

# **BY-LAWS, RULES AND REGULATIONS**

## **Section 1. NAME AND OBJECT**

**A. Name** The name of the corporation shall be,

**\*ALPINE FOREST PARK PROPERTY OWNERS' ASSOCIATION**

**B. Objects** The principle objects of the corporation shall be those set forth in its Articles of Incorporation, and shall include but not be limited to providing a legal entity for the transaction of all business and social matters of common interest to the property owners belonging to the corporation; to maintain recreational facilities for the benefit of the members within any area owned or leased by the corporation; and to manage and maintain the common areas acquired by the corporation.

## **Section 2. MEMBERSHIP**

The corporation shall have no capital stock and shall be composed of members rather than shareholders.

The members shall be the owners of the parcels within property conveyed to the Bank of California, a national banking association, as Trustee, per deed Recorded June 30, 1970 in Book 4412, Page 898, Official Records of the Office of the County Recorder of Kern County. The term owner and member hereafter shall be used interchangeable where applicable. The term Association and Corporation shall also hereafter be used interchangeable where applicable. Annual and special meetings of owners shall be held in accordance with the provisions herein.

## **Section 3. ORGANIZATION MEETING**

Three (3) Interim Directors shall be elected by the present owners of the real property to serve until the first organization meeting. An organizational meeting shall be held thirty (30) days following the consummation of the sale of 51% of the lots or within one year after sale of the first lot in the project, whichever occurs first. Notice of the time and place such organizational meeting shall be given by the Interim Directors, or their authorized agent, to the owners in writing by mailing such notice to the address of each respective owner as shown in the records of the Interim Directors.

## **Section 4. ANNUAL MEETINGS**

There shall be a meeting of the owners on the first Tuesday of June of each year at 7:30 P.M., at such location in the county of **KERN, STATE OF CALIFORNIA**, as may be designated by written notice of the Board of Directors mailed to each owner at the address shown on the records of the Board of Directors. At such meeting, the presence in person or proxy of owners owning a majority of the parcels in the project shall constitute a quorum. Such notice shall be mailed not less than seven (7) nor more than sixty (60) days before any meeting.

## **Section 5. ELECTIONS**

At the organization meeting and each annual meeting, the owners shall elect a Board of Directors for the forthcoming year consisting of three (3) to five (5) owners.

Each owner shall be entitled to one (1) vote for each individual parcel owned even though this may give one individual or entity more than one (1) vote. Each owner entitled to vote at any election of members of the board may accumulate his votes and give one candidate a number of votes equal to the number of the members of the board to be elected, multiplied by the number of votes to which each such owner is entitled, or to distribute his vote on the same principle among as many candidates as he sees fit. The candidates receiving the highest number of votes up to the number of the members of the board to be elected shall be deemed elected.

*\*Amended at Property Owners' meeting June 20, 1972.*

## Section 6. **OFFICERS**

The corporation shall have a President, a Vice President, a Secretary and a Treasurer.

Officers of the corporation shall be elected from among the Directors of the Board at its first regular meeting following the annual meeting of members. Terms of office shall be concurrent with the terms of the Directors holding such offices. Vacancies shall be filled by the Board.

The President shall be the chief executive officer of the corporation and shall, subject to the control of the Board, supervise and control the affairs of the corporation. He shall perform all duties incident to his office and such other duties as provided by these By-Laws or as may be prescribed from time to time by the Board of Directors.

The Vice President shall perform all duties, and exercise all powers, of the President when the President is absent or is otherwise unable to act. The Vice President shall perform such other duties as may be prescribed from time to time by the Board of Directors.

The Secretary shall keep minutes of all meetings of members and of the Directors, shall be the custodian of the corporate records, shall give all notices as are required by law or by these By-Laws, and generally, shall perform all duties incident to the office of Secretary and such other duties as may be required by law, by the Articles of Incorporation, or by these By-Laws, or which may be assigned to him from time to time by the Board of Directors.

