

VILLAGE LANE HOMEOWNERS ASSOCIATION

ARTICLE I

PLAN OF CONDOMINIUM OWNERSHIP

Bylaws

Section 1. Condominium Ownership. The Project located at Katella Avenue, Garden Grove, California, known as VILLAGE LANE HOMEOWNERS ASSOCIATION, is submitted to the provisions of Title 6, Part 4, Division Second, of the California Civil Code.

Section 2. Bylaws Applicability. The provisions of these Laws are applicable to the Project. The term Pro Project and all other similar terms used herein shall have the meanings given to them in the Declaration of Covenants, Conditions and Restrictions recorded in the Official Records of Orange County in Book _____, at page _____, and Are hereby incorporated by reference and made a part hereof. As used herein, the term Declarant shall mean and refer to Andrew Homes, a sole proprietorship, and its successors and assigns.

Section 3. Personal Application. All present or future owners, tenants, future tenants or their employees, or any other person that might use the facilities on the Project in any manner, **are subject to the regulations set** forth in, these Bylaws as the same may be amended from time to time, as provided herein.

The mere acquisition or rental of any of the Units of the Project or the mere act of occupancy of any of said Units will signify that these Bylaws are accepted, ratified and will be complied with.

Section 4. Principal Place of Business. The office of this is corporation shall be located at the Project in the City of Garden Grove State of California or at such other convenient location, within the County of Orange as may, from time to time, be designated by the Board of Directors.

ARTICLE II

MEMBERS OF ASSOCIATION.

Section 1. Membership. Every person, firm, partnership, corporation, association or other entity who or which is or shall, at any time become the Record Owner of a Condominium within the Project (including Declarant with respect to any retained or unsold Condominiums) shall automatically, upon becoming such Record Owner, become a member of the Association. Every such member of the Association shall be, except as otherwise provided in this Declaration and these Bylaws, subject to and shall comply with each and all of the provisions of the Articles of Incorporation of the Association, these Bylaws and the Declaration as the same or any or all of them may, from time to time, be amended. Declarant its successors and assigns shall be deemed the Record Owner of all Condominiums retained or unsold by Declarant

Section 2. Transfer and Termination of Membership. The membership of each Owner in the Association is appurtenant and inseparable from its ownership of a Condominium, which is a part of the Project and shall be automatically transferred upon any transfer or conveyance of his entire Condominium interest to any grantee or transferee. Except as provided herein, sa in membership shall be nontransferable whether by gift, bequest, devise, vise, assignment or

assignment or otherwise. If attempted, transfer in violation thereof of this section shall be void and will not be reflected on the books and records of the Association.

Section 3. Meetings.

(a) Place. Annual and special meetings of the members of the Association shall be held within the Project or such other place as close thereto as practicable within Orange County which may be designated by resolution of the Board of Directors.

(b) Annual Meetings. The first annual meeting of the members shall be held within one (1) year from the date of incorporation and not later than six (6) months after the close of escrow on the sale of the first Unit in the Project and within forty-five (45) days after the closing of the sale of the Project interest which represents the fifty-first (51st) per centile interest authorized for sale under the first public report for the Project, whichever first occurs. The next annual meeting shall be set by the Board so as to occur no later than ninety (90) days after the close of the Association's fiscal year. Subsequent regular annual meetings of the members shall be held within thirty (30) days of the same day of the same month of each year thereafter, at the hour of seven-thirty o'clock p.m. If the day for the annual meetings of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday (excluding Saturday and Sunday).

(c) Special Meetings. Special meetings of the members may be called at any time by the president, or a majority of a quorum of the Board of Directors or upon written request of the members who are entitled to vote five percent (5%) of the total voting power of the Association.

(d) Notices of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of the secretary or person authorized to call the meeting, by personal delivery or mailing a copy of such notice, postage prepaid, at least ten (10) but not more than thirty (30) days before such meeting to each first mortgage requesting notice and to each member entitled to vote thereat, addressed to three members, address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and in the case of a special meeting.

First, mortgagees may designate in writing a representative to attend all meetings.

