

BYLAWS

FOR

COLONIAL TOWNHOMES

HOMEOWNERS ASSOCIATION

“If this document contains any restriction based on race, color, religion, sex, familial status, marital status, disability, national origin, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.1 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.”

BYLAWS
OF
COLONIAL TOWN HOMES

HOME OWNERS ASSOCIATION

ARTICLE I

NAME AND LOCATION--

The name of the association is Colonial Town Homes Home Owners Association (hereinafter referred to as the "Association"). The Association is an unincorporated association formed under Section 20,000 et seq. of the California Corporations Code. The principal office of the Association shall be located in the County of Los Angeles, State of California, (hereinafter referred to as "said County"). Meetings of members shall be held at such places as are set forth in the Declaration (defined below).

ARTICLE II

DEFINITIONS

1. Declaration. The "Declaration" shall mean collectively, the Declaration of Covenants, Conditions and Restrictions establishing a Plan of Condominium Ownership and any amendments thereto, if any, recorded or to be recorded pursuant thereto, and applicable to the condominium development commonly known and referred to as Colonial Town Homes.

2. Other Definitions. Each and every definition set forth in Article I of the Declaration shall have the

same meaning herein as therein, and each and every such definition is incorporated by reference herein and made a part of hereof as if once again fully written and set forth at length hereat.

ARTICLE III

MEMBERSHIP: VOTING RIGHTS

1. Membership and Voting Rights. The qualifications for membership, the sole class of membership, and the voting rights of members shall be as set forth in Article V of the Declaration.

2. Incorporation by Reference. Article V of the Declaration is by this reference incorporated herein and made a part hereof as if once again fully written and set forth at length hereat.

ARTICLE IV

MEETINGS OF MEMBERS

1. Regular meetings of members of the Association shall be held not less frequently than once each calendar year at a time and place prescribed by the Bylaws. The first meeting of the Association, whether regular or special meeting, shall be held within forty-five (45) days after the closing of the sale of the subdivision interest which represents the fifty-first percentile interest authorized for sale under the first public report for the subdivision, but in no event shall the meeting be held later than six (6) months after the closing of the first sale of the first subdivision interest. At this first meeting the first election of the governing body shall be conducted.

2. Meetings of the Association members shall be held within the subdivision or at a meeting place as close thereto as possible. Unless unusual conditions exist, members meetings shall not be held outside of the county in which the subdivision is situated.

3. A special meeting of the members of the Association shall be promptly called by the governing body upon:

- a. The vote for such a meeting by a majority of a quorum of the governing body.
- b. Receipt of written request therefor signed by members representing not less than five percent (5%) of the total voting power of the Association or by the members representing not less than fifteen percent (15%) of the voting power residing in members other than the subdivider.

4. Written notice of regular and special meetings shall be given to members by the governing body by any means which is appropriate given the physical setup of the subdivision. Except in emergency situations, at least ten (10), but not more than ninety (90) days notice of any meeting shall be provided. The notice shall specify the place, day and hour of the meeting, and in the case of a special meeting, the nature of the business to be undertaken.

5. Quorum. The presence at any meeting in person or by proxy of members entitled to cast at least fifty percent (50%) of the total votes of all members of the Association shall constitute a quorum. If any meeting cannot be held because a quorum is not present, members representing a majority of the votes present, either in person or by proxy, may not conduct any other business than to adjourn the meeting to a time not less than five (5) days nor more than thirty (30) days from the time the original meeting was called, at which adjourned meeting the quorum requirement shall be at least twenty-five percent (25%) of said total votes. Any meeting of members whereat a quorum is present may be adjourned for any reason to a time not less than five (5) days nor more than thirty (30) days from the time of such meeting by members representing a majority of the votes present thereat, either in person or by proxy. If a time and place for the adjourned meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for the adjourned meeting after adjournment, notice of the time and place of the adjourned meeting shall be given to members in the manner prescribed for regular meetings.

6. Proxies. At all meetings of members each member may be present in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease when the ownership interest or interest of such member entitling him to membership in the Association ceases.

