

BY-LAWS

POINT LOMA TENNIS CLUB COMMUNITY CORPORATION

ARTICLE I

DEFINITIONS

The following words, when used herein (unless the context shall prohibit) shall have the following meanings:

1.1 "Declarant" shall mean National Community Builders, a California corporation, its successors and assigns.

1.2 "Declaration" shall mean the Declaration of Covenants, Conditions and Restrictions as the same may be amended, changed or modified from time to time.

1.3 "Project" shall mean the entire parcel of real property divided, or to be divided into Condominiums, including all structures thereon.

1.4 "Condominium" shall mean a condominium as defined in Section 783 of the California Civil Code, and shall be an estate in real property consisting of (a) a separate fee interest in the space within a Unit, (b) an undivided interest as a tenant in common in the Common Area, (c) an exclusive easement for the use of one (1) or more designated parking space in the Common Area, (d) an exclusive easement for the use of the entranceway appurtenant to a Unit, and (e) an exclusive easement for the use of the balcony appurtenant to a Unit, if any.

1.5 "Unit" shall mean and refer to the elements of a Condominium which are not owned in common with the other Owners or other condominiums in the Project. The boundaries of a Unit are the interior surfaces of the perimeter walls, floors, ceilings, windows, and doors thereof as shown on the Condominium plan that has or will be filed pursuant to Section 1351 of the California Civil Code in the office of the County Recorder of San Diego. The following are not part of the Unit: bearing walls, columns, floors, roofs, foundations, elevator equipment and shafts, central heating, any other central services, pipes, ducts, chutes, conduits, wires and other utility installations wherever located, except the outlets thereof when located within the Unit. The Units include both the portions of the building lying within said boundaries and the air space so encompassed.

1.6 "Common Area" shall mean the entire Project, excepting Units as hereinbefore defined.

1.7 "Owner" shall mean the record owner whether one or more persons or entities, of the fee simple title to any Unit. The term "Owner" shall include Declarant, so long as any Condominium remains unsold. Owner shall not refer to those persons or entities having an interest in a Condominium merely as security for the performance of an obligation.

1.8 The "Property" shall mean and refer to the real property covered by the Covenants, Conditions and Restrictions.

1.9 "Mortgage" shall mean the reconveyance of any Unit or other portion of the Property to secure the performance of an obligation, which conveyance shall be void upon the due performance of said obligation.

1.10 "Mortgagee" shall mean a person or entity to whom a mortgage is made.

1.11 "Mortgagor" shall mean a person or entity who mortgages his or its property to another.

1.12 "Deed of Trust" shall mean and be synonymous with the word "Mortgage", and the same may be used interchangeably with the same meaning, and likewise the word "Trustor" shall be synonymous with the word "Mortgagor" and the word "Beneficiary" shall be synonymous with the word "Mortgagee".

1.13 "Corporation" shall mean and refer to Point Loma Tennis Club Community Corporation, a California non-profit corporation, its successors and assigns.

1.14 "Board" shall mean the Board of Directors of the Corporation.

1.15 "Member" shall mean every person or entity who holds a membership in the Corporation.

ARTICLE II

COVENANTS, CONDITIONS AND RESTRICTIONS

The provisions of these By-Laws shall be, at all times, subject to the provisions of the Declaration. In the event of a conflict between the provisions of these By-Laws and the Declaration, the provisions of the Declaration shall control.

ARTICLE III

LOCATION

The principal office of the corporation shall be located within the Project in the City of San Diego, County of San Diego, State of California, or such other place as the Board of Directors shall from time to time designate.

ARTICLE IV

MEMBERSHIP AND VOTING RIGHTS

4.1 Membership. Every person or entity who is a record Owner of a Condominium shall be a member of the Corporation. Membership shall be appurtenant to and may not be separated from the ownership of any Condominium. Ownership of such Condominium shall be the sole qualification for membership and shall be evidenced only by recordation in the records of the corporation (no certificate of Membership will be issued).

4.2 Transfer. The 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 and then only to the purchaser or Mortgagee of such Condominium. Any attempt to make a prohibited transfer is void and will not be reflected upon the books and records of the Corporation. In the event the Owner of any Condominium should fail or refuse to transfer the membership registered in his name to the purchaser of such Condominium, the Corporation shall have the right to record the transfer upon the books of the Corporation.

4.3 The rights of membership are subject to the payment of regular annual and special assessments levied by the Corporation, the obligation of which assessments is imposed against each Owner of and becomes a lien upon the Condominium against which such assessments are made as provided in the Declaration.

4.4 The membership rights are subject to the right of the Corporation to suspend the voting rights and right to use of the recreational facilities by a Member or an occupant of a Member's Unit for any period during which any assessment against his Condominium remains unpaid and delinquent and for a period not to exceed thirty (30) days for any single infraction of the rules and regulations of the Corporation, provided that any suspension of

such voting rights or right to use the recreational facilities, except for failure to pay assessments, shall be made only by the Board or a duly appointed committee thereof, after notice or hearing given and held in accordance with the By-Laws of the Corporation.

