

HIGHLAND MEWS HOMEOWNERS ASSOCIATION

BYLAWS

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BYLAWS RECITALS

HIGHLAND MEWS HOMEOWNERS ASSOCIATION is unincorporated and its principal office is located at 186 WEST HIGHLAND AVENUE, SIERRA MADRE, CALIFORNIA. The term "Declaration" shall mean the Declaration of Covenants, Conditions and Restrictions applicable to the Property recorded on _____ at _____ in the Official Records of County of Los Angeles, State of California. Other Terms defined in the Declaration shall have the definitions stated therein which are incorporated by reference into these Bylaws.

BYLAWS ARTICLE 1. OWNER MEETINGS AND VOTING

1.1 MEMBERSHIP IN THE ASSOCIATION. Every Owner is a member of the Association while he/she owns a Condominium. Membership ceases when Ownership ceases. Membership is an integral part of, and automatically passes with, the ownership of a Condominium.

1.2 VOTING RIGHTS. There is one vote per Unit. Fractional votes by Co-Owners are not allowed. If Co-Owners are unable to agree how to cast the vote for a Unit on a matter, they shall lose their vote on that matter. If a single vote is cast on behalf of a Unit, the vote shall be conclusively presumed to have been cast on behalf of all Owners of the Unit unless an Association Notice contesting the right to vote is actually received before the election is held. If multiple votes are cast on behalf of a Unit, all shall be disregarded. Following compliance with the procedural requirements imposed by the Declaration for Owner discipline, the Association may suspend the voting rights associated with a Unit and right of its Owner to hold office (i) during any period while Assessments associated with the Unit are delinquent and (ii) for a period of up to thirty (30) days for each infraction of the Governing Documents by an Owner or Occupant of the Unit.

1.3 OWNER MEETINGS.

- A. Timing and Location of Owner Meetings.** Annual Owner Meetings shall be held once each calendar year on a weekday during April as scheduled by the Board. A Special Owner Meeting shall be promptly scheduled upon a vote of the Board or upon receipt of Association Notice(s) collectively containing requests from Owners entitled to cast votes of more than five percent (5%) of the Units. When permitted by law and authorized by the Board in its sole discretion, (i) an Owner Meeting may be held in whole or in part by electronic transmission and/or electronic video screen communication, and (ii) Owners may participate and vote in an Owner Meeting held at a physical location by electronic transmission and/or electronic video screen communication. All Owner Meetings held at a physical location shall be held on the Property, unless the Board determines for good reason that the meeting should be held at another location. Owner Meetings held at another location shall be convened at a place as close to the Property as possible.
- B. Notice of Owner Meetings.** The Board shall give General Notice of Owner Meetings at least twenty (20) but not more than ninety (90) days before the meeting. The General Notice shall state the place, date and time of the meeting, the means of electronic transmission or electronic video screen communication, if any, by which Owners may participate in that meeting, and: (i) in the case of a Special Owner Meeting, the general nature of the business to be transacted, and no other business may be transacted; or (ii) in the case of the Annual Owner Meeting, those matters which the Board, at the time the General Notice is given, intends to present for action by the Owners.
- C. Quorum Requirements of Owner Meetings.** A quorum shall be required to take any action at an Owner Meeting. The presence of Owners entitled to cast votes of more than fifty percent (50%) of the Units shall constitute a quorum. Each ballot received by the Association shall be treated as an Owner present at a meeting for purposes of establishing a quorum. If a quorum is not present in person or by proxy at any Owner Meeting, a majority of the voting power present may adjourn the meeting to a date not less than five (5) or more than thirty (30) days later without notice other than an announcement at the meeting, but may transact no other business requiring a quorum. If a time and place is not so fixed, General Notice of the time and place of the resumption of the adjourned meeting shall be given in the manner prescribed for Annual Owner Meetings. If a quorum is present at any Owner Meeting in person or by proxy, the Owners may continue to conduct business until adjournment notwithstanding the withdrawal of enough Owners to leave less than a quorum provided: (i) Owners entitled to cast votes of more than twenty five percent (25%) of the Units Owners remain present in person or by proxy; (ii) any action taken must be approved by at least a majority of the voting power required to constitute a quorum; and (iii) action may not include imposition of a Regular Annual Assessment which is more than twenty percent (20%) greater than the Regular Annual Assessment for the immediately preceding fiscal year, or a Special Assessment which in the aggregate exceeds five percent (5%) of the budgeted gross expenses of the Association for that fiscal year. Owners who submit written ballots but are not otherwise present in person or by proxy shall be deemed present for the purpose of determining whether quorum requirements are satisfied.