7. Order of Business. The order of business of all meetings of the members shall be as follows:

- a. Roll call.
- b. Proof of notice of meeting or waiver of notice.
- c. Reading of minutes of preceding meeting.
- d. Reports of Board and officers.
- e. Election of directors, if any are to be elected.
- f. Unfinished business.
- g. New Business.

8. Parliamentary Procedure. All questions of parliamentary procedure shall be decided in accordance with Robert's Rules of Order.

9. Majority of Owners. Except as otherwise provided herein or in the Declaration, the majority of the total voting power present, in person or by proxy, shall prevail at all times.

ARTICLE V

SELECTION AND TERM OF OFFICE OF BOARD

1. Number. The Board shall consist of five (5) directors who need not be members.

2. Term of Office. At the first annual meeting, the members shall elect each of the five (5) directors for

a term of one (1) year. At the expiration of the initial term of office of each director, his successor shall be elected to serve for a term of one (1) year. The five (5) directors shall serve concurrent terms.

3. Election; Vacancies. Election and removal of directors shall be as provided in the Declaration. In the event of the death or resignation, of a director, his successor shall be selected by the remaining members of the Board, and shall serve for the unexpired term of his predecessor. The filling of a vacancy on the governing body created by the removal of a governing body member shall be allowed with the vote or written assent of a majority of the voting power of the Association residing in members other than the subdivider.

ARTICLE VI

NOMINATION AND ELECTION OF DIRECTORS

1. Nomination. Nomination for election to the Board may be made by a nominating committee appointed by the Board.

2. Election. Election to the Board shall be by secret written ballot. At such election, the members, or their proxies, may cast, in respect to each vacancy, as many votes as they are entitled to cast under the provision of the Declaration (and subject to cumulative voting as therein described). The candidates receiving the highest number of votes shall be deemed elected.

ARTICLE VII
MEETINGS OF DIRECTORS

1. Regular Meetings.

- a. Regular meetings of the governing body shall be held monthly at a time and place within the subdivision fixed by the governing body from time to time.
- b. 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 governing body members not less than four (4) days prior to the meeting. Notice of a meeting need not be given to any governing body member who has signed a waiver of Notice or written consent to holding of the meeting.

2. Special Meetings.

- a. A special meeting of the governing body may be called by written notice signed by the President of the Association or by any two (2) members of the governing body other than the President.
- b. The notice shall specify the time and place of the meeting and the nature of any special business to be considered.
- c. The notice shall be sent to all governing

body members and posted in a manner prescribed for notice of regular meetings not less than seventy-two (72) hours prior to the scheduled time of the meetings. Provided however that notice of the meeting need not be given to any governing body member who signed a waiver of notice or a written consent to holding of the meeting.

3. Participation. Regular and special meetings of the governing body shall be open to all members of the Association provided, however, that Association members who are not on the governing body may not participate in any deliberation unless expressly so authorized by the vote of a majority of a quorum of the governing body.

4. Executive Sessions. The governing body may, with the approval of a majority of a quorum of its members, adjourn a meeting and reconvene session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, 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.

5. Quorum. Three (3) directors shall constitute a quorum for the transaction of business at a meeting of the Board. Every act or decision done or made by three (3) directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VIII
POWERS AND DUTIES OF THE BOARD

1. Powers. The Board shall have all powers conferred upon the Association as set forth herein and in the Declaration, excepting only those powers expressly reserved to the members.

2. Duties. It shall be the duty of the Board:
- a. To cause to be kept a complete record of all of its acts and doings, and to present a statement thereof to the members at each annual meeting of the members, or at any special meeting when such statement is requested in writing by members representing one-fourth (1/4) of the votes.
 - b. To supervise all officers, agents and employees of the Association, and to see that their duties are properly performed.
 - c. To delegate its powers as provided in the Declaration.

ARTICLE IX
OFFICERS AND THEIR DUTIES

1. Enumeration of Officers. The officers of the Association shall be President and Vice-President, who shall at all times be members of the Board; Secretary, and a Treasurer, and such other officers as the Board may from time to

time by resolution create.