The Treasurer shall have charge and custody of all funds of the corporation, shall deposit such funds as required by the Board of Directors, shall keep and maintain adequate and correct accounts of the corporation's properties and business transactions, shall render reports and accountings to the Directors and to the members as required by the Board of Directors or members, and shall in general perform all duties incident to the office of the Treasurer and such other duties as may be required by law, by the Articles of Incorporation, or by these By-Laws, or which may be assigned to him from time to time by the Board of Directors.

## Section 7. **COMMITTEES**

The Board of Directors, by resolution, may from time to time designate Ad Hoc committees for specific purposes. The resolution designating the Committee shall provide for the appointment of its members and Chairman, state its purposes, and provide for its termination.

## Section 8. **SPECIAL MEETINGS**

Special meetings of owners may be called either by the Board of Directors or by the owners of not less than ten per cent (10%) of the lots in the project. Notice of special meetings shall be in writing, mailed to each owner at the address shown on the records of the Board of Directors, and shall state the time and place of the meeting, and the general nature of the business to be transacted, and shall be given at least ten (10) days prior to the date of the meeting as specified in such notice.

## Section 9. **MAJORITY VOTE.**

At any annual meeting or special meeting of owners at which a quorum is present, the majority of the voting power shall prevail, except in those cases otherwise expressly provided for in these By-Laws.

## Section 10. **BOARD OF DIRECTORS**

### a. **Membership of the Board – Term – Removal**

The management of the Association shall be vested in a Board of Directors consisting of from three (3) to five (5) owners, elected by the owners at each annual meeting or at any special meeting called for that purpose. If an owner be a Trust or Corporation, its duly authorized representative or representatives may serve. Members of the board shall serve for a term of one (1) year and until their respective successors are elected, or until their death, resignation or removal; provided, however, that if any member ceases to be an owner, his membership upon the board, whether in person or by representation, shall thereupon terminate. Any member may resign at any time by giving written notice to the manager or to the other members of the board, and any member may be removed from membership on the board by vote of the owners; provided, however, that unless the entire board is removed the provisions of Section 810 of the California Corporation Code as amended shall apply.

## Section 11. **QUORUM**

Two-thirds (2/3rds) of the board shall constitute a quorum and, if a quorum is present, the decision of the majority of those present shall be the act of the board. The board shall elect a chairman who shall also be the Association President who shall preside over both its meetings and those of the Association. Meetings of the board may be called, held and conducted in accordance with such regulations as the board may, from time to time, adopt. The board may also act without a meeting by unanimous consent of its members.

The Board shall meet regularly on the first Tuesday of July of each year or such other times as the board, by majority vote, shall deem necessary, provided that if such date be a holiday, the regular meeting shall be held on the following day.

## Section 12. **INTERIM POWERS OF DIRECTORS**

Until the first election of the board, the rights, duties and functions of the board shall be exercised by the Interim Directors without compensation. If they, in their exercise of the powers of the board, shall enter into any arrangement or contract with any person or firm for the management of the properties, such contract may be voided by the board at its first regular meeting.

### Section 13. **CERTIFICATE OF MEMBERSHIP**

After the first election of the board, Interim Directors shall execute, acknowledge and record an affidavit stating the names of all the persons elected to membership on the board. Thereafter, any two (2) persons who are designated of record as being members of the most recent board (regardless of whether or not they shall still be members) may execute, acknowledge and record an affidavit stating the names of all the members of the then current board. The most recently recorded of such affidavits shall be prima facie evidence that the persons named herein are all of the incumbent members of the board and shall be conclusive evidence thereof in faith of all persons who rely thereon in good faith.

### Section 14. **POWERS OF THE BOARD**

Subject to the limitation of the Articles of Incorporation, of the By-Laws and of the Laws of the State of California as to action to be authorized or approved by the shareholders, all corporate powers shall be exercised by or under authority of, and the business affairs of this corporation shall be controlled by, a Board of Directors.

