

BY-LAWS
OF
VERMONT VILLAS CONDOMINIUMS HOMEOWNERS ASSOCIATION

ARTICLE I
NAME AND LOCATION

The name of the corporation is VERMONT VILLAS CONDOMINIUMS HOMEOWNERS ASSOCIATION, hereinafter referred to as the "Association." The principal office of the Association shall initially be located at 3831 Nipoma Place, San Diego, California 92106, but meetings of members and directors may be held at such places within the State of California, County of San Diego, as may be designated by the Board of Directors, but shall be in accordance with Article III Section 1 of these By-Laws. The principal office of the Association may be changed at any time by the Board of Directors.

ARTICLE II
DEFINITIONS

Section 1. "Association" shall mean and refer to VERMONT VILLAS CONDOMINIUMS HOMEOWNERS ASSOCIATION, its successors and assigns.

Section 2. "Common Area" shall mean and refer to all elements of the Project owned in common by all owners for their common use and enjoyment and which are administered by the Association.

Section 3. "Condominium" shall mean and refer to an estate in real property consisting of an undivided interest in common in a portion of a lot of real property together with a separate interest in space in a residential building on the real property.

Section 4. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple interest in a condominium, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation. Whenever "owner" is used in

these Bylaws for the purpose of determining quorums, percentages, or minimum or maximum numbers for voting as specified in these Bylaws, all the owners of a particular condominium shall be counted as one.

Section 5. "Living unit" shall mean and refer to the elements of a condominium which are not owned in common with the owners of other condominiums in the Project.

Section 6. "Project" shall mean and refer to the entire lot of real property divided or to be divided into condominiums, including all structures and improvements erected or to be erected thereon.

Section 7. "Declarant" shall mean and refer to RONALD J. KEELER.

Section 8. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Project recorded in the Office of the San Diego County Recorder, and all amendments thereof.

Section 9. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration. Whenever "member" or "membership" is used in these Bylaws for the purpose of determining quorums, percentages, or minimum or maximum numbers for voting as specified in these Bylaws, all persons who are members because of their joint ownership of a particular condominium shall be counted as one.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. The first meeting of the Association, whether a regular or special meeting, shall be held within forty five (45) days after the closing of the sale of the condominium which represents the 51st percentile interest authorized for sale under the first public report for the Project; provided, however, that in no event shall the first meeting of the Association be held later than six (6) months after the closing of the sale of the first condominium. Thereafter regular meetings of the Association shall be held annually commencing one (1) year after the first meeting at such reasonable time, place

(either at the Project itself or at another meeting place located as near as is possible and practical to the Project), and date (not exceeding thirty (30) days before or after the anniversary date of the first regular meeting), as may be designated by the Board of Directors. Unless unusual conditions exist, meetings shall not be held outside of the county in which the Project is situated.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the president of the Association, and shall be promptly called upon (i) the vote for such a meeting by a majority of a quorum of the Board of Directors, or (ii) receipt by the Board of Directors of a written request for such a meeting signed by members representing twenty-five percent (25%) or more of the total voting power of the Association, or by members representing fifteen percent (15%) or more of the voting power of the Association residing in members other than the Declarant.

Section 3. Notice of Meetings. Except as otherwise provided in the Articles of Incorporation or the Declaration, 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 mailing a copy of such notice, postage prepaid, not less than ten (10) days (except in emergency situations) nor more than forty-five (45) days before such meeting to each member entitled to vote thereat. The notice shall be addressed to the member's address last appearing on the books of the Association or supplied by such member 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, the purpose of the meeting.

Section 4. Quorum. Except as otherwise provided in the Articles of Incorporation or the Declaration, the presence at any meeting of the owners of a majority of the condominiums shall constitute a quorum for the transaction of business at such meeting. In the absence of a quorum at a meeting, a majority of the owners present in person or by proxy may adjourn the meeting

to another time, but may not transact any other business. An adjournment for lack of a quorum shall be to a date not less than five (5) days and not more than thirty (30) days from the original meeting date, and the quorum for such resumed meeting shall be the presence of twenty-five percent (25%) of the total voting power of the Association.

Section 5. Proxies. At all meetings of members, each vote entitled to be cast may be cast 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 upon conveyance by the member of his condominium.

Section 6. Members Acting Without a Meeting. Any action which may be taken at a meeting of the members may be taken without a meeting if authorized by a writing signed by all of the members entitled to vote at a meeting for such purpose, and filed with the secretary of the corporation.

ARTICLE IV

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of three (3) directors, who shall all be members of the Association.

Section 2. Term of Office. At the first annual meeting the members shall elect three (3) directors for a term of one (1) year and at each annual meeting thereafter the members shall elect such number of directors as may be necessary to maintain during the next year three (3) members of the Board of Directors.