2. Election of Officers. The election of officers shall take place at the organizational meeting of the Board and thereafter at each meeting of the Board following each annual meeting of the members.

3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one year unless he shall sooner resign, or shall be removed, or shall otherwise be or become disqualified to serve.

4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have authority, and perform such duties as the Board may, from time to time, determine.

5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

6. Vacancies. A vacancy in any office shall be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

7. Multiple Offices. The offices of the Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one (1) of any of the other offices except in the case of special offices created pursuant to Section 4 hereof.

8. Duties. The duties of the officers shall be as follows:

President

- a. The President shall preside at all meetings of the Board, shall see that orders and resolutions of the Board are carried out, shall sign all leases, mortgages, deeds, and other written instruments, and shall co-sign all check and promissory notes.

Vice-President

- b. The Vice-President shall act in the place and instead of the President in the event of his absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary

- c. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members, shall serve notices of meetings of the Board and of the members, shall keep appropriate current records showing the

members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

- d. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse checks and promissory notes of the Association shall keep proper books of account and regularly prepare financial statements which shall be distributed to each member of the Association as follows:
- 1) A pro forma operating statement (budget) for each fiscal year shall be distributed not less than sixty (60) days before the beginning of the fiscal year.
 - 2) 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 closing of the first sale of an interest in the subdivision-- and an operating statement for the period from the date of the 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 number of

the subdivision interest and the name of the entity assessed.

- 3) A balance sheet as of the last day of the Association's fiscal year and an operating statement and a statement of changes in financial position for said fiscal year, shall be distributed within one hundred-twenty (120) days after the close of the fiscal year.

Ordinarily an external audit by an independent public accountant shall be required for fiscal-year financial statements (other than budgets) for any fiscal year in which the gross income to the Association exceeds \$75,000.00.

ARTICLE X COMMITTEES

The Board may appoint such committees as it deems appropriate in order to carry out its purposes, including, a nominating committee and an architectural committee.

ARTICLE XI ASSESSMENTS

1. Liability for Assessments; Collection.
As more fully provided in Articles VI and VII of the Declaration, each member is obliged to pay to the Association

annual and special assessments to be collected as therein set forth.

2. Incorporation by Reference. Article VI and VII of the Declaration are by this reference incorporated herein and made a part hereof as if once again fully written and set forth at length hereat.

ARTICLE XII

AMENDMENTS

These bylaws may be amended by vote or written consent of the members representing both:

1) At least 51% of the total voting power of the Association, and,

2) At least 51% of the votes of members other than the subdivider.

ARTICLE XIII

GENERAL PROVISIONS

1. Conflicting Provisions. In the case of any conflict between any provisions of the Declaration and these Bylaws, the conflicting provisions of the Declaration shall control.

2. Fiscal Year. The fiscal year of the Association shall be a calendar year unless and until a different fiscal year is adopted by members at a duly constituted meeting thereof.

3. Proof of Membership. No person shall exercise the right of membership in the Association until satisfactory proof thereof has been furnished to the Secretary. Such proof may consist of either a copy of a duly executed and acknowledged grant deed or title insurance policy showing said person to be the owner of an interest in a condominium entitling him to membership. Such deed or policy shall be deemed conclusive in the absence of a conflicting claim based on a later deed or policy.

4. Absentee Ballots. The Board may make such provisions as it may consider necessary or desirable for absentee ballots.

5. Reserves. Any amounts collected by or paid to the Association in excess of operational needs shall be set aside as reserves for future financial needs. All such sums shall be deposited into insured, interest bearing accounts. These sums may include amounts collected by Declarant from owners through purchase escrows representing capital contribution by such owners to the Association.

6. The Association does not contemplate pecuniary gain or profit to the members thereof and is organized for non-profit purposes.

CERTIFICATE OF SECRETARY

KNOWN ALL MEN BY THESE PRESENT:

The undersigned, secretary of Colonial Town Homes Home Owners Association, an unincorporated association does hereby certify that the above and foregoing bylaws were duly adopted by the Board of Directors of said Association on 4/23/81 and that they constitute said bylaws.

Chris Bode
Secretary