoing, without the approval of one hundred percent (100%) of the Members, so long as there is any Common Area for which this Association is obligated to provide management, maintenance, preservation or control:

- (1) The Association or any person or entity acting on its behalf shall not:
 - (a) Transfer all or substantially all of its assets; or
 - (b) File a Certificate of Dissolution; and
- (2) No court shall enter an order declaring the Association duly wound up and dissolved.

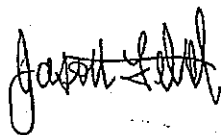
CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify:

1. That I am the duly elected and acting Secretary of WARNER CENTER CONDOMINIUMS; and

2. That the foregoing Bylaws, comprising 21 pages, including this page, constitute the Bylaws of said Association as duly adopted by action of the Board of Directors of the Association duly taken on April 28, 2005.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 28th of April, 2005.



MINUTES OF THE FIRST MEETING OF
THE BOARD OF DIRECTORS OF
WARNER CENTER CONDOMINIUMS,
A Nonprofit Mutual Benefit Corporation

The directors elected by the incorporator of the corporation named above constituting the board of directors of this corporation held their first meeting at the time, on the day and at the place set forth as follows:

Time: 10:30 A.M.
Date: April 28, 2005
Place: 5023 N. Parkway Calabasas
Calabasas, CA 91302

The following directors were present at the meeting: Michelle McClure, Stewart Myers and Jason Feld.

On motion duly made, seconded, and unanimously carried, the following persons were elected temporary chairman and temporary secretary of the first meeting:

Temporary Chairman: Michelle McClure

Temporary Secretary: Jason Feld

The temporary chairman announced that the meeting was held pursuant to a waiver of notice to the directors of the corporation, dated April 28, 2005. That waiver of notice was presented to the meeting and on motion duly made, seconded and carried was made a part of the minutes of the meeting.

The temporary chairman informed the board that the original articles of incorporation of the corporation had been filed in the office of the California Secretary of State on February 8, 2005, and that they named Gabriel Quezada initial agent for service of process. On motion duly made, seconded, and unanimously carried the following resolution was adopted:

RESOLVED, that LB Property Management be retained as the managing agent for this corporation, that with said managing agent, in the form attached hereto, be approved, and that said managing agent, be designated as the agent for service of process of this corporation.

The temporary chairman presented to the meeting a certified copy of the articles of incorporation, showing filing as stated. The temporary secretary was directed to insert the copy in the book of minutes of the corporation and was also directed to keep a copy at the principal office for the transaction of business of the corporation.

The temporary secretary presented to the meeting a form of bylaws that was considered and discussed. On motion duly made, seconded, and carried the following resolutions were adopted:

WHEREAS, the directors of this corporation have not yet adopted any bylaws for the corporation; and

WHEREAS, the best interests of this corporation will be served by the adoption of bylaws;

THEREFORE, BE IT RESOLVED that the bylaws presented to this meeting and discussed are adopted as the bylaws of this corporation.

RESOLVED FURTHER that the secretary of this corporation is authorized and directed to execute a certificate of the adoption of those bylaws and to insert those bylaws as so certified in the book of minutes of this corporation.

The meeting proceeded to the election of a president, a secretary, a treasurer, and other officers. The following were duly nominated and elected to the offices indicated before their names, to serve for one year or until their respective successors are duly elected and qualified whichever occurs later:

<u>Office</u>	<u>Name</u>
President:	Michelle McClure
Secretary:	Jason Feld
Treasurer:	Stewart Myers

The officers so elected accepted their respective offices, and thereafter the president presided at the meeting as chairman, and the secretary acted as secretary of the meeting.

The secretary presented for approval a proposed seal of the corporation, consisting of a circle having on its circumference the name of the corporation, and the words and figures, "INCORPORATED," the date of incorporation and "CALIFORNIA" in the form and figures as follows:

On motion duly made, seconded, and unanimously carried, the following resolution was adopted:

RESOLVED, that the corporate seal in the form, words and figures presented to this meeting is adopted as the seal of this corporation.

The chairman suggested that the board next consider adoption of an accounting year. On motion duly made, seconded, and unanimously carried the following resolution was adopted:

RESOLVED, that this corporation adopt an accounting year as follows:

Date accounting year begins:	January 1st
Date accounting year ends:	December 31st

After discussion, and on motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the County of Los Angeles, California, is designated and fixed as the county in which the principal office for the transaction of the business of this corporation shall be located, unless and until changed by resolution of this board.