(e) Voting Rights. The Association shall have two classes of voting memberships:

(i) Class A members shall be: all those members (as in the above Section I of this Article II) with the exception, of the Declarant (as defined, in Section 2 of Article I hereof), vote for each Unit a Class A member shall be entitled to 1 (one) vote for each unit owned. When more than one (1) person holds such interest in for such interest in any Condominium shall be exercised as they among themselves determine but in no event shall more votes than a Unit is entitled be cast with respect to any Unit.

(ii) The Class B member shall be the Declarant and shall be entitled to vote the number of votes which is equal to three (3) times the number of Units owned by it. The Class B membership shall forever cease and be permanently converted into a Class A membership on the happening of any of the following events, whichever occurs first:

(A) When the, total votes outstanding in the Class A membership equals the total votes (tripled as stated above) outstanding in the Class B membership; or

(B) On the second anniversary of the original issuance of the most recently issued public subdivision report from the Department of Real Estate for the Project; or

(C) On December, 31, 1982.

(iii) The vote of members otherwise entitled to vote who hold an aggregate fifty-one percent (51%) of each class of membership decide any questions brought before and special or annual meeting unless the question is one upon which, by express provisions of statute, the Articles of Incorporation, the Declaration or these Bylaw, a different vote is required, in which case such express provision shall govern and control.

(iv) The first election of the Board of Directors shall be conducted at the first meeting of the Association. At such election the members or their proxies may cast in respect to each vacancy, as many votes as they are entitled to exercise under the Provisions of the Declaration. The persons receiving the largest number of votes shall be elected Cumulative voting shall be utilized during all elections in which more than two (2) positions on the Board are to be filled. Voting for directors, shall be by secret written ballot. At any election which the members other than the I in Declarant do not have a voting power of the sufficient percentage of the of the Association to elect at least one (1) director through accumulating of all their votes, the person nominated for the Board who receives the highest number of votes cast by members other than the Declarant shall be elected to the Board, and the remaining directors shall be elected in accordance with normal voting procedures. A director who was elected solely by the votes of members other than Declarant may be removed from office prior to the expiration of his term by the votes of a majority of members other than Declarant.

(v) Nomination for election to the Board of Directors shall be made by a Nominating Committee, which need not be composed of members of the Association. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall be appointed by the Board of Directors not less than thirty (30) days prior to each annual meeting of the members, to serve until the close of such annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it in its discretion shall determine, but not less than the number of vacancies that are to be filled. Such nominations shall be made from among the members of the Association, unless election of non-members is permissible pursuant to Section 1 of Article III hereof.

(vi) In accordance with Section 16.5 of the Declaration and notwithstanding anything to the contrary contained herein, no member shall be entitled to be eligible vote or to be elected to the Board of Directors who is shown on the books or records of the Association to be more than thirty (30) days delinquent in the payment to the Association of any Regular or Special Assessment.

Such voting rights, together with all other membership rights of a member may also be superseded after notice and an opportunity for a hearing before the Board has been giving pursuant Section 7341, for a period of not to exceed thirty (30) days for any single violation of the provisions of the Declaration or of the rules and regulations established by the Board governing the use of the Common Area.

(vii) Any provision of the governing instruments calling for membership approval of action to be taken by the Association, except provisions with respect to the action to enforce the

obligations of the sub-divider under any completion bond, shall expressly require the vote or written assent of the prescribed percentage of each class of membership during the time that at there are two outstanding classes of membership Any requirement elsewhere in the Articles of Incorporation, ByLaws, and Declaration of Restrictions, except with respect to the action to enforce the obligations of the sub-divider under completion bond amendment to the Articles of Incorporation, amendments to the Bylaws, and amendments to the Declarations of Restrictions that the vote of the sub divider s a in any such a determination shall be applicable only if there has been a conversion of Class B to Class A shares and only for so long as the subdivider holds, or directly controls twenty-five percent (25%) or more of the voting power of the association.

(f) Quorum. The presence either in person or by proxy, at any meeting, of members entitled to cast fifty-one percent (51%) of the total voting power of the Association, shall constitute a quorum for any action. If, however, Such a quorum shall not be present or represented at any meeting, a majority of the members entitled to vote thereat shall have the power to adjourn the meeting to a date not less than five (5) day s and not more than thirty (30) days later, without notice other than announcement at the meeting until a quorum as aforesaid shall be present or represented.

