

AMENDED BYLAWS
OF
PINON PINES ESTATES LOT OWNERS CORPORATION

ARTICLE I: OFFICES

Principal Office

The principal office of the PINON PINES ESTATES LOT OWNERS CORPORATION shall be located at 1001 Coldwater Drive, Frazier Park, California 93225. The Board of Directors shall have full power and authority to change said principal office from this location to another within the area.

ARTICLE II: RECITALS AND DEFINITIONS

Section 2.01. Association. The word "Association" shall mean the Pinon Pines Estates Lot Owners Corporation or its successor.

Section 2.02. Association Property. The term "Association Property" shall mean and include collectively, all real and personal property, including Roads owned, maintained, or controlled by the Association for the common use, benefit and enjoyment of the Owners of the real property within the Development.

Section 2.03. Board. The word "Board" shall mean the duly elected and acting Board of Directors of the Association.

Section 2.04. Development. The word "Development" shall mean, refer to and include all Lots, common areas and all other real and personal property located with the lands described and set forth in the Declaration of Covenants, Conditions and Restrictions.

Section 2.05. Governing Documents. The term "Governing Documents" shall mean the Association's Articles of Incorporation, Bylaws, Declaration of Covenants, Conditions and Restrictions ("CC&Rs"), operating rules and such other documents which govern the operation of the Development and/or the Association.

Section 2.06. Lot. The word "Lot" shall mean any lot or parcel designated on any final and duly recorded map within the meaning of the provisions of the Subdivision Map Act, commencing with Section 66410 of the Government Code of the State of California, or any final and duly recorded record of survey map within the meaning of the provisions of the Professional Land Surveyors' Act, commencing with Section 8700 of the Business and Professions Code of the State of California, as such provisions may from time to time be amended.

Section 2.07. Member. The word "Member" shall mean Owner as defined in Section 2.09 hereinbelow.

Section 2.08. Office of Recorder. The term "Office of Recorder" shall mean the Office of Recorder, County of Kern, State of California.

Section 2.09. Owner. The word "Owner" shall mean the person(s) or entity(s) holding the fee ownership of a Lot.

Section 2.10. Residential Lot. The term "Residential Lot" shall mean any Lot intended to be improved with a single family residence.

Section 2.11. Restrictions. The word "Restrictions" shall

mean all limitations, restrictions, covenants, terms and conditions set forth in the Declaration of Covenants, Conditions and Restrictions ("CC&Rs") as the same may be amended from time to time recorded in the Office of the Recorder of the County of Kern with respect to the Development, as such declaration may from time to time be amended, supplemented or modified by a subsequent Declaration so recorded.

Section 2.12. Road. The word "Road" shall mean any vehicular way designated on a subdivision map by street name and as "Not a Dedicated Street". The term "Not a Dedicated Street" shall refer to a parcel of land or non-exclusive easement not owned by the County, City or the State or Federal governments, and which is not offered for dedication to public use and shall be used for access to the Lots within the subdivision itself, or parcels adjacent thereto.

Section 2.13. Subdivision Map. The term "Subdivision Map" shall mean and refer to that certain subdivision map for Tract No. 3348 recorded in Book 19, pages 163 to 168, inclusive, of Maps, and that certain subdivision map for Tract No. 3420 recorded in Book 24, pages 101 and 102, inclusive, of Maps, all in the Official Records of the County of Kern, State of California.

Section 2.14. Construction. As used in these Bylaws:

(a) The present tense includes the past and the future tenses, and the future tense includes the present.

(b) The masculine gender includes the feminine and

neuter.

(c) The singular number includes the plural, and the plural number includes the singular.

(d) The word "shall" is mandatory and the word "may" is permissive.

ARTICLE III: MEMBERS

Section 3.01. The Association shall have one (1) class of Members only, and the property and other rights, interest, and privileges of each Member shall be equal.

Section 3.02. There shall be one membership in the Association appurtenant to the beneficial ownership (as distinguished from a security owner) of each single family Residential Lot. No membership may be severed or separated from such Lot or unit ownership and any sale, transfer, or conveyance thereof shall operate to transfer the appurtenant membership without the requirement of express reference thereto. In the event that such membership is owned in joint tenancy or tenancy in common, the joint or common Owners thereof shall be considered as one Member of the Association. Such Owners may from time to time designate one of their number in writing to vote. All such Owners, however, shall be entitled to all the rights and benefits of membership in the Association, subject to these Bylaws and to the rules and regulations as may be promulgated from time to time by the Board. All such Owners shall be jointly and severally responsible for the dues, assessments and charges levied against, incurred by, or attributed to the membership from which such

Member derives the rights and benefits referred to in this Section.