D. Additional Requirements For Certain Votes. The amendment of the Governing Documents, the grant of exclusive usage of any portion of Common Area to any Owner or group of Owners (except where applicable law permits the grant without Owner approval), and assessment increases requiring Owner approval, are subject to special procedural requirements relating to ballot secrecy and other voting procedures as described in Civil Code §§5100, 5110, 5115, 5120 and 5125.

1.4 ACTION WITHOUT MEETING. Any action which may be taken at Owner Meetings may, in the Board's sole discretion, be taken without a meeting provided (i) a written ballot describing the proposed action, stating the number of responses needed to meet quorum requirements and the number of approvals required for passage, and providing an opportunity to specify approval or disapproval, is distributed as an Individual Notice to every Owner entitled to vote on the matter, (ii) Owners are provided a reasonable time to return the marked ballot, and (iii) the requirements of Section 1.3D are satisfied when they apply to the matter being decided. Approval of an action by written ballot shall be valid only if the number of votes returned as Association Notices within the specified time frame equals or exceeds the number required for a quorum at a meeting, and the number of approvals equals or exceeds the number of votes that would be required for approval at a meeting. A vote cast by written ballot may not be revoked.

1.5 PROXIES. A "Proxy" is a written authorization signed by an Owner or the authorized representative of the Owner that gives another person the power to vote on behalf of that Owner. Any Owner may vote by Proxy, but Proxies shall not be construed or used in lieu of a written ballot. All Proxies shall be deemed to be authentic and valid if they are filed with the inspector(s) of elections or, if there is/are none, by the Secretary, before the vote is cast, and any vote cast under such a Proxy shall be deemed effective. Every Proxy shall be revocable prior to the receipt of the ballot as described in Corporations Code §7613, and shall automatically cease upon (i) conveyance of the Owner's Condominium, (ii) receipt of Association Notice of the death or judicially declared incompetence of the Owner, (iii) arrival of an expiration date stated in the Proxy provided it is no later than eleven (11) months from the date the proxy was created, or (iv) passage of eleven (11) months from date the Proxy was created.

1.6 RESTRICTIONS ON PROXIES AND WRITTEN BALLOTS. Any form of proxy or written ballot distributed by any person to Owners shall (i) identify the person or persons authorized to exercise it, (ii) provide that the vote shall be cast in accordance with the choice specified by the Owner, (iii) state the length of time it will be valid, and (iv) afford the opportunity to specify a choice between approval and disapproval of each matter or group of matters to be acted upon. Any instruction given in a proxy issued for an election that directs the manner in which the proxy holder is to cast the vote shall be set forth on a separate page of the proxy that can be detached and given to the proxy holder to retain.

1.7 ELECTION RULES. Unless and until the Association adopts alternative election Rules in accordance with applicable law, the following shall be the election Rules.