4.5 In the event of default by any Owner in the payments due upon a promissory note secured by a Mortgage to his individual Condominium, the Mortgagee shall have the right, upon giving written notice to said defaulting Owner, and filing for record a Notice of Default, to exercise the vote of such Owner at any regular or special meeting of the Owners held during such time as said default may continue.

4.6 Any member may delegate his right of enjoyment in the Common Area to the members of his family who reside upon the Properties or to any of his tenants who reside thereon. Such member shall notify the Secretary in writing of the name of any such person and the relationship of the Member to such person. The rights and privileges of such person are subject to suspension to the same extent as those of the Member.

4.7 Voting Rights. Members shall be entitled to one (1) vote for each Condominium in which they hold the interest required for membership. 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 determine among themselves, but in no event shall more than one vote be cast with respect to any Condominium. Declarant shall be entitled to one (1) vote for each unsold Condominium.

4.8 Cumulative Voting. For the purpose of electing (or removing Directors) each member entitled to vote shall have a right to accumulate his votes and give one (1) candidate a number of votes equal to the number of Directors to be elected, multi-

plied by the number of votes to which he is entitled, or to distribute his votes on the same principle among several candidates.

ARTICLE V

MEETING OF MEMBERS

5.1 Organizational Meeting. An organization meeting of the members shall be held as soon as the sale of at least fifty-one percent (51%) of the Units have been consummated, but in no event later than six (6) months from the date of the sale and conveyance of the first Unit, whichever is sooner. Thereafter, annual meetings of the Members shall be held on the second Tuesday of the month in which the Organizational Meeting was held of each year, at the hour of 8:00 o'clock p.m.; provided, however, that the Board by resolution may fix a date for the meeting no more than thirty (30) days before or after said date. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

5.2 Special Meetings. Special meetings of the Members may be called at any time by the President, or three (3) or more members of the Board or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the entire membership.

5.3 Notice of Meetings. Written notice of each meeting of the Members 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, at least ten (10) days and no more than sixty (60) days before such meeting to each Member entitled to vote thereat, addressed to the Members' address last appearing on the books of the Corporation, or supplied by such Member to the Corporation for the purpose of notice. Such notice shall specify the place, day and hours of the meeting and in the case of a special meeting, the purposes of the meeting.

5.4 Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, fifty percent (50%) of the votes shall constitute a quorum for any action except as otherwise provided in the Articles, the Declaration or these By-Laws. If, however, such quorum shall not be present, the meeting may be adjourned to a date not less than forty-eight (48) hours nor more than thirty (30) days thereafter. At such reconvened meeting, the presence of members entitled to cast at least thirty percent

(30%) of the total vote in person or by proxy shall constitute a quorum. A meeting may only be reconvened once. Thereafter, a new meeting must be called and the original quorum requirements shall be applicable.

5.5 Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary prior to commencement of any meeting where the proxy is to be exercised. Every proxy shall be revocable and shall automatically cease upon a conveyance by the Member of his Condominium.

5.6 Assent of Members. Wherever the Articles or By-Laws require the assent of the Members, the assent shall be obtained at a meeting called for the purpose pursuant to the notice, quorum and adjournment requirements applicable to Special Meetings pursuant to the Declaration. In the event that a quorum is present but the required majority of each class of membership is not present in person or by proxy, members not present may give their written assent to the action taken thereat.

5.7 Members' Assent Required. Unless otherwise provided in the Articles, Declaration or these By-Laws, all matters at any Members' meeting shall be determined by the vote of a simple majority of the members present (in person or by proxy).

5.8 Place of Meeting. All meetings of the Members shall be held at the principal office of the corporation or at any other place within the County of San Diego which may be designed by the Board.

ARTICLE VI

DIRECTORS AND MEETINGS

6.1 The number of directors of the Corporation shall be seven (7). Directors shall be elected or removed by cumulative vote of the Members. The number of directors may be increased or decreased from time to time (but in no event shall there ever be less than three (3) directors) by the amendment of these By-Laws by the Members as hereinafter provided in Article XI, or by an amendment to the Articles of Incorporation.

6.2 Vacancies in the Board shall be filled by a majority of the remaining directors, any such appointed director to hold office until his successor is elected by the Members, who may make such election at the next annual meeting of the Members or at any special meeting duly called for that purpose.