Further, the Board of Directors may authorize installation and maintenance of the non-dedicated and dedicated but not accepted streets, water rights of way and water lines, equestrian trails, drainage and sewer easements, community sewer systems, and open areas and shall have the power and authority to: (1) Pay for all labor, services, maintenance, repairs, structural alterations, insurance taxes or assessments which the board is required to secure or pay for pursuant to the terms of these By-Laws, or which in its opinion may be necessary or proper in maintaining the common areas, including access roads, etc., and including the joining with adjoining property owners to maintain any mutually used (common) areas. (2) Obtain public liability and property damage insurance insuring the board, owners and any employees against any liability to the public or to the owners and their invitees, licensees, or tenants incident to the ownership and/or use of the common areas, the liability under such insurance shall be set by the board. Such limits may be increased by the board from time to time in its discretion. (3) Pay for the reconstruction of any portion or portions of the common areas including access roads, damaged or destroyed which are to be rebuilt. (4) Transact business and social matters of common interest to owners of parcels belonging to this association including the operation and maintenance of any club houses, recreational facilities and/or common areas owned or leased by this corporation. (5) Do all things necessary or reasonable to carry out the provisions of the Articles of Incorporation, the Deed Restrictions, By-Laws and the duties of the Board in the operation and management of the project. (6) Provide for posting of signs in accordance with Section 5838-b of the Kern County Subdivision Ordinance. (7) Permit any owners of adjoining property to join the Association, provided such action will not substantially increase assessments or substantially increase the burden upon community property. In the event such action will substantially increase assessments or substantially increase the burden upon community property, such annexation shall require approval by at least a two-thirds (2/3rds) majority of the voting power, excluding the voting power of the Declarant. Further, any such annexation must be accomplished within three (3) years of the date of the issuance of the final Sub-Division Public Report issued for the last property joining this Association.

### Section 15. **ASSESSMENTS AND MAINTENANCE FUND**

All assessments levied by the Board of Directors, whether designated a basic assessment or a further assessment, shall be paid equally by the owners of parcels in the

Association, and no parcel may be assessed an amount per month or per annum greater or less than any other parcel.

#### Section 16. **ASSESSMENT**

a. **Basic Assessment.** On the first day of November of each year, beginning on the first day of **November, 1972**, or the first day of the month following the recording of the sale of the fiftieth (50<sup>th</sup>) parcel, the owners of each of the parcels in the Association shall pay to the board to be held and dispersed as a fund to meet the authorized expenditures and provided herein and to provide adequate reserves for replacement the sum of **Fifteen Dollars** per year. Each such annual payment shall be a separate debt of the owner against whom it is assessed. The initial basic assessment herein provided may not be decreased without the approval of the majority of the owners and all beneficial interest under mortgages or trust deeds covering all of the parcels. The initial assessment may be increased by the Board up to \$50.00 per parcel per year. It may not be raised above that amount by the Board without a majority vote of the property owners.

b. **Further Assessments.** If the fund provided by any of the owners proves inadequate to maintain the Association, and to provide adequate reserves for replacement, and to enable the board to carry out its duties and responsibility, the board may at any time levy a further assessment which shall be assessed equally to each of the owners of the parcels in the Association. The board shall give each owner written notice of the total amount of said further assessment, the amount thereof assessed to each owner and the date or dates upon which said amount or portion thereof shall be due and payable. Each such payment so indicated in the written notice shall be a separate debt of the owner against whom it is assessed and shall be due and payable on the indicated date.

#### Section 17. **DEFAULT IN PAYMENT OF ASSESSMENTS**

In the event of a default or defaults in payment of any of the assessments as provided in Section 16 of these By-Laws, the Board of Directors may enforce such obligation as follows:

a. **Action at Law.** The board may maintain an action at law in the name of **3424 KERN COUNTY PROPERTY OWNERS' ASSOCIATION, INC.**, or in the name of one or more of the board members to enforce each assessment obligation. Each such action must be authorized by a majority of a quorum of the board at a regular or special meeting thereof. Any judgment rendered in any such action shall include a sum for reasonable attorneys' fees in such amount as the Court may adjudge against the defaulting owner. Upon full satisfaction of any such judgment, it shall be the duty of the board to authorize delivery of any appropriate satisfaction thereof.