- A. During and preceding any Owner vote, all Owners advocating a particular point of view regarding an Association matter to be voted upon, shall have equal, no-cost access to Association media, newsletters, or Internet Web sites, and to Common Area meeting space, if any exists, to advocate for his/her candidacy or point of view, and the Association shall not edit any such Owner's communication.
- B. Each Owner's voting power, and the authenticity, validity, and effect of proxies, shall be as described in Sections 1.2 and 1.5 of the Bylaws. In Owner Meetings held at a physical location, unless otherwise explicitly stated in the meeting Notice, the voting period for any particular matter to be decided at the meeting shall begin when discussion of such matter closes and end ten (10) minutes thereafter.
- C. When a matter to be voted upon requires a secret written ballot, the following procedures shall be followed.
 - (1) The Board shall appoint an Inspector of Elections (the "Inspector") to receive and tabulate ballots. The Inspector may be any non-Owner, or any Owner who is not a director. The Inspector may appoint and oversee additional persons to verify signatures and to count and tabulate votes, provided each is an independent third party.
 - (2) The Board shall prepare a written ballot describing the matters to be voted upon and providing a place for the Owner to indicate "yes" or "no" on each matter. When an amendment to the Governing Documents will be voted upon, the text of the proposed amendment shall be delivered with the ballot.
 - (3) The ballot shall be sent to each Owner along with the following voting instructions. Each Owner indicates his/her vote(s) on his/her ballot in a manner that does not reveal the voter's identity or the Unit for which he/she is voting. Each Owner seals his/her ballot in a completely unmarked envelope, then places that sealed envelope into another envelope. On the second envelope, the Owner prints and signs his/her name, and provides his/her address and

Unit number. The Owner then mails or delivers the second envelope (with the first, unmarked envelope sealed inside, and the ballot inside that) to the Inspector, who counts the ballots in an open meeting of the Board or Owners.

BYLAWS ARTICLE 2. DIRECTORS

2.1 POWERS AND DUTIES OF DIRECTORS. The Association shall be managed by a Board of Directors consisting of a number of persons equal to the number of Units at the Property. The Board shall have the power and duty to make decisions on behalf of the Association on all issues except those requiring Owner approval under the Declaration. The Board may delegate its management duties to a manager.

2.2 APPOINTMENT OF DIRECTORS. The Owner of each Unit shall be permitted to appoint one (1) director on behalf of his/her Unit. A person who owns more than one Unit may appoint a director for each Unit he/she owns. Each director shall serve at the pleasure of the Owner who appoints him/her. Appointments and changes shall be made by giving notice to the Secretary during or preceding the Board Meeting at which the appointee will serve, and appointments shall remain in effect until they are changed. A notice appointing or changing a director shall bear the signature of all Owners of record of the Unit for which the appointee will serve

2.3 BOARD MEETINGS.

A. Informal Board Gatherings and Communications Prohibited. The Board shall not hear, discuss, deliberate, or take action on any item of Association business outside of a Board Meeting that complies with the notice, formality and Owner participation requirements of these Bylaws and applicable law. Any in-person gathering, teleconference, or email exchange, however informal, in which a majority of directors participate and discuss Association matters, is prohibited unless it satisfies these requirements.

B. Who May Convene A Board Meeting. Board Meetings may be convened at any time by the President or by any two (2) directors other than the President. Board Meetings shall be held at least quarterly.

C. Types of Board Meetings. For the purposes of the following Subsections: (i) an "Emergency Board Meeting" shall be a meeting convened under the circumstances described in Civil Code §4923; (ii) an "Executive Session Board Meeting" shall be a Board Meeting that will consist entirely of an "Executive Session" as defined in Civil Code §4935; and (iii) a "General Board Meeting" shall be any Board Meeting other than an Emergency Board Meeting or an Executive Session Board Meeting.

D. Notice of Board Meetings.

(1) Notice To Owners. The Association is not required to provide notice to Owners of an Emergency Board Meeting. The Association shall provide General Notice of an Executive Session Board Meeting at least two (2) days before the meeting. The Association shall provide General Notice of a General Board Meeting at least four (4) days before the meeting. General Notice of a Board Meeting shall include: (i) the date and time of the Board Meeting; (ii) the location at which one (1) director will gather and Owners may congregate; (iii) a conference call-in number that enables any Owner or director to hear and be heard by all other participating Owners and directors; (iv) if a video link will be available, instructions relating to the usage of such link; and (v) an agenda of all items to be acted upon at the meeting.