Section 3.03. Membership in this Association shall terminate on the Member's ceasing to be a beneficial Owner of property with the Development.

Section 3.04. Membership in this Association shall not be transferable or assignable, except that any Member may assign his membership rights to the tenant residing in or on his property within the Development which properly qualifies said Member for membership, and such assignment shall become effective on the filing by the Member of a written notice of assignment with the Secretary of the Association. Provided, however, that when any Member sells, transfers, or otherwise disposes of his property within the Development which property qualifies him for membership, he shall require, as a condition to said transfer, that the purchaser, transferee, or subsequent holder in interest thereof undertake to be bound by the Articles of Incorporation of this Association and by these Bylaws, and by any amendments thereto, and by the rules and regulations at any time adopted by the Association in accordance with these Bylaws.

Section 3.05. The Association may impose a reasonable fee to cover its actual costs incurred to change its records in connection with a change of ownership of a Lot. In addition, the Association shall be entitled to impose a fee for providing copies of its Governing Documents and delinquency statements to an Owner upon the Owner's request therefor equal to the

reasonable cost of preparing and reproducing the requested materials.

Section 3.06.

(a) Members shall be subject to annual assessments. The amount of each annual assessment shall be fixed by resolution of the Board. The annual assessment shall be payable on the first day of June of each year and shall become delinquent ninety (90) days thereafter or on such later date as determined by the Board and shall upon delinquency be made enforceable by court action or any other lawful lien enforcement procedures, in which this Association shall be entitled to recover its reasonable costs, expenses and attorney's fees incurred therein, and shall constitute a lien on the Member's property within the Development.

(b) Every resolution of the Board levying an assessment shall specify the amount thereof, to whom and where payable, and the day on which the assessment becomes payable.

(c) Notwithstanding the provisions of paragraphs (a) and (b) of this Section, assessments shall be levied only to pay the expenses of the Association for the following purposes:

(i) To maintain and improve the Roads and waterways within the Development;

(ii) To maintain and improve any areas held or used in common by the Owners of Lots within the Development;

(iii) To erect, improve, and maintain gateways, ornamental fences, plantings, trees, fountains and other

ornamental features within the Development;

(iv) To pay taxes and assessments, if any, which may be levied by any governmental authority on any of the areas or ornamental features held or used in common within the Development;

(v) To do any and all lawful things and acts which the Board, in its discretion, deems to be in the best interests of the Development and of the Owners of Lots therein, and to pay all costs and expenses in connection therewith;

(vi) To enforce any restrictions, conditions, covenants, changes, and agreements at any time created for the benefit of any property Owner by a Member and for the collection of assessments provided in these Bylaws;

(vii) To pay all license fees and other governmental charges, if any, levied or imposed on or against the Association or its properties; or

(viii) To conduct the business of the Association.

(d) Any Member who fails to pay his assessment for a period of ninety (90) days from the date on which such assessment becomes payable, shall be assessed a late charge on the amount owed.

(e) In the event that any Member whose assessment is paid should terminate his membership, his successor in title shall acquire the benefit of such paid-up assessment by becoming a Member of the Association.

(f) The notice of assessment shall be sent by mail to each Member not less than thirty (30) days prior to the delinquent date addressed to each Member at his address as it appears on the books of the Association. If the assessments are not paid on or before the delinquent date, the Board of Directors may, within thirty (30) days thereafter cause a notice of delinquent assessment lien to be recorded in the office of the Recorder of Kern County, and such lien may be enforced as provided in paragraphs (a) and (f) of this Section and through any other legal remedies available by law to the Association. The notice shall contain a legal description of the property affected thereby.

Section 3.07. The Board may provide for the issuance of certificates evidencing membership in the Association. Each such certificate shall state the year for which it is valid and shall have printed on its face in clear type that the Association is nonprofit. The form, size and contents of the certificate in all other respects shall be as fixed from time to time by resolution of the Board.

