

NORTHSHORE PROPERTY OWNERS' ASSOCIATION

September 29, 2025

To All Members of Northshore Property Owners' Association:

RE: **NORTHSHORE PROPERTY OWNERS' ASSOCIATION**
- *Proposed First Amendment to the Bylaws*

Dear Members:

Enclosed for your review and vote is the Proposed First Amendment to the Bylaws ("Proposed First Amendment") for Northshore Property Owners' Association ("Association"), together with a secret ballot, voting instructions, and dual envelopes for your use. The Board has scheduled a membership meeting to tabulate the ballots for the Proposed First Amendment to be held as follows:

Date: **November 25, 2025**

Time: **4:00 p.m.**

Location: **In the Clubhouse** (please note the Inspector of Elections will be conducting this vote via zoom, and ballots CANNOT be cast at the meeting)

The Board has worked closely and spent considerable time with the Association's attorney in drafting the Proposed First Amendment to the Bylaws. The Board's goal through this process has been to assure that the Association's and, significantly, your interests are represented and adequately addressed.

To achieve the above-described goals, the Board requests that you take time to review the enclosed Proposed First Amendment and return your enclosed Secret Ballot no later than the scheduled meeting date.

We encourage you to vote in favor of the Proposed First Amendment to the Bylaws.

Should you have any questions or concerns, please do not hesitate to contact the Association. The Board requests that you vote and return your Secret Ballot pursuant to the enclosed Voting Instructions. Thank you.

Sincerely,

Board of Directors
NORTHSHORE PROPERTY OWNERS'
ASSOCIATION

**PROPOSED FIRST AMENDMENT TO THE BYLAWS
OF
NORTHSHORE PROPERTY OWNERS' ASSOCIATION**

The Board of Directors of Northshore Property Owners' Association ("Association") has prepared the following Proposed First Amendment to the Restated Bylaws for your review and vote. Should the following be approved by the required number of homeowners, this Proposed First Amendment to the Bylaws will become effective and binding on the Association and its members:

DISCUSSION:

In the last few years since the Bylaws were restated, there have been key changes in the law that the Board proposes to incorporate into the Bylaws. Specifically, the Association's Bylaws allow for suspension of voting rights, however, under Civ. Code §5105(h)(1), the Association cannot withhold a ballot from an owner for any reason other than not being an owner as of the record date.

Further, director candidate requirements and qualifications have changed to no longer permit "Good Standing" provisions. Lastly, the current Bylaws require a quarterly review of the accounts, but the Civil Code now requires monthly review of the accounts. Thus, the Board proposes modifying the language of the Bylaws to comply with current and applicable law.

PROPOSAL:

*Accordingly, the Board proposes that Article II, Section 2.2.3 be modified as follows (new language in **bold face type** and deleted language in ~~strikethrough~~):*

2.2.3 Suspension of Membership Rights. Certain membership rights and privileges, including without limitation ~~voting rights and~~ the rights to use and enjoy the Common facilities, may be suspended by the Association as provided in these Bylaws. **Voting rights may be suspended only if permitted by law.**

*The Board further proposes that Article V, Section 5.2 be modified as follows (new language in **bold face type** and deleted language in ~~strikethrough~~):*

5.2 Number and Qualification of Directors. The Board shall consist of five (5) directors who shall be resident Owners of Lots within the Development. ~~whose memberships are in good standing. "Good standing"~~

~~means, as defined in the Declaration, that all Assessments and related charges are current, the Owner is not in violation of the Governing Documents, and there are no outstanding fines against the Lot or the Owner.~~ Any directors elected who have not served on a previous Association Board shall be required to undergo at least one Board training class or seminar. **No person may serve as Director, if he or she fails or ceases to meet the other qualifications for Directors as set forth in the Association's election rules and applicable law.**

5.2.1. Lot Ownership Qualification. Only one Owner per Lot shall be eligible to serve on the Board at any time. If a Lot is owned by an impersonal entity, including without limitation any trust, corporation, or partnership, the entity may designate (1) individual person with authority to exercise the Lot's interests, who must be an officer, partner, majority owner, trustee, or similarly empowered executor of that entity, and in that event both the entity and the individual person so designated must each meet the qualifications of Section 5.2. No person is eligible to serve as a director unless that person, or the entity he or she represents, own at least a ten percent (10%) interest in a Lot, nor on the basis of any interest which is merely security for an obligation.

5.2.2. Disqualifications. No person may serve as a director, and no entity may designate a representative as a director, if he, she, or it, has been convicted of a felony, or is engaged as an opponent in any legal proceeding against the Association, or fails or ceases to meet the other qualifications for directors hereunder.