(g) Proxies. At any meeting of the members of the Association, each member entitled to vote may vote in person or by proxy, provided that any such proxies shall be in writing, executed by the member entitled to vote or by his duly authorized attorney in fact and filed with the secretary of the Association at or before any meeting at which a vote y such proxy may be cast. Any such proxy shall (i) not be valid for longer than eleven (11) months from the date of its execution unless otherwise provided in said, proxy, provided that in no case shall any proxy be valid for more than seven (7) years from the date of its execution, (ii) be revocable, (iii) automatically cease to be valid, upon the conveyance of the Condominium owned by the member executing or authorizing the execution of said proxy and (iv) be invalid during any period within which the voting rights of the members executing or authorizing the execution of such proxy shall be suspended.

(h) Consent of Absentees. The transaction of any business at any meeting of the members of the Association, whether an annual or special meeting, however called or noticed, shall be as valid as though had at a meeting duly held, after regular call and notice thereof if there was a quorum present either in person or by proxy and if either before or after such a meeting each member who would have been entitled to vote if he had been present in person or by proxy, signs a written waiver of notice or a consent to the holding of such meeting or approval of the minutes thereof. All such waivers, consents and approvals of the minutes thereof shall be filed with the records of the Association or made a part of the minutes of the meeting.

Section 4. Action Without Meeting. Any action which may be taken by the vote of members at a regular or special meeting, except the election of the Board of Directors, may be taken without a meeting in accordance with the provisions of Corporations Code Section 7513.

Section 5. Liability of Members. No member of the Association shall be personally liable for any of the debts, liabilities, or obligations of the Association.

ARTICLE.III

BOARD OF DIRECTORS

Section 1. Number. The affairs of the Association shall be managed by a Board of three (3) directors who need not be members of the Association, until conversion of Class B memberships to Class A memberships, after which time all directors must be members of the Association.

Section 2. Terms of Office. Each director shall be elected to serve a one (1) year term. Expired terms shall be filled by election at an annual meeting.

Section 3. Duties. It shall be the duty of the Board of Directors to:

(a) Maintenance: Maintain the Project in accordance with Sections. 6.1, 6.2(a), 6.2(b) and 6.3(f) of Article VI of the Declaration;

(b) Insurance. Maintain insurance as required by Article X of the Declaration;

(c) Discharge of Liens: Discharge by payment if necessary, any lien against the Common Area and assess the cost thereof to the member or members responsible for the existence of said lien;

(d) Assessments: Fix, levy collect and enforce assessments as set forth in Articles VII and III of the Declaration;

(e) Expenses and Obligations: Pay all expenses and obligations incurred by the Association in the conduct of its business including, without limitation, all licenses, taxes or governmental charges levied or imposed against the property of the Association;

(f) Records: Cause to be kept a complete record of all its acts (and Corporate affairs) and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by twenty-five percent (25%) of the Class A members;

(g) Supervision: Supervise all officers, agents and employees of the Association and to see that their duties are properly performed;

(h) Enforcement: To enforce by the equitable and/or legal means available any and all of the provisions of the Condominium documents, including, but not limited to these Bylaws and the Declaration as the same or any of them may, from time to time, be amended.

(i) Working Capital Contingency Fund: Establish and maintain a working capital contingency fund in any amount to be determined by the Board of Directors of the Association from time to time;

(j) Utility Services: To pay all cost of power, heat, sewer and all other utility services provided to the Project which are not separately metered or charged to the individual Owners.

Section 4. Powers. Except as otherwise specifically provided in the Condominium documents, the Board of Directors shall have the power to perform on behalf of the Association all acts necessary or appropriate for the management and administration of the Project, including but not limited to, those powers existing under common law and statutes, the Articles of Incorporation of the Association, these Bylaws, the Declaration and all of the Condominium documents. Without limiting the generality of the foregoing, said powers shall include but not be limited to the following:

(a) Maintenance. Subject to the provisions of Section 7.7 and of Article IX of the Declaration for cleaning, painting, maintenance, repairs, reconstruction and replacement of and to all and any portion of the Common Area and for the maintenance and repairs to all or any portion of the equipment facilities or landscaping within Common Areas the Association shall determine to be necessary.

