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82-209664

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Boren, Elperin, Howard & Sloan  
A Professional Corporation  
1990 Westwood Blvd., Third Floor  
Los Angeles, CA 90025

6.00  
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RECORDED IN OFFICIAL RECORDS  
OCT 20 1982 AT 8 30 A.M.  
SAN BERNARDINO COUNTY, CALIF.

3-87/5

FIRST AMENDMENT TO  
DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

FOR

BAYSHORE SKI & RACQUET CLUB  
A Condominium Project

82-209664

LOT 1 OF TRACT NUMBER 8869 IN THE CITY OF  
BIG BEAR LAKE, COUNTY OF SAN BERNARDINO,  
STATE OF CALIFORNIA AS PER MAP FILED IN  
BOOK 159 PAGES 10 THROUGH 11 OF MAPS IN  
THE OFFICE OF THE COUNTY RECORDER OF SAN  
BERNARDINO.

THIS FIRST AMENDMENT ("First Amendment") to the Declaration  
of Covenants, Conditions and Restrictions ("Declaration") for  
Bayshore Ski & Racquet Club is made as of this 15th day of  
October, 1982 with reference to the following facts:

A. The Declaration was recorded on March 31, 1982 as  
Instrument No. 82-062694 in the Office of the County Recorder of  
San Bernardino County.

B. Section 18.01 of the Declaration permits the  
amendment of the Declaration by the Declarant, the sole holder of  
the Class B voting membership, so long as there are no class A  
members.

C. There are no Class A members.

D. The Declaration as recorded contains a provision at  
Section 9.07 that no owner shall be permitted to . . . "lease or  
rent his Unit for a period of less than thirty (30) days." This  
provision is included in the Declaration in order to comply with  
regulations of the Federal National Mortgage Association.

E. Due to the fact that the project governed by the  
Declaration is located within a recreation area, the Federal  
National Mortgage Association is willing to permit the removal of  
the provision quoted in paragraph D above.

Restrictions indicating a preference, limitation or discrimination based on race,  
color, religion, sex, handicap, familial status, or national origin are hereby lifted  
to the extent such restrictions violate 42 USC 3604(f).



F. In order to cause the Declaration to comply with regulations of the Federal National Mortgage Association, a section with respect to Fidelity Bonds must be added to the Declaration.

NOW, THEREFORE, in consideration of the foregoing, the Declaration is amended as follows:

1. The first sentence of Section 9.07 shall be modified by deleting therefrom the following portion "nor lease or rent his Unit for a period of less than thirty (30) days."

2. The ";" located after the word "purposes" in the first sentence of Section 9.07 of the Declaration is deleted and "." is inserted in lieu thereof.

3. The following is added as Section 10.10 of the Declaration:

10.10 Fidelity Bonds.

Notwithstanding anything to the contrary contained in this Declaration, the Association shall be required to maintain blanket fidelity bond coverage for all officers, directors, trustees and employees of the Association and all persons handling or responsible for funds of or administered by the Association. In the event the Association has delegated some or all of the responsibility for the handling of funds to a management agent, said management agent shall also be required to maintain blanket fidelity bond coverage for said management agent's officers, employees and agents handling or responsible for funds of, or administered on behalf of, the Association.

The total amount of fidelity bond coverage required shall be based upon the business judgment of the Board of Directors and shall not be less than the estimated maximum of funds, including reserve funds, in the custody of the Association or the management agent, as the case may be, at any given time during the term of each Bond. In no event shall the aggregate amount of the fidelity bond or bonds be less than a sum equal to (a) if for the Federal National Mortgage Association, then three months' aggregate assessments on all units plus reserve funds, or (b) if for the Federal Home Loan Mortgage Corp., then one and one-half times the Association's estimated annual operating expenses and reserves, whichever may be applicable, and if both shall be applicable then the greater of the two.

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The fidelity bond or bonds required pursuant to this Section shall, if reasonably possible, and if available, meet the following requirements: (i) the bonds shall name the Association as an obligee; (ii) the bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees", or similar terms or expressions; (iii) the premiums on all bonds required pursuant to this section for the Association (except for premiums on fidelity bonds maintained by a management agent for its officers, employees and agents) shall be paid by the Association as a common expense; and (iv) the bonds shall provide that they may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least ten days' prior written notice to the Association or, to any insurance trustee and each Lender as defined in Section 9.01 of the Declaration, on behalf of the Federal National Mortgage Association or the Federal Home Loan Mortgage Corp., whichever may be applicable.

4. Except as the same is amended and provided for in this Amendment, the Declaration and each and every provision thereof shall continue in full force and effect.

IN WITNESS WHEREOF, the Declarant has executed this instrument as of the day and year first above written.

DECLARANT:  
(Class B Member)

AMERICAN WEST DEVELOPMENT COMPANY,  
a California Corporation

By:   
Preston F. Thurtle, President

By:   
Sarah V. Lafare, Secretary

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