

**AMENDMENTS TO BYLAWS**  
**OF**  
**SAN ELIJO HILLS #1 HOMEOWNERS ASSOCIATION**

These Amendments to the Bylaws of SAN ELIJO HILLS #1 HOMEOWNERS ASSOCIATION, pursuant to the provisions of ARTICLE VIII, Paragraph 8.02, are adopted this 21st day of May, 1997 by the Board of Directors.

**WITNESSETH**

WHEREAS, on June 1, 1982, the Board of Supervisors of the County of San Diego, State of California, adopted Ordinance No. 6308 providing a procedure for fixing and collecting charges on the tax roll for miscellaneous extended service provided by the County of San Diego, acting for and on behalf of County Service Area No. 9, Zone F - San Elijo Hills #1 ("County of San Diego");

WHEREAS, for the miscellaneous extended services relating to maintenance of slope landscaping for the preservation and conservation of open spaces and areas for public use and enjoyment, a fixed annual charge was collected on the property tax roll of each lot owner within San Elijo Hills Subdivision, Unit No. 1 ("the Subdivision");

WHEREAS, on June 18, 1985, an agreement for landscape maintenance was entered into by and between the County of San Diego and the San Elijo Hills #1 Homeowners Association ("the Association");

WHEREAS, the agreement provides that the County of San Diego shall pay the Association an annual maintenance fee from tax roll collections to perform landscape maintenance within the Subdivision consisting of irrigation, fertilization, insect and disease control, weed and litter removal and staking, guying and pruning of plants ("landscape maintenance services");

WHEREAS, on or about July 1, 1986, the City of Solana Beach was incorporated and the tax roll collections were remitted to the City of Solana Beach and maintained as Municipal Improvement District funds for disbursement to the Association to pay for the landscape and maintenance services;

WHEREAS, with the passage of Proposition 218 on November 5, 1996, the City of Solana Beach advised the Association that the Association must collect the maintenance fee instead of a government agency; and

WHEREAS, the required number of members of the Association have voted to amend the Bylaws,

NOW, THEREFORE, the Bylaws are amended as follows:

1. Article II, Section 2.07, shall state:

2.07 Maintenance Fee

- (a) Every beneficial owner of real property in the defined area shall pay to the Association an annual Maintenance Fee of \$447 for the purpose of providing landscape maintenance services.
- (b) The Maintenance Fee shall be collected in two equal installments, payable on September 1st and March 1st of each fiscal year (July 1 - June 30), with the first installment due September 1, 1997.
- (c) The Maintenance Fee shall be set annually by the Board of Directors and may not be increased by more than 7 percent over the prior year without approval by a majority of homeowners responding by mail ballot or by a majority of homeowners in attendance at an Association meeting, for which 30 days written notice shall be provided.
- (d) If the Maintenance Fee remains unpaid for more than 30 days after the due date, the Association may record a notice of delinquent assessment, impose a late charge that does not exceed 10 percent of the delinquent assessment or \$30, whichever is greater, may recover the reasonable costs of collection, including attorney's fees, and exercise any other remedy authorized by law.

2. Article VI, Section 6.01(e), shall now state:

(e) Slopes Committee. The Slopes Committee shall be responsible for the maintenance of the common area slopes of the development, the expenses of which maintenance are paid for by the Maintenance Fee.

IN WITNESS WHEREOF, these Amendments to the Bylaws of San Elijo Hills Homeowners Association have been approved by the Board of Directors.

BY: P.L. Buel  
President, SAN ELIJO HILLS #1  
HOMEOWNERS ASSOCIATION

*San Elijo Hills Homeowners Association, Inc.*  
*A Non-Profit Corporation*

P.O. Box 232  
Solana Beach, CA 92075

May 21, 1997

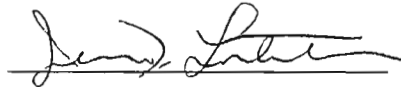
*Certificate of Amendment*

This is to certify that the attached Amendment to Bylaws, addressing the collection of maintenance fees, passed with more than the required two-thirds majority of the 192 homeowners voting in favor of the amendment in balloting conducted from March 7, 1997 through April 20, 1997.

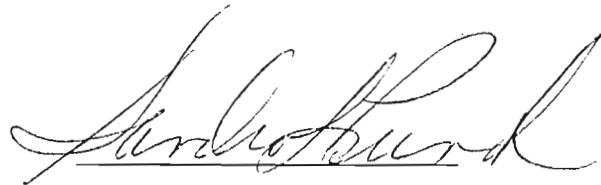
The final vote count was: 144 in favor; 9 against.

The ballots were counted by John Lortscher and Sandra Punch.

Confirming their count:



John Lortscher, treasurer



Sandra Punch, Vice President

Signed:



Peter Burch, President