

**PROPOSED AMENDMENTS
TO
DECLARATION OF CONDOMINIUM
OF
PEBBLE BEACH VILLAS**

The following are proposed amendments to the above referenced Declaration of Condominium. Additions are underlined. Deletions are struck through with hyphens.

1. **Section 12.D.** of the above referenced Declaration of Condominium shall be amended to read as follows:

Common Surplus - Each unit owner shall own any common surplus of ~~his~~this condominium in the same percentage as the common expenses appurtenant to each unit ~~are shares~~ as set forth in Exhibit "D". However, this ownership does not include the right to withdraw or require payment or distribution of the same, ~~inasmuch as common surplus shall constitute advance payment of estimated monthly maintenance and shall be applied in reduction thereof for the next ensuing monthly maintenance payments during the fiscal year. Any reduction as aforementioned shall be allocated over the next succeeding fiscal year.~~

2. **Section 14.B.2.** of the above referenced Declaration of Condominium shall be amended to read as follows:

2. Alteration and improvement. After the completion of the improvements included in the common elements contemplated by this Declaration, there shall be no alteration nor further improvement of the real property constituting the common elements without ~~prior approval in writing by the owners of not less than 75% of the common elements except as provided by the By Laws~~an affirmative vote of at least a majority of the members voting in person, electronically or by Proxy, at a meeting at which a quorum has been established. Any such alteration, or improvement, shall not interfere with the rights of any apartment owners without their consent. There shall be no change in the shares and rights of an apartment owner in the common elements altered or further improved, whether or not the apartment owner contributes to the cost of such alteration or improvements.

3. **Section 15.B.** of the above referenced Declaration of Condominium shall be amended to read as follows:

B. Interest; application of payments. Assessments and installments on such assessments paid on or before ten days after the date when due shall not bear interest, but all sums not paid on or before ten days after the date when due shall bear interest at the rate of ~~ten percent (10%)~~ eighteen percent (18%) per annum from the date when due until paid. All payments upon account shall be first applied to interest ~~and then to the assessment payment first due, then to any administrative late fee, then to any costs and reasonable attorneys' fees incurred in collection, and then to the oldest delinquent assessment.~~

4. **Section 22.B.** of the above referenced Declaration of Condominium shall be amended to read as follows:

B. A resolution for the adoption of a proposed amendment may be proposed by either the ~~b~~Board of ~~d~~Directors of the Association or by the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing such approval is delivered to the Secretary at or prior to the meeting. Except as elsewhere provided, such approval must be ~~either by:~~

~~1. — Not less than 75% of the entire membership of the board of directors and by not less than 75% of the votes of the entire membership of the Association; or~~

~~2. — Not less than 80% of the votes of the entire membership of the Association; or~~

~~3. — Until the first election of directors, only by all of the directors, provided the amendment does not increase the number of apartments nor alter the boundaries of the common elements.~~

by not less than an affirmative vote of at least two-thirds (2/3) of the members voting in person, electronically or by Proxy, at a meeting at which a quorum has been established.