Section 3.08. Except as otherwise provided in these Bylaws, the voting right of a membership may be exercised either (a) in person at a meeting of the Members held in accordance with these Bylaws or (b) by mail by written ballot in the form approved by the Board and furnished by the Association to the Members. Where a membership is owned by more than one person, designation of one of such persons to vote on behalf of such membership shall be

signed by all such persons, and any such designation shall continue to be effective until revoked by a notice in writing delivered to the Secretary of the Association and signed by any one of such persons. Such designation shall be deemed to be revoked with the Secretary of the Association who shall receive actual notice of the death or judicially declared incompetence of any of the persons holding such joint or common interest in such membership or upon the disqualification of such membership to exercise the rights of membership pursuant to the terms of these Bylaws. Any and all persons holding such joint or common interest may attend meetings, but they shall only be entitled to exercise the one vote attributable to such membership in accordance with the terms of this Section 3.08.

ARTICLE IV: MEETING OF MEMBERS

Section 4.01. The Members shall meet annually during the month of May at the principal office of the PINON PINES ESTATES LOT OWNERS CORPORATION or at such other time and place fixed by the Board for the purpose of electing Directors and transacting such other business as may come before the meeting.

Section 4.02. Special meetings of Members to consider any reasonable business of the Association may be called and held at such times and places as may be ordered by the Board. Special meetings of the Members shall be called by the President or by the Board within thirty (30) days after receiving a written request for such meeting signed by the holders in good standing of not less than twenty percent (20%) of the voting power of the

Association setting forth the specific matter or matters to be considered at such meeting.

Section 4.03. Notice of meetings of Members shall specify the place, the day, and the hour of the meeting and, to the case of special meetings, the nature of the matters to be considered at such meeting.

Section 4.04. Quorum. The presence at any meeting of the Members, in person or by proxy, of Members entitled to vote holding a majority of the total votes of the membership shall constitute a quorum. If a quorum is not achieved at a meeting, such meeting shall be promptly adjourned to a second meeting at which time the presence, in person or by proxy, of Members holding one-third (1/3) of the total votes of the membership shall constitute a quorum. At any adjourned meeting the Members may transact any business which might have been transacted at the original meeting. The Members present in person or by proxy at a duly called or duly held meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, so long as any action taken (other than adjournment) is approved by at least a majority of the Members required to constitute a quorum. If a quorum is never established for the meeting, a majority of those Members who are present in person or by proxy may vote to adjourn the meeting for lack of a quorum, but no other action may be taken or business transacted.

Section 4.05.

(a) Each Member shall be entitled to vote on each matter submitted to a vote of the Members subject to the following rules:

(i) Each Member beneficially owning one (1) or more Lots within the Development shall be entitled to the number of votes equal to the total number of such Lots owned by him.

(ii) If two or more Members own a single Lot within the Development they shall be entitled to one vote only for such Lot. Such joint Owners shall designate and register with the Secretary of the Association the name of the Member who shall be entitled to cast the single vote.

(b) No single vote shall be split into fractional votes.

(c) Voting at meetings shall be by voice vote or by show of hands or by secret ballot at the election of the Chairman of the meeting unless ten percent (10%) of the votes present in person at such meeting request that such vote be by secret ballot, in which event such vote shall be by secret ballot. Prior to any vote at a meeting of Members by the membership entitled to vote present in person at such meeting, the Chairman of the meeting shall read the report of the Election Committee with respect to the matters voted upon by the membership by mail ballots in the possession of the Secretary.

Section 4.06. In connection with each meeting of Members, the Secretary shall prepare and mail to each Member a notice of

the meeting.

Section 4.07. Members may vote in person or by proxy.

Section 4.08. Meetings of Members shall be presided over by the President of the Association or, in his absence, by the Vice-President or, in the absence of both, by the chairman chosen by the remaining Board of Directors. The Secretary of the Association shall act as Secretary of all meetings of Members, provided that in his absence the presiding officer shall appoint another person to act as Secretary of the meeting. Unless otherwise provided in these Bylaws, a vote of a majority of those votes of the membership entitled to vote represented at a meeting in person by proxy in the possession of the Board shall prevail with respect to the matters to be voted upon at a meeting.

ARTICLE V: DIRECTORS

Section 5.01. The Association shall have five (5) Directors and collectively they shall be known as the Board of Directors.

Section 5.02. The Directors shall, subject to the limitations set forth in the Articles of Incorporation, exercise the powers of the Association, control its property, and conduct its affairs.

Section 5.03. Each Director shall be a Member of the Association, and shall be a Member in good standing, meaning the Director's membership rights in the association have not been suspended by reason of the Director's failure to pay assessments when due or for any other violation of the Governing Documents of the Association. Directors shall be eligible for re-election

without limitation on the number of terms they may serve, provided they continue to meet the qualifications therefor.

Section 5.04.

