

**# THE FIRST AMENDMENT TO THE BY-LAWS FOR
WHISPERING PINES RANCH**

1. Article 4. Section 4.5 of the By-laws has been amended to reduce the quorum requirement from 50% to 20%. It now reads as follows:

4.5. Quorum/Adjournment. The presence, in person or by proxy, of Owners who have authority to cast more than 20% of all votes in the Association shall constitute a quorum at all meetings of the Owners for the transaction of any business. In the absence of a quorum, a majority of those present may nonetheless vote to adjourn the meeting and reconvene it at a later time. If a quorum is present at the reconvened meeting, any business may be transacted that might have been transacted at the meeting as initially called had a quorum then been present. The quorum, having once been established at a meeting or a reconvened meeting, shall continue to exist for that meeting notwithstanding the departure of any Owner previously in attendance in person or by proxy. In determining the presence of a quorum, the Association may not be counted as to any Lot owned by the Association. Any meeting may be adjourned from time to time without notice other than announcement at the meeting as initially called, provided that no single adjournment may be for more than 15 days unless notice is again given in accordance with Section 4.4 above.

2. Article 6. Section 6.1 has been amended to increase the number of directors from "three" to "no less than 3" during the Declarant control period.

6.1 Number and Qualification. The affairs of the Association shall be governed by a board of directors (referred to, in these Bylaws and in the Declaration, as the "Board"). The first Board shall consist of no less than three individuals appointed as directors by the Declarant pursuant to Section 4.4 of the Declaration. From and after the expiration of the Declarant Control Period, the Board shall be composed of five directors, at least four of whom shall be either owners or designated representatives of owners that are corporations, partnerships, limited liability companies, trusts or other entities that have the capacity to hold title to real estate.