

BYLAWS
OF
MARINA HILLS PLANNED COMMUNITY ASSOCIATION

ARTICLE I

NAME AND LOCATION

The name of the corporation is MARINA HILLS PLANNED COMMUNITY ASSOCIATION, hereinafter referred to as the "Master Association". The principal office of the Association shall be located in Orange County, California. Meetings of Members, delegates and directors shall be held within the Properties (defined in Declaration) or as close thereto as practicable.

ARTICLE II

DEFINITIONS

Section 2.1. The definitions contained in the Master Declaration are incorporated by reference herein.

Section 2.2. "Master Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for Marina Hills Planned Community recorded on the 3rd day of September 1987, as Instrument No. 87-502874, Official Records, Orange County.

ARTICLE III

MEETINGS OF MEMBERS AND VOTING

Section 3.1. Delegates: Members shall elect Delegates to act on their behalf as set forth in Article IV, Section 4.4., of the Master Declaration. The number of votes (i.e., voting power) held or represented by each Delegate, the manner in which Members shall elect Delegates, and the manner in which each Delegate shall cast votes held by her or him shall be set forth in the Master Declaration, and the provisions of the Master Declaration governing all such matters are specifically incorporated herein by this reference.

Section 3.2. Annual Meeting: The first annual meeting of the Delegates of the Master Association shall be held not less than ten (10) days nor more than sixty (60) days after

the first meeting of the Members in the first Delegate District to hold such meeting in accordance with Section 4.4(c)(i) of the Master Declaration. Subsequent regular annual meetings of the Delegates shall be held within thirty (30) days of the same day of the same month of each year thereafter, at the hour of 7:00 o'clock p.m. If the day for the annual meeting of the Delegates is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday. The meetings of the Delegates shall be open to attendance by all Members and Mortgagee representatives to the extent of the permissible capacity of the meeting room.

Section 3.3. Special Meetings: Special meetings of the Delegates may be called at any time by the vote for such a meeting by a majority of a quorum of the Board of Directors, and shall be called upon written request of the Members representing not less than five percent (5%) of the voting power of the Master Association. If the Master Association is the obligee under a bond or other arrangement to secure performance of the commitment of the Declarant to complete Master Association Maintenance Area improvements which have not been completed prior to the close of escrow of the sale of the first Condominium or Lot, and the provisions relating to such bonding contained in the Master Declaration are applicable, a special meeting of Delegates may be called in accordance with the provisions of the Master Declaration which provisions are incorporated by reference herein.

Section 3.4. Notice and Place of Meetings: Written notice of each meeting of the Delegates shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, first-class or registered, at least twenty (20) but not more than ninety (90) days before such meeting to each institutional lender requesting notice and to each Delegate entitled to vote thereat, addressed to the Delegate's address last appearing on the books of the Master Association, or supplied by such Delegate to the Master Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting. Meetings shall be held at a location on the Property whenever possible, and when not, at the principal office of the Master Association or such other suitable place convenient to the Owners as may be designated by the Board of Directors. Unless unusual conditions exist, meetings shall not be held outside the county in which the Properties are located.

Section 3.5. Quorum: The presence either in person or by proxy, at any meeting, of Delegates representing a majority of the Members' voting power of the Master Association, shall

constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Master Declaration, these Bylaws or the applicable provisions of the Corporations Code. If, however, such quorum shall not be present or represented at any meeting, the Delegates entitled to vote thereat shall have power to adjourn the meeting from time to time without notice other than announcement at the meeting, to a time not less than five (5) days nor more than thirty (30) days from the time the preceding meeting was called, and the required quorum at any such subsequent meeting shall be twenty-five percent (25%) of the voting power of the Master Association. 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 Delegates in the manner described for regular meetings.

Section 3.6. Proxies: At all meetings of Delegates, each Delegate may vote in person or by proxy. All proxies shall be in writing and filed with the secretary before the appointed time of each meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the Delegate of his Condominium or Lot, or upon receipt of notice by the Secretary of the Board of the death or judicially declared incompetence of such Delegate.

Section 3.7. Voting: As used in these Bylaws, and the Master Declaration, the term "Majority of Delegates" (or other specified percentage) shall mean those Delegates holding a majority (or other specified percentage) of the voting power of the membership in the Master Association. Notwithstanding the foregoing, unless otherwise expressly provided in these Bylaws or the Master Declaration, any action which may be taken by the Master Association may be taken by a majority of a quorum of the Delegates of the Master Association.

Section 3.8. Actions Without a Meeting: The Delegates to the Master Association may take actions and exercise those powers and duties created by these Bylaws or the Master Declaration without a meeting if all of the Delegates consent in writing to the action to be taken. If the Delegates resolve by unanimous consent to take an action, an explanation of the action taken shall be posted in prominent places within the Association Property as the Delegates may direct which is calculated to give notice to all the Members of the Master Association within three (3) days after the written consents of all Delegates have been obtained.