(a) Directors shall be elected at the annual meeting as set forth in Article IV of these Bylaws.

(b) A candidate for the office of Director shall be considered nominated upon notification of the Secretary of his candidacy. Any Member may nominate any other Member or himself.

(c) Candidates receiving the highest number of votes up to the number of Directors to be elected are elected.

(d) Each Director elected shall hold office for a two year term or until his successor is elected or until his death, resignation, removal or termination of membership in the Association.

Section 5.05. Any Director shall have the right, at any time, to resign by delivering his signed resignation to the President or Secretary of the Association. Any Director may be removed at a special meeting of Members by a vote of more than fifty percent (50%) of the total membership entitled to vote.

Section 5.06. Any vacancy occurring on the Board and any vacancy created by reason of an increase in the number of Directors shall be filled by a majority of the remaining Directors though less than a quorum, or by a sole remaining Director. A Director elected to fill a vacancy shall serve the unexpired term of his predecessor.

Section 5.07.

(a) Meetings of Directors shall be held at the principal office of the Association unless otherwise ordered by the Board from time to time by resolution of the Board. In the absence of such designation, meetings shall be held at the principal office of the Association, provided that any such meeting held elsewhere shall be valid.

(b) The Board shall hold regular meetings each month at a time, date and place fixed by the Board. Notice of the date, time and place of regular meetings of the Board shall be given to all Members by posting the notice in a prominent place or places within the common areas at least four (4) days prior to such meeting.

(c) Special meetings of the Board may be called by or at the request of the President or any two (2) Directors.

(d) The Board may act without a meeting by majority consent of Directors.

(e) Notice of the time and place of special meetings or the cancellation of regular meetings shall be given by, or at the direction of, the Secretary to each Director personally or by United States mail addressed to him at his address, as it appears on the books of the Association at least ten (10) days prior to the date of the meeting. With the exception of emergency meetings, notice of the time, date and place of special meetings of the Board shall also be given to all Members by posting the notice in a prominent place or places within the common areas at

least four (4) days prior to such meeting.

(f) Three (3) Directors shall constitute a quorum for the transaction of business.

(g) The Board shall consider no business at any meeting at which a quorum is not present and the only motion which the Chair shall entertain at such meeting is a motion to adjourn.

(h) An emergency meeting of the Board may be called by the President or by any two 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 impracticable to provide prior notice thereof to the Members.

(i) The organizational meetings of the newly elected Board of Directors shall be held immediately following the adjournment of the annual meeting of the Members.

(j) Meetings of Directors shall be presided over by the President of the Association or in his absence by the Vice-President or, in the absence of both, by a chairman chosen by a majority of the Directors present. The Secretary of the Association shall act as Secretary of the Board provided however, that in the absence of the Secretary the presiding officer shall appoint a person to act as Secretary for the meeting.

Section 5.08. Every act or decision done or made by a majority of the Directors present at any meeting duly held at which a quorum is present is the act of the Board, unless the

law, the Articles of Incorporation, or these Bylaws require a greater number.

Section 5.09. The Board shall have the exclusive right and responsibility to perform diligently all of the obligations and functions of the Association as set forth in the Articles of Incorporation, Bylaws and Declaration of CC&Rs, or by law and to manage the business and affairs of the Association. In furtherance and not in limitation of the foregoing rights and responsibilities the Board shall:

(a) Cause to be maintained a full set of books and records showing the financial condition of the affairs of the Association in a manner consistent with generally accepted accounting principles;

(b) Cause to be maintained a complete record of the minutes of Board meetings and Board actions and of the minutes of meetings and proceedings of Members. Such records and documents shall be kept and maintained in a manner consistent with reasonably prudent practice which would be applicable to a business for profit;

(c) Enforce all applicable provisions of the Declaration of CC&Rs, these Bylaws and all other Governing Documents, rules and regulations relating to the control, management, and use of private property within the Development and Association Property, and to take such steps as it deems necessary for the enforcement of such rules and regulations;

(d) Establish and levy assessments on the Members and

collect same all in accordance with the Articles of Incorporation, Bylaws, and Declaration of CC&Rs, and establish and collect reasonable use charges for the use of any or all of the Association's Property as the Board may deem necessary or desirable from time to time for the purpose of equitable allocation among the users of the cost of operation thereof;

(e) Cause a general manager to be employed by the Association to manage the business of the Association subject to the control of the Board. The general manager shall be a paid employee of the Association.

