

ARTICLES OF INCORPORATION  
OF  
BAY LAUREL HOMEOWNERS ASSOCIATION

1810033

ENDORSED  
FILED

In the office of the Secretary of State  
of the State of California

FIRST: The name of this corporation shall be:

JUN 22 1984

BAY LAUREL HOMEOWNERS ASSOCIATION

MARCH FONG EU, Secretary of State  
Sharon K. Hawkins

SECOND: A. This corporation is a Non-Profit Mutual Benefit Corporation organized under the Non-Profit Mutual Benefit Corporation Law. The purpose of this Corporation is to engage in any lawful act or activity for which a corporation may be organized under such law.

B. The specific purpose of this Corporation is to maintain and manage the common area and related recreational and other facilities of the BAY LAUREL HOMEOWNERS ASSOCIATION community development for the exclusive benefit of the residents thereof and to promote the health, safety and welfare of all the resident members thereof within that certain real property situated in the City of Costa Mesa, County of Orange, State of California, more particularly described as:

Lot 1 of Tract # 12008 as per Map to be recorded in the Miscellaneous Maps of the records of Orange County.

THIRD: The name and address in the State of California of this Corporation's initial agent for service of process is:

JOHN PETERKA  
1539 Monrovia Ave., #19  
Newport Beach, CA 92663

FOURTH: The authorized number of directors of this Corporation shall be five (5).

FIFTH: The property, voting and other rights and privileges of each class of membership, the liabilities of each or all classes to dues and assessments and the method of collection thereof, shall be set forth more fully in the Bylaws of this corporation.

SIXTH: Amendment of these Articles of Incorporation shall require the assent (by written consent) of members representing seventy-five percent (75%) or more of the voting powers of each class of members entitled to vote. When only class A members exist, then seventy-five percent or more of the voting power of the Association membership and fifty-one percent of Class A members other than the Declarant shall be required for amending these Articles of Incorporation. In addition to the requirements set forth herein, any and all amendments to these Articles of Incorporation will require the consent of a majority of the Board of Directors.

SEVENTH: Every person or entity who is a record owner of a fee or undivided fee interest in any Unit which is subject by covenants of record to assessment by the Association shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Unit which is subject to assessment by the Association.

EIGHTH: This Association shall have two classes of voting membership:

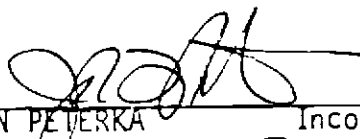
CLASS A. Class A members shall be all Owners and shall be entitled to one (1) vote for each Unit owned. When more than one person holds an interest in any Unit, all such persons shall be members. The vote for such Unit shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any Unit.


CLASS B. The Class B member(s) shall be the Declarant (as described in the Declaration of Record) and shall be entitled to three (3) votes for each Unit owned. The Class B membership shall forever cease and be converted to Class A membership on the happening of any of the following events, whichever occurs earlier:

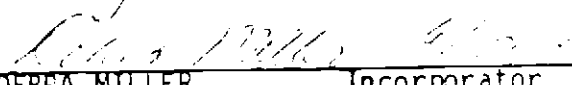
- (a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or
- (b) Two (2) years following the date of original issuance by the California Department of Real Estate of the Final Subdivision Public Report for development of the real property; or
- (c) June 1, 1986.

NINTH: Notwithstanding any of the statements of purposes and powers, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the specific purposes of this corporation.

IN WITNESS WHEREOF, the persons who are set to act in the capacity of incorporators have hereunto set their hands this 15 day of JUNE, 1984.

  
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JOHN PETERKA Incorporator

  
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JOAN PETERKA Incorporator

  
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DEBRA MILLER Incorporator