5.2.3. Compensation. Directors, officers, and members of committees shall not be entitled to compensation for their services. Acceptance of any direct or indirect compensation for Association service shall disqualify any person or entity for Association service as a director, officer, or committee member. "Compensation" does not include reimbursement for actual expenses as may deemed just and reasonable by the Board.

*The Board further proposes that Article X, Section 10.6 be modified as follows (new language in **bold face type** and deleted language in ~~strike through~~):*

10.6 ~~Quarterly~~ **Monthly** Review of Accounts. At least **monthly** ~~quarterly~~, the Board shall cause to be prepared, and shall review, all of the following. To the extent one document provides the information required in

more than one of the below listed items, these requirements may be satisfied by reviewing the same document.

10.6.1 A current reconciliation of the operating accounts;

10.6.2 A current reconciliation of the reserve accounts;

10.6.3 The current year's actual reserve revenues and expenses compared to the current year's budget;

10.6.4 The latest account statements prepared by the financial institution(s) with whom the operating and reserve accounts are lodged; and

10.6.5 The income and expense statement for the operating and reserve accounts.

Voting Instructions

Two envelopes are included in this package for your use. California law requires elections regarding assessments legally requiring a vote, election and removal of directors, amendments to the governing documents, or the grant of exclusive use of common area to be held by Secret Ballot. The Secret Ballot must be voted by the owner, placed in the ballot envelope and sealed as outlined below.

All votes will be counted and tabulated by the Inspector(s) of Elections, or the designee of the Inspector(s) of Elections, in public at the meeting referenced below. **Any Secret Ballot not received on or before the deadline cannot be counted, except that the Board of Directors reserves the right to extend the deadline by which Secret Ballots must be returned.** Any Member of the Association may witness the counting and tabulation of the votes. No person shall open or otherwise review any Secret Ballot prior to the time and place at which the ballots are counted and tabulated. **Once a secret ballot is received by the Inspector(s) of Elections, it is irrevocable.**

Please follow the directions below to ensure that your vote is counted:

First Envelope:

Please cast your vote by marking your vote on the Secret Ballot and placing it inside the smaller of the two envelopes. Seal the envelope. Make no marks on this Secret Ballot or on the smaller envelope that would reveal your identity in any way. In order to preserve confidentiality, a voter may not be identified by name, address, or lot, parcel, or unit number on the Secret Ballot.

Second Envelope:

After the Secret Ballot itself is inserted into the smaller envelope, which is sealed, the smaller envelope should be inserted into the second, larger envelope. Seal the larger envelope and address it to the Inspector of Election of the Association.

In the upper left-hand corner of the second envelope, please print and sign your name; your address (separate interest identifier) with unit number, if any, that entitles you to vote. If your name, signature, and separate interest identifier are not on this envelope, the Inspector of Election cannot count it and will show it as voided.

The Ballot Collector will mark off the Secret Ballots that it has received prior to the meeting on the sign-in sheet. If you have voted your Secret Ballot by mail, you will not receive another ballot at the meeting. These envelopes will be opened by the Inspector of Election at the meeting. The Inspector of Election will tally the votes at the meeting.

This Ballot must be received, if by mail OR by hand delivering the Ballot not later than close of business on November 24, 2025, addressed to the Inspector of Election, The HOA Election Guys, Inc, 27472 Portola Parkway #205-412, Foothill Ranch, CA 92610.

Please feel free to contact the Association with any questions regarding this process as it is important that you vote, and that your vote counts!

NORTHSHORE PROPERTY OWNERS' ASSOCIATION

SECRET BALLOT

TO ALL MEMBERS OF
NORTHSHORE PROPERTY OWNERS' ASSOCIATION:

Attached to this Secret Ballot is the Proposed First Amendment to the Restated Bylaws of Northshore Property Owners' Association (hereinafter referred to as the "Proposed First Amendment"). The Proposed First Amendment has been approved in favor of passing by the Board of Directors.

Please vote for or against the Proposed First Amendment and submit your ballot according to the enclosed voting instructions. This Ballot must be received, if by mail OR by hand delivering the Ballot not later than close of business on November 24, 2025, addressed to the Inspector of Election, The HOA Election Guys, Inc, 27472 Portola Parkway #205-412, Foothill Ranch, CA 92610. **Any Ballot not received on or before these deadlines cannot be counted, however, the Board reserves the right to extend the deadline for return of Ballots.**

To pass the Proposed First Amendment, at least a majority of the Association's voting power, or **one hundred nineteen (119)** Members, must vote "yes." In order to meet quorum for the meeting, at least a majority of the total voting power of the Members, or **one hundred nineteen (119)** Members, must submit Ballots.

PROPOSED FIRST AMENDMENT TO THE BYLAWS

Yes - For Proposed First Amendment ()

No - Against Proposed First Amendment ()

The rules governing this election may be found here: TheHOAElectionGuys.com/northshore