(2) Notice To Directors. The Association shall provide Individual Notice of all Board Meetings to each director at least four (4) days before the meeting by first-class mail, or forty-eight (48) hours before the meeting by telephone, voice messaging, or email; however, notice need not be given to any director who either: (i) attends the meeting without protesting the lack of proper notice either before or during the meeting; or (ii) before or after the meeting, signs a written waiver of notice, consent to the holding of the meeting without notice, or approval of the meeting minutes, provided that any such signed document is retained by the Association and/or made part of the meeting minutes.

E. Board Meeting Quorum and Voting Requirements. A majority of the directors then in office shall constitute a quorum. Decisions made by a majority of a quorum shall be binding.

F. Conduct of Board Meetings.

- (1) **Physical Location of Meeting and Remote Participation.** Every General Board Meeting shall have at least one physical location, specified in the meeting notice, at which (i) at least one (1) director is physically present, and (ii) Owners may congregate with the ability to hear and be heard by all those participating in the meeting. A director who is not at such location shall be deemed present at the meeting for the purpose of satisfying quorum and voting requirements so long as he/she is connected via an audio and/or video link that enables him/her to hear and be heard by all other participating directors and all attending Owners. The Board may require that Owners wishing to hear or participate in the Board Meeting be physically present at the location specified in the meeting notice even if it allows directors to attend the same meeting via an audio or video link.
- (2) **Owner Participation.** Every General Board Meeting shall be open to all Owners, and shall include an Owner's forum when Owners shall be permitted a reasonable time to speak. An Owner who is not a director may speak on issues not on the agenda. Unless expressly authorized by the Board, Owners who are not directors may not participate in any Board discussion or deliberation before or after the Owner's forum.
- (3) **Matters Subject to Consideration and Vote.** In General and Executive Session Board Meetings, directors may not discuss or take any action on any matters not listed in the agenda included in the General Notice except to the extent specifically allowed under Civil Code §4930.

G. Emergency Board Meetings. An Emergency Board Meeting may called without Owner notice, agenda, or an opportunity for Owner participation, and may take place entirely through an email exchange, telephone conversation, or other means of electronic transmission provided all directors consent in writing and the consents are filed with the meeting minutes. Such consents may be made and/or transmitted electronically. When an Emergency Board Meeting occurs without notice to Owners, the Board shall provide an explanation of the action via General Notice within three (3) days, and distribute minutes as required under Section 4.1.

H. Executive Sessions. When the Board convenes in an "Executive Session" (as defined in Civil Code §4935) the details of business conducted in Executive Session shall be confidential and disclosed only to directors and persons authorized by the Board to have access to such information; however, the general nature of such business shall be described in a General Notice or announced in open session, and noted in meeting minutes that are open to all Owners.

2.4 COMPENSATION OF DIRECTORS. Directors shall not be compensated but may be reimbursed for expenses incurred in connection with Association business.

2.5 COMMITTEES. The Board may appoint committees as appropriate to carry out its duties.

BYLAWS ARTICLE 3. OFFICERS

3.1 TITLES AND DUTIES OF OFFICERS. Officers have the following titles and duties:

- A. President.** The President shall preside at all Board Meetings, supervise the execution of Board orders and resolutions, sign legal instruments as necessary and act as the chief executive officer of the Association. In addition, The President shall facilitate all Maintenance and improvement undertaken by the Association as follows.
- (1) If he/she reasonably believes that Maintenance is mandated by this Declaration, he/she may proceed with it without further Association approval, provided that if the Maintenance will cost more than one thousand five hundred dollars (\$1,500), he/she must solicit and obtain at least two bids for the work prior to contracting for it.
 - (2) If he/she reasonably believes that Maintenance is not mandated by this Declaration, he/she shall solicit and obtain at least two bids for the work and submit the matter to the Board for decision in accordance with this Declaration before proceeding.
 - (3) In all instances, he/she shall: (i) use only licensed and fully insured contractors unless otherwise specifically authorized by the Association; (ii) in cases where a building permit is required by Governmental Regulations, unless otherwise specifically authorized by the Association, require that the contractor obtain all required permits and approvals, and ensure that the contractor obtains final governmental inspection and sign-off; (iii) enter into a written agreement for the work that describes, in detail, the scope of work, amount of payment, and timing of payment; (iv) arrange for access to the work area; (v) monitor the progress of the work by inspecting it with

reasonable regularity; and (vi) upon completion of the work, perform a reasonable inspection to determine completeness and quality prior to making final payment.