(b) Repairs: Make, build, maintain and repair all fences, sewers, drains, curbs, sidewalks and parking areas which may be required by law to be made, built, maintained and repaired upon or adjoining or in connection with or for the use of the Project or any part thereof, except for private patio fences.

(c) Manager: Procure the services of a manager, together with the services of such other persons as the Board of Directors shall from time to time determine to be necessary or proper for the daily management, operation and maintenance of the Project.

(d) Grant of Easements: Grant easements where necessary for utilities and sewer, facilities over the Common Area to serve the common and open space areas and the Units and obtain water, sewer, electrical, gas and other necessary utilities for the Common Area and, if not separately metered or charged, for the individual Units.

(e) Insurance. Obtain and maintain such policies of casualty, liability and other insurance covering such persons, property and risks as are more particularly set forth in Article X of the Declaration.

(f) Gardening. Provide services of a gardener or gardeners to maintain, renew or replace all or any portion of the landscaping, gardening or green areas within the Common Area, together with all tools, supplies, plants and equipment reasonably necessary for such purposes.

(g) Trash Collection. Provide services of a trash, rubbish and garbage collection company or agency, whether public or private for the purpose of regularly and efficiently collecting from designated areas within the Project, and removing from the Project all trash, garbage, rubbish and refuse discarded by the management and the residents of the Project.

(h) Taxes and Assessments: Pay for taxes and assessments of whatever type duly assessed against all or any portion of the Common Area or the personal property of the Association which are or could become a lien upon said property or any portion thereof.

(i) Audit. Cause to be performed an annual audit by an independent Certified Public Accountant of the accounts and operating statements of the Association, Board of Directors, its

officers, the manager and his staff. Said audit shall reflect the income and expenditures of the Association, its Board of Directors, its officers, the manager and his staff for the maintenance and operation of the Project for the Association's fiscal year. A copy of said audit, including a balance sheet as of the end of the fiscal year, an operating statement for the fiscal year, a statement on changes in financial position for the fiscal year and any information required by Corporations Code Section 8322, shall be delivered to each Owner upon the earlier of (i) sixty (60) days after the close of the Associations fiscal year, or (ii) within thirty (30) days after completion thereof. If any additional audit beyond said annual independent audit is desired by a majority of the Owners, it shall be prepared at the expense of the Owners desiring such additional audit. The Association shall further prepare and distribute to each Owner:

(i) A pro forma operating statement (budget) for each fiscal year not less than sixty (60) days before the beginning of the fiscal year; and

(ii) A balance sheet as of an accounting date which is the last day of the month closest in time to six (6) months from the date of the close of escrow for the first sale of a Unit in the Project and an operating statement for the period from the date of such first closing to the said accounting date, shall be distributed within sixty (60) days after the accounting date. This operating statement shall include a schedule of assessments received and receivable identified by the numbers of the Condominium Units and the name or names of the Owners assessed.

(j) Professional Services. Contract and pay for legal and accounting services for the Association, its board of Directors, its officers, the manager and his staff, provided that said services and fees are incurred solely, in connection with (i) the management, operation and maintenance of the Project, (ii) the performance or enforcement (including the collection of any assessments) of the provisions of the Declarations these Bylaws or the Articles of the Association, (iii) a protest or litigation to contest local real estate taxes levied against a majority of the Condominiums or (iv) litigation arising out of the condemnation of all or any portion of the Common Area.

(k) Bonds. Provide such fidelity bond or bonds naming the Board of Directors, the officers of: the Association, the manager and his staff and such other person or persons as may be designated by the Association as principals with the Association (as trustee) as the obligee.

(l) Acquisition of Abandoned Units. Pay the cost to purchase, sell, lease and maintain any Condominium abandoned by the Owners or acquired by the Association pursuant to the provisions of Article VIII of the Declaration.

(m) Working Capital Fund Establish and maintain a working capital contingency fund in an amount to be determined by the Board of Directors of the Association.

(n) Additional Services. Such other services for the use, enjoyment and protection of the Project and the residents thereof as the Association may determine from time to time are reasonable, proper or desirable.

(o) General. Take such action and incur such obligations whether or not heretofore expressly specified, as shall be reasonably necessary for the enforcement of this Declaration and for the protection of the common interests of the Owners in the Project.

