

BYLAWS
OF
MEADOWOOD MAINTENANCE ASSOCIATION

ARTICLE I

1. Plan of Ownership.

1.1. Name.

The name of the corporation is MEADOWOOD MAINTENANCE ASSOCIATION, hereinafter referred to as the "Maintenance Association." The principal office of the Maintenance Association shall be located in the County of Orange, State of California.

1.2. Application.

The provisions of these Bylaws are applicable to the master planned community Properties described in that certain Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for Meadowood Maintenance Association (the "Declaration"), located in the unincorporated County of Orange, State of California. All present and future Owners and their tenants, future tenants, employees, and any other person who might use the facilities of the Properties in any manner, are subject to the regulations set forth in these Bylaws and in the Declaration Recorded or to be Recorded in the Official Records of Orange County and applicable to the Properties. The mere acquisition or rental of any Lot or Condominium in the Properties or the mere act of occupancy of any Lot or Condominium signifies that these Bylaws are accepted, ratified, and will be complied with.

1.3. Definitions.

Unless otherwise expressly provided herein, the capitalized terms in these Bylaws have the same meanings as are given to such terms in the Declaration.

ARTICLE II

2. Voting by Maintenance Association Membership.

2.1. Voting.

Delegates shall act on behalf of Declarant, the Merchant Builders and all other Members of the Maintenance Association as set forth in Article IV of the Declaration. The Classes of voting Memberships, the number of votes (i.e., voting power) held or represented by each Delegate, the manner in which Delegates are appointed, and the manner in which each Delegate shall cast votes exercisable by the Delegate on behalf of the Members are set forth in the Declaration, and the provisions of the Declaration governing all such matters (including, without limitation,

Declarant's right to appoint the Declarant's Delegate and the special approval procedures for Voting Proposals and Specified Actions pursuant to Sections 4.4.1(iii), 4.5.1 and 4.5.2 of the Declaration) are specifically incorporated herein by reference.

2.2. Quorum.

The presence in person of Delegates representing at least twenty-five percent (25%) of the voting power of the Maintenance Association constitutes a quorum of the Membership; provided that, if any action to be taken at any meeting of Delegates requires only the approval of Members in a particular Cost Center, then the presence in person of the Delegates representing at least twenty-five percent (25%) of the voting power of the Members in such Cost Center constitutes a quorum of the Membership for purposes of said approval. The Delegates present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Delegates to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of Delegates required to constitute a quorum (or such greater percentage of Delegates as may be required by the Restrictions for any specific action). Delegates must act personally at a meeting of the Delegates of the Maintenance Association or by written ballot, and may not act by proxy.

2.3. Approval by Delegates.

If a quorum is present, the affirmative vote of the majority of the voting power represented at the meeting, entitled to vote and voting on any matter, is the act of the Delegates, unless the vote of a greater number or voting by classes is required by the Restrictions or applicable law. If, however, a meeting is actually attended by Delegates representing less than one-third (1/3) of the voting power of the Maintenance Association, notwithstanding the presence of a quorum, no matter may be voted upon except such matters notice of the of the general nature of which was given pursuant to Section 3.5 hereof. As used in the Restrictions, reference to a specified percentage "of Delegates" shall mean the specified percentage of the voting power of the Membership in the Maintenance Association which such Delegates represent.

ARTICLE III

3. Administration.

3.1. Maintenance Association Responsibilities.

In accordance with the Declaration, the Maintenance Association is responsible for administering, maintaining and repairing the Maintenance Property, approving the annual Budget for the Properties, establishing and collecting all assessments applicable to the Properties authorized pursuant to the Declaration, and supervising the overall architectural control of the Residential Areas of the Properties.