(a) To call special meetings of the Members whenever it deems necessary and it shall call a meeting at anytime upon written request of those persons or entities entitled to cast one-fourth (1/4) of the votes;

(b) To appoint and remove at pleasure all officers, agents and employees of the Corporation, prescribe their duties, fix their compensation, and require of them such security or fidelity bonds as it may deem expedient. Nothing contained in these By-Laws shall be construed to prohibit the employment of any Member, officer or director of the Corporation in any capacity whatsoever;

(c) To establish, levy and assess, and collect the assessments or charges referred to herein;

(d) To adopt and publish rules and regulations governing the use of the Common Area and the personal conduct of the Members and tenants or their guests thereon;

(e) To exercise for the Corporation all powers, duties and authority vested in or delegated to this Corporation; and

(f) To enforce the provisions of these By-Laws, the Declaration and Rules and Regulations of this corporation.

6.4 In addition to the duties of the Board as set forth in the Declaration, it shall be the duty of the Board:

(a) To cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members or at any special meeting when such is requested in writing by those persons or entities entitled to cast one-fourth (1/4) of the votes;

(b) To supervise all officers, agents and employees of this Corporation, and to see that their duties are properly performed;

(c) As more fully provided in the Declaration:

(1) To fix the amount of the assessment against each Unit for each assessment period at least thirty (30) days in advance of such date or period, and, at the same time;

(2) To prepare a roster of the Condominiums and assessments applicable thereto which shall be kept in the office of the Corporation and shall be open to inspection by any Member, and, at the same time;

(3) To send written notice of each assessment to every owner subject thereto.

6.5 No director shall receive any compensation for the services rendered as a director to the Corporation. However, directors shall be reimbursed for any expenditures incurred in connection with the business of the Corporation.

6.6 The Board shall require that all officers and employees of the Corporation handling or responsible for the Corporation funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Corporation.

6.7 A regular meeting of the Board shall be held on the first Tuesday of each month at 8:00 p.m., provided that the Board may, by resolution, change the day and hour of holding such regular meeting.

6.8 Notice of such regular meeting is hereby dispensed with. If the day for the regular meeting shall fall upon a holiday, the meeting shall be held at the same hour on the first day following which is not a holiday, and no notice thereof need be given.

6.9 Special meetings of the Board shall be held when called by the President or the Secretary of the Corporation or by any two directors after not less than three (3) days' written notice to each director.

6.10 The transaction of any business at any meeting of the Board, however called and noticed, or wherever held, shall be as valid as though made 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 signs a written

waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records and made a part of the minutes of the meeting.

6.11 Any action required or permitted to be taken by the Board 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.

6.12 A majority of the Board shall constitute a quorum thereof. 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.

ARTICLE VII

OFFICERS

7.1 The officers shall be a President, a Vice President, a Secretary, a Treasurer, and such other officers as the Board of Directors may deem necessary. Any person may hold two or more offices except those of President and Secretary. The President, Vice President and Secretary shall be members of the Board.

7.2 The officers shall be chosen by a majority vote of the Board.

7.3 Any officer may be removed, either with or without cause, by a majority of the Board at any time.

7.4 The President shall preside at all meetings of the Board, shall see that orders and resolutions of the Board are carried out, and sign all notes, checks, leases, mortgages, deeds and all other written instruments.

7.5 The Vice President shall perform all of the duties of the President in his absence.

7.6 The Secretary shall be ex-officio the Secretary of the Board, shall record the votes and keep the minutes of all proceedings in a book to be kept for that purpose. He shall keep the records of the Corporation. He shall record in a book kept for that purpose the names of all Members of the Corporation, together with the addresses as registered by such Members.

7.7 The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Corporation and shall disburse such funds as directed by resolution of the Board; provided, however, that a resolution of the Board of Directors shall not be necessary for disbursement made in the ordinary course of business conducted within the limits of a budget adopted by the Board. The Treasurer shall sign all checks and notes of the Corporation, provided that such checks and notes shall also be signed by the President or Vice President.

7.8 The Treasurer shall keep proper books of account and cause an annual audit of the Corporation's books to be made by a certified public accountant at the completion of each fiscal year. He shall prepare an annual budget and an annual balance sheet statement, and the budget and balance sheet statement shall be presented to the membership at the regular annual meeting.

ARTICLE VIII

EXECUTIVE AND OTHER COMMITTEES

The Board may appoint an executive committee, and such other committees as may be necessary from time to time, and consisting of such number of its members and with such powers as it may designate consistent with the Articles of Incorporation and these By-Laws and the General Corporation Laws of the State of California. Such committees shall hold office at the pleasure of the Board.

ARTICLE IX

BOOKS AND RECORDS

9.1 The books, records and papers of the Corporation shall be kept at the principal place of business of the Corporation, and shall at all times, during reasonable business hours, be subject to the inspection by any members.

9.2 The Board shall cause annual independent audits to be made and shall cause the delivery of copies thereof to be made to the Members. The Board shall cause such annual reports to be sent to the Members not later than one hundred and twenty (120) days after the close of the fiscal or calendar year, or thirty (30) days after the completion of such reports, whichever is sooner.