(p) Delegation. Delegate its authority and powers to committees officers or employees of the Association.

(q) Declare Vacancy. The right to declare a directors Position vacant after a member of the Board of Directors misses three (3) consecutive regular Board meetings.

Section 5. Prohibited Acts. The Board of Directors shall not take any of the following actions, except with the vote or written consent of a. majority of the voting power of the Class A members:

(a) Entering into a contract with a third person wherein the third person will furnish goods or services for the Common Area or the Association for a term longer than one (1) year with the following ex,ceptions:

(i) A contract with a public utility company if the rates charged for the materials or services are regulated by the Public Utilities Commission; provided, however, that the term of the contract shall not exceed the shortest term for which the supplier will contract at the regulated rate; and.

(ii) Prepaid casualty and/or liability insurance policies of not to exceed (3) years duration, provided that the policy permits short rate cancellation by the insured.

(b) Incurring aggregate expenditures for capital improvements to the Common Area in any fiscal year in excess of five percent (5%) of the budgeted gross expenses of the Association for that fiscal year; and

(c) Paying compensation to members of the Board or to officers of the Association for services performed in the conduct of the Association's business; provided, however, that the Board may cause a member or officer to be reimbursed for expenses incurred in carrying on the business of the Association.

(d) Filling a vacancy on the Board created by the removal of a Board member.

Section 6. Removal of Directors. Unless the entire Board is removed from office by the vote of the Association members, an individual director shall not be removed prior to the expiration of his term of office if the number of votes cast against his removal is greater than the quotient arrived at by dividing the total number of votes that may be cast under cumulative voting procedures by a divider, equal to one (1) plus the authorized number of directors. In the event of death or resignation of a director, his successor shall be elected by the majority of the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 7. Regular Meetings. Regular meetings of the Board of Directors shall be held quarterly at such place within the Project and at such hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday, excluding Saturday and Sunday. Notice of the time and place of such meeting shall be posted at a prominent place or places within the Common Area and shall be communicated to directors not less than four (4) days prior to the meeting; provided however that notice of a meeting need not be given to any director who had signed a waiver of notice or a written consent to holding of a meeting.

Section 8. Special Meetings. Special meetings of the Board of Directors shall be held when called by written notice signed by the President of the Association, or any two (2) directors other

than the President. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be posted in a manner prescribed for notice of regular meetings and shall be sent to all directors not less than seventy-two (72) hours prior to the scheduled time of the meeting provided however that notice of the meeting need not be given to any director who signed a waiver of notice or a written consent to holding of the meeting.

Section 9. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act performed or decision made by a majority of the Directors present at duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 10 Open Meetings All meetings of the Board shall be open to members of the Association, but members other than directors may not participate in any discussion or deliberation unless expressly so authorized by a majority of a quorum of the Board.

Section 11 Executive Session. The Board may, with approval of a majority of a quorum, adjourn a meeting and reconvene in executive session to discuss and vote upon personal matters litigation in which the Association is or may become involved: disciplinary matters and orders of business of a similar nature.. The nature of any and all business to be considered in executive session shall first be announced in open session.

Section 12. Adjournment. A quorum of the directors may adjourn. any directors meeting to meet again at a stated day and hour. In the absence of a quorum, a majority of the directors present may adjourn from time to time to meet again at a stated day and hour prior to such time as may be fixed for the next regular meeting of the Board. The motion for adjournment shall be recorded in the minute book of the corporation, notice of the time and place of adjourned meeting need not be given to any director present at the meeting adjourned if the time and place be fixed at the meeting adjourned.

Section 13. Certificate of Identity. Immediately following the election of any Director, the secretary of the Association may issue a certificate identifying him as a director of the Association which certificate shall in accordance with the provisions of Section 1355(a) of the California Civil Code, be conclusive evidence of said directors membership on the Board of Directors in favor of any person relying thereon in good faith, provided that any such certificate shall set forth on its face the term of office for which such director has been elected Any certificate so issued shall be maintained by the secretary of the Association and shall be cancelled upon the expiration of the term of office of the director named thereon or upon his death, removal or resignation.