Section 5.10. The Board shall not, without the prior approval of the majority of the general membership voting at any meetings, enter into any lease, concession or contract of employment or service of more than one (1) year or purchase or sell any real property of the Association.

ARTICLE VI: OFFICERS

Section 6.01. The officers of the Association shall be a President, a Vice-President, a Secretary and a Treasurer.

Section 6.02. Officers shall be Members of the Association and elected annually by the Board at the first regular meeting of the Board following the annual election of Directors, and each officer shall hold office until he resigns, or is removed, or is otherwise disqualified to serve or until his successor shall be elected, whichever occurs first.

Section 6.03. Any officer may resign at any time by giving written notice to the Board or to the President or Secretary of

the Association. Any such resignation shall become effective on the date of receipt of such notice or at such later time as may be specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be required to make it effective.

Section 6.04. A vacancy in any office caused by the death, resignation, removal, disqualification, or otherwise, shall be filled by the Board for the unexpired portion of the term.

Section 6.05. The President shall exercise general supervision of the affairs and activities of the Association, shall preside at all meetings of the Members and Board at which he is present, and shall serve as an ex-officio member of all standing committees.

Section 6.06. The Vice-President shall assume the duties of the President whenever the latter is absent or is unable or refuses to act.

Section 6.07. The Secretary shall keep the minutes of all meetings of the Members and of the Board and shall be the custodian of all Association records.

Section 6.08. The Treasurer shall receive all funds of the Association, shall deposit such funds as provided in Section 7.03 of these Bylaws and shall pay out funds only on such basis as the President may from time to time direct in writing. The Treasurer may mail to each Member a financial statement of the Association as of May 1st of each year and an operating statement of income and expense for the twelve preceding months.

Section 6.09. Officers of the Association shall serve without compensation except that they shall be allowed and paid their actual and necessary expenses incurred in conducting the affairs of the Association.

ARTICLE VII: INSTRUMENTS, DEPOSITS AND FUNDS

Section 7.01. The Board may authorize any officer, agent, or employee of the Association, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of, and on behalf of the Association, and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent or employee shall have any power or authority, except as in these Bylaws provided to bind the Association by any contract or engagement or to pledge its credit or to render it liable pecuniarily for any purpose or in any amount.

Section 7.02. All checks, drafts or orders for the payment of notes or other evidences of indebtedness issued in the name of the Association shall be signed by two (2) members of the Board.

Section 7.03. All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board may select.

Section 7.04. The Board may accept on behalf of the Association any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Association.

ARTICLE VIII: BYLAWS

Section 8.01. These Bylaws shall become effective immediately on their adoption. Amendments to these Bylaws shall become effective immediately on their adoption unless the Board, or Members, in adopting them, provide that they are to become effective at a later date.

Section 8.02. Except as otherwise expressly provided herein, new Bylaws may be adopted or these Bylaws may be amended or repealed by the affirmative vote of a majority of the voting power of the Association. In addition, subject to the power of the Members to change or repeal them, and subject to the Articles of Incorporation and to applicable law, new Bylaws may be adopted or these Bylaws may be amended or repealed by the vote of a majority of the Directors; provided, however, that any Bylaw change adopted by the Directors shall automatically be placed on the agenda for the next scheduled meeting of the Members for ratification by the vote or written assent of a majority of a quorum at said meeting, and such change, if not so ratified, shall be deemed rescinded.

Section 8.03. The original, or a copy of the Bylaws as amended or otherwise altered to date, certified by the Secretary of the Association, shall be recorded and kept in a book which shall be kept in the principal office of the Association and such book shall be open to inspection by the Members at all reasonable times during office hours.

ARTICLE IX: MISCELLANEOUS PROVISIONS

Section 9.01. The Board shall provide a corporate seal. Such seal shall be affixed to all Association instruments, but failure to affix it shall not affect the validity of any such instrument.


Section 9.02. The fiscal year of the Association shall be from January 1 through December 31 of each calendar year.

Section 9.03. These Bylaws and the Declaration of CC&Rs are governing instruments of the Association. In the event of any conflicts between these Bylaws and the Declaration of CC&Rs, the provisions of these Bylaws shall take precedence.

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify that I am the duly elected and acting Secretary of PINON PINES ESTATES LOT OWNERS CORPORATION, a California nonprofit corporation, and that the foregoing Bylaws comprising twenty-one (21) pages (including this page) constitute the Bylaws of said corporation as duly adopted by the Members of the Association on December 9, 1999.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said corporation this 5 day of January, 2000.



Jean Benda
Secretary