ARTICLE X

CORPORATE SEAL

The Corporation shall have a seal in circular form having within its circumference the name of the Corporation, its date of incorporation and such other matter as may be required by the laws of the State of California.

ARTICLE XI

AMENDMENTS

11.1 These By-Laws may be amended, at a regular or special meeting of the Members, by a vote of not less than fifty percent (50%) of all votes entitled to be cast in person or by proxy, provided that:

(a) Those provisions of these By-Laws which are governed by the Articles of Incorporation of this Corporation may not be amended except as provided in the Articles of Incorporation or applicable law; and

(b) Any matter stated herein to be or which is in fact governed by the Declaration may not be amended except as provided by the Declaration.

11.2 In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

We, the undersigned, being all of the members of the Board of Directors of POINT LOMA TENNIS CLUB COMMUNITY CORPORATION, a California corporation, hereby assent to the foregoing By-Laws, and adopt the same as the By-Laws of said Corporation.

IN WITNESS WHEREOF, we have hereunto set our hands this
12 day of JUNE 1972


Stanley C. Swartz

[Signature]
S. Reid Gustafson

[Signature]
A. P. Lench

[Signature]
Donald Sichel

[Signature]
Paul V. Doleshal

[Signature]
John D. Thrasher

[Signature]
Marilyn Epstein

THIS IS TO CERTIFY:

That I am the duly elected, qualified and acting Secretary of POINT LOMA TENNIS CLUB COMMUNITY CORPORATION, a California non-profit corporation, and that the above and foregoing By-Laws were adopted, as the By-Laws of said Corporation on the 12 day of June, 1972 by the Board of Directors of said Corporation.

IN WITNESS WHEREOF, I have hereunto set my hand this 12 day of June, 1972.

[Signature]
ACTING SECRETARY,
POINT LOMA TENNIS CLUB COMMUNITY CORP.

FIRST AMENDMENT TO BY-LAWS OF
POINT LOMA TENNIS CLUB COMMUNITY CORPORATION

THOSE CERTAIN BY-LAWS of the Point Loma Tennis Club Community Corporation dated June 12, 1972 are hereby amended in the following particular only pursuant to a vote of at least fifty percent (50%) of all votes entitled to be cast in person or by proxy at the Annual Meeting held January 10, 1974:

Section 5.4 shall read:

"5.4 Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, twenty-five percent (25%) of the votes shall constitute a quorum for any action except as otherwise provided in the Articles, the Declaration or these By-Laws. If, however, such quorum shall not be present, the meeting may be adjourned to a date not less than forty-eight (48) hours nor more than thirty (30) days thereafter. At such reconvened meeting, the presence of members entitled to cast at least thirty percent (30%) of the total vote in person or by proxy shall constitute a quorum. A meeting may only be reconvened once. Thereafter, a new meeting must be called and the original quorum requirements shall be applicable."

Except as amended hereby, said By-Laws shall and do remain unchanged and in full force and effect.

Dated: December 10, 1974.

POINT LOMA TENNIS CLUB
COMMUNITY CORPORATION,
a non-profit corporation,

By

Clarence M. Pendleton, Jr.
Clarence M. Pendleton, Jr.
President

SECOND AMENDMENT TO BY-LAWS OF
POINT LOMA TENNIS CLUB COMMUNITY CORPORATION

THOSE CERTAIN BY-LAWS of the Point Loma Tennis Club Community Corporation dated June 12, 1972 are hereby amended in the following particular only pursuant to a vote of at least fifty percent (50%) of all votes entitled to be cast in person or by proxy at the Annual Meeting held December 10, 1974:

Section 6.1.1 shall be added to read:

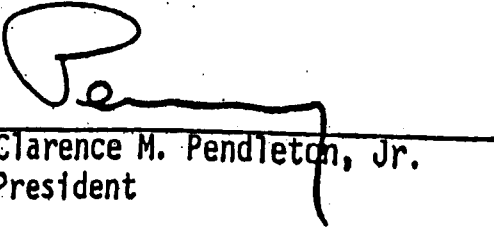
"6.1.1 Qualifications for the Board of Directors. In order to be eligible for membership in the Board of Directors, each candidate must meet the following qualifications:

- (a) Candidate must be a PLTC homeowner and resident for minimum of sixty (60) days prior to date of election.
- (b) Candidate must be at least twenty-one (21) years of age.
- (c) Candidate must be in good financial standing, i.e.; have no outstanding delinquent debt to the PLTCCC."

Except as amended hereby, said By-Laws shall and do remain unchanged and in full force and effect.

Dated: December 10, 1974

POINT LOMA TENNIS CLUB
COMMUNITY CORPORATION,
a non-profit corporation,

By 
Clarence M. Pendleton, Jr.
President