Section.14. Liability of Directors. The members of the Board of Directors shall not be liable to the members of the Association for any non-willful tort, mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith. The members of the Association shall and do hereby agree to indemnify and hold harmless each member of the Board of Directors against all contractual liability to others arising out of contracts made by Board of Directors on behalf of the Association unless any such contract shall have been made in bad

faith. If obtainable at a reasonable cost to the Association, the Association shall purchase liability insurance for each director covering his personal liability for his acts and omissions occurring while acting in the capacity of a director of the Association, the cost of which shall be paid by the Association as a Common Expense.

Section 15. Election/Removal of Directors. Notwithstanding anything to the contrary contained herein, as long as a majority of the voting power of the Association resides in Declarant or so long as there are two outstanding classes of membership in the Association one (1) director shall be elected solely by the votes of members other than Declarant and such director may be removed from office prior to the expiration of his term only by the vote of at least a simple majority of the votes of the members of the Association other than Declarant.

ARTICLE IV

OFFICERS

Section 1. Enumeration. The officers of the Association shall be a president, a vice-president; a secretary, a treasurer and such other officers as are elected by the Board of Directors including in its discretion a chairman of the board. When the duties do not conflict and two (2) or more officers, except those of president and secretary or president and assistant secretary may be held by the same person.

Section 2. Election and Tenure. Except with respect to (i) the officers elected by the Initial Board of Directors and (ii) subordinate officers described in Section 3, below, the officers of the Association shall be elected annually by the Board of Directors at the annual organization meeting of the Board provided that new offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor shall have been elected and shall have been qualified

Section 3. Subordinate Officers. The Board of Directors may from time to time, appoint such other officers as are necessary for the management and administration of the Association (including but not limited to a manager) each of whom shall perform such duties as are set forth in the Declaration and as the Board of Directors may from time to time determine.

Section 4 Removal and Resignation. Any officer elected or appointed by the Board of Directors may be removed by a majority of the Board of Directors whenever in their judgment the best interests of the Association would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed. Any officer may resign at any time by giving written notice to the Board of Directors or the president or to the secretary of the Association. Any such resignation will take effect at the date of receipt of such notice or at any later date specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise may be filled by the Board of Directors for the unexpired term of the officer replaced.

Section 6. Chairman of the Board. The chairman of the board, if there shall be such officer, shall, if present, preside at all meetings of the Board of Directors and exercise and perform such other powers and duties as may, from time to time, be assigned to him by the Board of Directors.

Section 7. President. The president shall be the principal executive officer of the Association and shall, subject to the control of the Board of Directors, supervise, direct and control all of the business and affairs of the Association and the officers thereof. He shall preside, in the absence of a chairman of the board, at all meetings, of the members of the Association and of the Board of Directors. He may sign, together with the secretary (or any other officer of the Association duly authorized by the Board of Directors) any deeds, mortgages, bonds, contracts, agreements or other instruments which the Board of Directors have authorized to be executed except in such case where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these ByLaws, the Declaration or by statute to some other officer or agent of the Association and shall have all the general powers and perform all of the duties usually vested in the office of president of a corporation including all the powers and duties as may I from time to time be prescribed by the Board of Directors or by these Bylaws.

Section 8. Vice President. In the absence of the president or in the event of his inability or refusal to act, the vice-president shall perform the duties of the president and when so acting, shall have all the powers and be subject to all of the restrictions upon the president. Any vice-president shall have other duties as from time to time may be assigned to him by the president or by the Board of Directors.

Section 9. Secretary The secretary shall keep the minutes of all meetings of the members of the Association and the Board of Directors in one or more books provided for that purpose. He shall cause all notices to be duly given to the members of the Association and to its Board of Directors in accordance with the provisions of these Bylaws, the Declaration or as otherwise required by law. He shall be the custodian of the Association's records of the seal of the Association and shall cause said seal to be affixed to all documents, the execution of which on behalf of the Association under it seal is duly authorized in accordance with the provisions of these Bylaws. He shall keep a register of the post office address of each member of the Association and its directors and its officers and shall perform all duties incident to the office of secretary and such other duties as may be required of him by the provisions of these Bylaws, the Declaration bras from time to time may be assigned to, him by the president or by the Board of Directors including but not limited to the filing, recordation and assistance of any notice, document, certificate or other instrument described in the Declaration or these Bylaws.