The chairman suggested that the directors consider providing for the deposit and disbursement of corporate funds and authorizing certain officers to be responsible for deposit and disbursement. On motion duly made, seconded, and unanimously carried the following resolutions were adopted:

RESOLVED, that the president and secretary of this corporation, acting jointly on behalf of the corporation, are authorized to open such bank accounts as may be necessary or appropriate for the conduct of this corporation's business, provided that any such bank accounts shall require the signature of only one officer of this corporation on all checks drawn on such accounts, that all resolutions required by the depository banks with respect to such accounts are hereby adopted, and that the secretary of this corporation is authorized to certify to any bank the adoption of the resolution in the form used by that bank.

To provide for payment of the expenses of incorporation and organization of the corporation, on motion duly made seconded, and unanimously carried the following resolution was adopted:

RESOLVED, that each of the officers of this corporation is authorized and directed to pay, on behalf of the corporation, the expenses of incorporation and organization of this corporation.

The chairman explained that federal and state tax exemptions are available to certain nonprofit corporations: On motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED, that the president consult with legal counsel to ascertain the availability of exemptions from taxation under the federal and state tax laws and, if such exemptions are available, the president is authorized and directed to execute and file all necessary applications for exemption from those taxes with the appropriate state and federal tax authorities, and to pay necessary filing fees.

On motion duly made, seconded, and carried, the following resolution was adopted:

RESOLVED, that the president is authorized and directed to execute and file with the Office of the Secretary of State, at the times required by law, the annual statement required by the California Corporation Code to be filed by domestic nonprofit corporations.

The chairman stated that there was a need to secure a federal employer identification number for use on certain tax returns and statements. On motion duly made, seconded, and carried, the following resolution was adopted:

RESOLVED, that the officers of this corporation and each of them are authorized and directed to make such filings and applications as are necessary to secure for the corporation a federal employer identification number.

The following resolution was adopted on motions duly made, seconded and carried:

RESOLVED, that any one or more officers of this corporation are hereby authorized and directed by and on behalf of this corporation and in its name to execute and deliver all such documents and to take all such action as they may deem necessary or appropriate in order to carry out and accomplish all of the purposes of these resolutions.

There being no further business, on motion duly made, seconded, and carried, the meeting was adjourned.

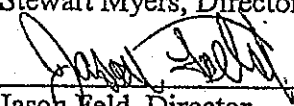
Dated: April 28, 2005



Michelle McClure, Director



Stewart Myers, Director



Jason Feld, Director

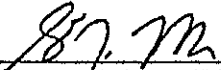
WAIVER OF NOTICE AND CONSENT TO THE HOLDING OF THE
FIRST MEETING OF THE BOARD OF DIRECTORS OF
WARNER CENTER CONDOMINIUMS,
A Nonprofit Mutual Benefit Corporation

The following directors of WARNER CENTER CONDOMINIUMS, a California nonprofit mutual benefit corporation, waive notice of and consent to the holding of the first meeting of the board of directors of that corporation on April 28, 2005, at 10:30 A.M. in Woodland Hills, California, and consent to the transaction of any and all business which properly may be brought before that meeting of the board of directors.

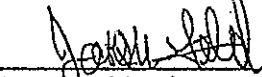
Dated: April 28, 2005



Michelle McClure, Director



Stewart Myers, Director



Jason Feld, Director

MINUTES OF ACTION OF INCORPORATOR OF
WARNER CENTER CONDOMINIUMS,
A Nonprofit Mutual Benefit Corporation

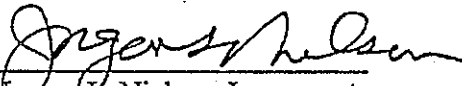
The following action is taken by the incorporator of the WARNER CENTER CONDOMINIUMS, by written consent, without a meeting, on April 28, 2005, under Sections 210 and 307 (b) of the California Corporation Code.

The following resolution electing the directors of the corporation is adopted:

RESOLVED, that Michelle McClure, Stewart Myers and Jason Feld be elected as directors of this corporation, to serve until their successors have been elected and qualified, and that the two remain board positions remain vacant until filled at the first annual meeting of members. Michelle McClure and Stewart Myers shall have three (3) year terms, and Jason Feld shall have a two (2) year term.

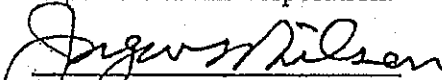
The undersigned, the incorporator of this corporation, consents to the foregoing action.

Dated: April 28, 2005


Jorgen L. Nielsen, Incorporator

The undersigned hereby resigns as incorporator of this corporation.

Dated: April 28, 2005


Jorgen L. Nielsen