#### b. **Lien.**

1. **Notice in Claim of Lien.** At any time within ninety (90) days after default of payment or any assessment or installment thereof, the board, acting upon the authorization of the majority of a quorum at any regular or special meeting, may give notice to the defaulting owner which shall state the date of delinquency, the amount thereof, and make demand for payment. If such delinquency is not paid within ten (10) days after delivery of such notice, the board may elect to record a Claim of Lien against the parcel of the delinquent owner. Any such Claim of Lien shall state (a) the name of the delinquent owner or reputed owner; (b) a description of the property against which the claim of lien is made; (c) the amount claimed to be due and owing from any proper offset

allowed; (d) that the claim of the lien is made by the board of directors or the association pursuant to the terms of these By-Laws; and (e) that a lien is claimed against such described property in an amount equal to the amount of the stated delinquency. Any such claim or lien shall be signed and acknowledged by any two (2) or more members of the board and shall be dated as of the date the last such board member executed such claim of lien. Upon recordation of a duly executed original or duplicate original of such claim of lien in the office of the Kern County Recorder, the lien claim thereof shall immediately attach and become effective subject only to the limitations hereinafter set forth. Each default shall constitute a separate basis for a claim of lien or a lien.

**2. Enforcement of Lien.** Any such lien may be foreclosed by appropriate action in Court or in the manner provided by law for the foreclosure of a mortgage or trust deed under power of sale, or in any other manner permitted by law. In the event such foreclosure is by action in law, reasonable attorneys' fees shall be allowed to the extent permitted by law. In the event foreclosure is as in the case of a mortgage or trust deed under power of sale, the board or any person designated by it in writing shall be deemed to be acting as the agent of the liener and shall be entitled to actual expenses and such fees as may be allowed by law.

**3. Release of Lien.** In the event any Claims of Lien have been recorded as hereinabove provided and thereafter the board receives payment in full of the amount claimed to be due and owing, then upon demand of the owner or successor and the payment of a reasonable fee not to exceed Ten (\$10.00) Dollars, the board acting by any two (2) members shall execute and acknowledge and record in the Office of the County Recorder of Kern County a Release of Lien stating the date of the original claims of such lien, the amount claimed, the date and page wherein the lien was recorded, the fact that the lien has been fully satisfied and that the particular lien is released and discharged. Such Release of Lien shall be delivered to the owner or his successor upon payment of the above stated fee.

**c. Other Means of Enforcement.** The Board of Directors may enforce the payment of any delinquent assessment or installment thereof in any other manner permitted by law.

**d. Amendment.** No amendment of this Section shall be effective without the unanimous written consent of all of the owners and the holders of the beneficial interest in any mortgage, contract or deed of trust then of record as a valid lien against said property or any part thereof.

## Section 18. **AUDIT**

Any owner may at any time and at his own expense cause an audit or inspection to be made of the books and records of the manager of the board. The board shall furnish all owners of the project with an independent annual report showing assets, liabilities, income and expenses within thirty (30) days from the completion thereof, or one hundred twenty (120) days from the close of each fiscal year adopted by the board, whichever shall first occur.

## Section 19. **AMENDMENTS**

**Amendment of By-Laws** – The regular members, by the affirmative vote of the holders, 75%, of such memberships issued and outstanding, may at any meeting,

provided the substance of the proposed amendment shall have been stated in the notice of the meeting, amend or alter any of these By-Laws.

#### Section 20. **MISCELLANEOUS PROVISIONS**

1. The corporation shall have a seal which shall be in such form and contain such matter as shall be specified by resolution of the Board of Directors. The seal shall be affixed to all corporate instruments, but failure to affix it shall not affect the validity of any such instrument.

2. Except as otherwise provided by law, checks, drafts, promissory notes, orders for the payment of money, and other evidences of indebtedness of the corporation shall be signed by the Treasurer and countersigned by the President; any contract, lease, or other instrument executed in the name of and on behalf of the corporation shall be signed by the Secretary and countersigned by the President, and shall have attached to it a copy of the resolution of the Board of Directors certified by the Secretary authorizing its execution.