Section 10. Treasurer. If required by the Board of Directors, the treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. The treasurer shall have charge and custody of and be responsible for all funds, securities and/or proceeds collected owned and/or received by the Association. He shall receive and give receipts for monies due and pay able to the Association from any source whatever and, deposit all such monies in the name of the Association in such banks, trust companies or other depositories as shall be selected in accordance with these ByLaws and the

Declaration. He shall keep and maintain the assessment rolls and the accounts of the members of the Association, keep and maintain the books of the Association in accordance with generally accepted accounting principles and shall perform all other duties as from time to time may be assigned to him by the president or the Board of Directors.

Section 11. Committees. The Board of Directors shall appoint an Architectural Committee, as provided in the Declaration, and a Nominating Committee, as provided in these Bylaws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE V

MISCELLANEOUS

Section 1. Checks, Drafts, Etc. All checks, drafts or other orders for payment of money, notes or other evidences or indebtedness issued in the name of or payable to the Association shall be signed or endorsed by such person or persons in such a manner as, from time to time shall be determined by resolution of the Board of Directors.

Section 2. Contracts. The Board of Directors except as otherwise provided in these Bylaws, and the Declaration, may authorize any officer, manager, agent or employee to enter into any contract or execute any instrument in the name of or behalf of the Association and such authority may be general or confined to specific instances. Unless so authorized by the Board of Directors, no officer, manager agent or employee shall have any power or authority to bind the Association by any contract, agreement or engagement or to pledge the credit of the Association or to render the Association liable for any purpose or to any amount.

Section 3. Deposits. All funds of the Association shall be deposit from time to time to the credit of the Association in such banks, savings and loan associations or other depositories as the Board of Directors may select.

Section 4. Gifts The Board of Directors may accept on behalf of the Association any contribution, gift or bequest or devise for, any general or special purpose of the Association.

Section 5. Inspection of Records by Members. The membership register, books of account and minutes of meetings of the members, of the Board and of committees shall be made available for inspection and copying by any member of the Association, or by his duly appointed representative at any reasonable time and for a purpose reasonable related to his interest as a member, at the office of the Association or at such other place within the Project as the Board shall prescribe. The Board shall establish reasonable rules with respect to:

- (a) Notice to be given the custodian of the records by the member desiring to make the inspection
- (b) Hours and days of the week when such an inspection may be made; and
- (c) Payment of the cost of reproducing copies of documents requested by a member.

Section 6. Inspection by Directors. Every Director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a Director shall include the right to make extracts or copies of documents.

Section 7. Fiscal Year. The fiscal year of the Association shall be determined by the Board of Directors and having been so determined is subject to change, from time to time, as the Board of Directors may determine.

Section 8. Parliamentary Rules. Roberts Rules of Order (latest edition) shall govern the conduct of corporate proceedings when not in conflict with the Articles of Incorporation, these Bylaws, the Declaration or with the Statutes of the State of California.

Section 9. Assessment Rolls. The assessment rolls shall be maintained in a set of accounting books in which there shall be an account for each Condominium within the Project. Such account shall designate the name and the street address of the Condominium, **its record Owner**, the amounts of any and all Assessments and delinquencies with respect to said Record Owner and his Condominium, the dates and amounts, in which the assessments come due the amounts paid upon account thereof and the balance due upon any Assessment.

Section 10. Annual Audit and Periodic Financial Reports. The Board of Directors shall, in accordance with the provisions of Section 6.2(i) of the Declaration cause an independent audit of the financial affairs of the Association to be made on an annual basis and shall cause periodic financial reports to be distributed to the membership as provided herein, unless these requirements as provided therein have been waived by unanimous vote as provided therein.

Section 11. Conflicts. If there are any conflicts or inconsistencies between the provisions of the Declaration and these Bylaws, the terms and provisions of the Declaration shall prevail. In case any of these Bylaws conflict with the provisions of the California Condominium Act, the provisions of said statute shall control.