- (4) It is expressly provided that unless the President completes the Maintenance him/herself, he/she shall not be responsible for improperly completed Maintenance.

The President shall also arrange and facilitate regular cleaning of Common Area other than Exclusive Use Common Areas in accordance with policies established by the Association.

B. Secretary. The Secretary shall record the votes and keep the minutes of all Board and Owner Meetings, keep a current list of the names and addresses of Owners, and perform other duties as the Board may from time to time require.

C. Treasurer. The Treasurer shall maintain proper books of account and other appropriate financial records in accordance with standard accounting practices, and be responsible for ensuring compliance with the preparation and review of the financial documentation required by Civil Code §§5300, 5310, 5550 and 5560.

3.2 ROTATION OF OFFICERS. Unless otherwise agreed by all directors, the offices shall rotate among the directors annually as follows. Beginning upon the adoption of these Bylaws, the office of the President shall be held by the director appointed by the Owner of Unit A, the office of the Secretary shall be held by the director appointed by the Owner of Unit B, and the office of Treasurer shall be held by the director appointed by the Owner of Unit C. Each subsequent year, officers shall rotate in alphabetical sequence based on Unit letter designation, repeating the sequence after the owner of Unit C has fulfilled their appointment as President.

3.3 FAILURE TO SERVE. During any period when an Owner has not appointed a director, or when his/her appointed director refuses to fulfill his/her duties as an officer, or when, in the opinion of a majority of the other directors, his/her appointed director is not adequately fulfilling his/her duties as an officer, the Board may hire a professional to fulfill such duties, and shall assess the fees charged by such professional against such Owner as a Personal Reimbursement Assessment.

3.4 COMPENSATION OF OFFICERS. Officers shall not be compensated but may be reimbursed for expenses incurred in connection with Association business.

BYLAWS ARTICLE 4. GENERAL PROVISIONS OF BYLAWS

4.1 PREPARATION, DISTRIBUTION AND INSPECTION OF MINUTES. A proposed draft of the minutes, final draft of the minutes, or summary of the minutes of all Board (other than executive session) and Owner Meetings shall be prepared and made available to Owners within thirty (30) days of the meeting. The proposed minutes, final minutes, or summary minutes shall be distributed to any Owner upon request and reimbursement of the reasonable cost of the distribution. The Association shall describe how and where Owners may inspect and copy the minutes in the Annual Policy Statement.

4.2 AMENDMENT OF BYLAWS. These Bylaws may be amended with the affirmative vote of a majority of the Owner votes entitled to be cast.

4.3 FISCAL YEAR. The fiscal year of the Association shall be the calendar year, unless a different fiscal year is adopted by the Association.

4.4 CERTIFICATE OF ADOPTION. I certify that I am the only current member of HIGHLAND MEWS HOMEOWNERS ASSOCIATION, and that these Bylaws were adopted on 10/19/17.

Executed at PASADENA, California.

HHP-HIGHLAND, LLC, a California limited liability company, by its sole member HERITAGE HOUSING PARTNERS, a California nonprofit public benefit corporation, by:

Charles E. Loveman Jr. 10/19/17
Charles E. Loveman Jr., Executive Director DATE

OFFICIAL CALIFORNIA NOTARIAL CERTIFICATE
ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document, to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Los Angeles

On October 19, 2017 before me, Anush A. Bayburtyan, a Notary Public, personally appeared Charles E. Loveman, Jr., who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/~~she~~/they executed the same in his/~~her~~/their authorized capacity(ies), and that by his/~~her~~/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

(Seal)

Signature