Section 12. Amendments to Bylaws. Subject to the provisions of Section 3.4 and Section 17.12 of the Declaration and so long as there is more than one class of Membership outstanding, these Bylaws may be amended by the members of the Association, at a meeting duly held for such purpose, upon the vote or written consent of members holding fifty-one percent (51%) of the voting power of each class of membership of the Association. At such time as there is only one class of membership outstanding, any such amendment shall require the vote or written consent of fifty-one percent (51%) of the voting power of the Association and fifty-one percent (51%) of the votes of members other than the Declarant.

Section 13. Use of Pronouns. As used in these Bylaws, the neuter pronoun shall include the masculine and the feminine, and the masculine shall include the feminine, the singular shall include the plural and the plural shall include the singular.

ARTICLE VI

MORTGAGES

Section 1. Notice to Association. An Owner who mortgages his Unit shall notify the Association through the management agent, if any, or the president of the Board of Directors in the event

there, is no management, agent, of the name and. address of his mortgagee; the Association shall maintain such information in a book entitled Mortgages of Units,.

Section 2. Notice of Unpaid Assessments. The Association shall at the request of any first mortgagee of any recorded mortgage upon any Condominium, provide to such mortgagee written notification of any default by the Owner of such Condominium in the performance of such Owner's obligations under the Condominium Documents which is not cured within thirty (30) days.

Section 3. Act Prohibited Without Consent of Mortgagees. Notwithstanding anything contained in these Bylaws or any other portion of the Condominium documents apparently to the contrary unless and until at least seventy-five percent (75%) of all first mortgagees (based on one vote for each first mortgage owned) of Condominiums shall have given their prior written approval, the Association shall not be entitled to:

- (a) By act or omission, seek to abandon or terminate the Condominium Plan;
- (b) Change the pro rata interests or obligations of any Condominium Unit for (i) purposes of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards and (ii) determining the Percentage Interests or Fractional Interests in and to the Common Area;
- (c) Partition or subdivide any Condominium Unit;
- (d) By act or omission seek to abandon partition, subdivide encumber, sell or. transfer the Common Area, but the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Area under the Condominium Plan shall not be deemed a transfer within the meaning of this clause; or
- (e) Use hazard insurance proceeds for losses to any portion of the Project (whether to Units or the Common Area) for other than that repair, replacement or reconstruction of such improvements.

Section 4. Definition of Mortgage "Mortgage" shall mean any security device encumbering all or any portion of the Project or any Condominium located, therein and as used herein the term mortgage shall include a deed of trust. Mortgage shall mean the Record Owner of a beneficial interest under a mortgage and shall include the beneficiary under a deed of trust. The term First Mortgage shall mean any mortgage with first priority over any other Mortgages encumbering the same condominium.

ARTICLE VII

COMPLIANCE

These Bylaws are set forth to comply with the requirements of the Corporations Code of the State of California.

IN WITNESS WHEREOF, we, being all of the directors of Village Lane Homeowners Association, have hereunto set our hands this day of 1980.

Catherine D. Collier

12-30-2020

CALIFORNIA ALL- PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }

County of Orange }

On 12/30/2020 before me, Cathy Cartwright Notary Public,
(Here insert name and title of the officer)

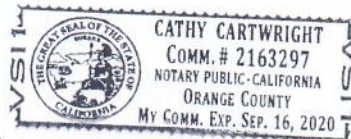
personally appeared Catherine D. Collier
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Cathy Cartwright
Notary Public Signature

(Notary Public Seal)



The notary commission extended pursuant to Executive Order N-63-20.

ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

Plan of Condominium
(Title or description of attached document)

Ownership Bylaws
(Title or description of attached document continued)

Number of Pages 14 Document Date 12/30/2020

CAPACITY CLAIMED BY THE SIGNER

- ☒ Individual (s)
☐ Corporate Officer

(Title)

- ☐ Partner(s)
☐ Attorney-in-Fact
☐ Trustee(s)
☐ Other _____

INSTRUCTIONS FOR COMPLETING THIS FORM

This form complies with current California statutes regarding notary wording and, if needed, should be completed and attached to the document. Acknowledgments from other states may be completed for documents being sent to that state so long as the wording does not require the California notary to violate California notary law.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. he/~~she/they~~ is /~~are~~) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
 - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - ❖ Indicate title or type of attached document, number of pages and date.
 - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document with a staple.