Section 3. Removal. The entire Board of Directors or any individual director may be removed from the Board by a vote of members holding a majority of the memberships entitled to vote at an election of directors, by secret written ballot. However, unless the entire Board of Directors is removed, an individual director shall not be removed if the number of memberships voted against the resolution for his removal exceeds the quotient arrived at when the total number of memberships entitled to vote is divided by one plus the authorized number of directors. If any one or all directors are so removed,

new directors may be elected at the same meeting. Irrespective of the number of Class A members and Class B members at any time, the Class A members shall in all events be entitled to elect at least one member of the Board of Directors. In the event that at any election no member of the Board of Directors could have been elected solely by the votes of owners other than Declarant (through the cumulating of all of their votes), the elected director having received the smallest number of votes shall be eliminated (and if more than one elected director shall fall in that category, one of the elected directors shall be eliminated by lot), and nominations and elections of a director shall be forthwith accomplished with only owners other than Declarant being entitled to vote in such election. A director who has been elected to office solely by the votes of owners other than Declarant may be removed from office prior to the expiration of his term of office only by the vote of at least a simple majority of the voting power of owners other than Declarant.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting, and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from

among members or non-members, except that directors must be members of the Association when there is no Class B membership.

Section 2. Election. Election to the Board of Directors 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 exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is permitted.

ARTICLE VI

MEETINGS OF BOARD OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly at a time and place within the Project fixed by resolution of the Board. Notice of the time and place of such meeting shall be posted at a prominent place or places within the Common Area.

Section 2. Special Meetings. A special meeting of the Board of Directors may be called by written notice signed by the president of the Association or by any two members of the Board other than the president of the Association. 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 sent to all members of the Board and posted in the manner for notice of regular meetings not less than 72 hours prior to the scheduled time of the meeting.

Section 3. Open Meetings. Regular and special meetings of the Board shall be open to all members of the Association; provided, however, that Association members who are not on the Board may not participate in any deliberation or discussion unless expressly so authorized by the vote of a majority of a quorum of the Board. The Board may, with the approval of a majority of a quorum of the Board, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, and 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 4. Quorum. A majority of the number of the directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(a) enforce all applicable provisions of the Articles of Incorporation, these By-Laws, and the Declaration, and all other related instruments or documents with respect to the management or control of the Project, and in so doing exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;

(b) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infractions thereof;

(c) suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association, or for infraction of published rules and regulations; provided, however, that such voting rights or right to use of the recreational facilities may not be suspended until after written notice and a reasonable opportunity for a hearing before the Board of Directors has been given to such owner;

(d) declare, upon the vote of a majority of a quorum of the Board of Directors, the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;

(e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties;

(f) pay all taxes, assessments, and other charges which are or could become a lien on the Common Area or some portion thereof;

(g) pay for pest control, state franchise taxes, and other costs and expenses with respect to the Association, and street cleaning, and other necessary charges, costs and expenses with respect to the Common Area;

(h) enter into contracts for the furnishing of goods or services for the Common Area or Association; provided, however, that such contracts must be terminable by either party, with or without cause and without a termination fee, upon ninety (90) days notice; and

(i) delegate its powers to officers or employees of the Association, to such extent and in such manner as the Board of Directors may from time to time reasonably determine.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) 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 one-fourth (1/4) of the Class A members who are entitled to vote;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(1) fix the amount of the annual assessments against each condominium at least ninety (90) days in advance of each annual assessment period;

(2) send written notice of each assessment to every owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same;

(d) issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been

paid. A reasonable charge may be made by the Board for the issuance of these certificates. A properly executed certificate of the Association as to the status of assessments on a condominium is binding upon the Association as of the date of its issuance;

(e) cause a balance sheet and a pro forma operating statement (budget) to be prepared for the Association and cause copies thereof to be distributed to each member of the Association in accordance with the provisions and conditions of the Declaration.

(f) procure and maintain adequate liability and property damage insurance on property administered by the Association;

(g) procure and maintain fidelity bond coverage against dishonest acts on the part of those directors, managers, trustees, employees, or volunteers responsible for handling funds belonging to or administered by the Association;

(h) cause the Common Area (except glass surfaces of residential structures containing living units) to be maintained;

Section 3. Restrictions. The Board of Directors shall be prohibited from taking any of the following actions, except with the vote or written assent of a majority of the voting power of the Association residing in members other than Declarant:

(a) Incurring aggregate expenditures for capital improvements to the Common Area in any fiscal year in excess of the budgeted gross expenses of the Association for that fiscal year.

(b) Selling during any fiscal year property of the Association having an aggregate fair market value greater than five percent (5%) of the budgeted gross expenses of the Association for that fiscal year.

(c) Paying compensation to members of the Board of Directors 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 director or officer to be reimbursed for expenses incurred in carrying on the business of the Association.

(d) Imposing a regular annual assessment per condominium which is more than twenty percent (20%) greater than the regular assessment for the immediately preceding fiscal year.

(e) In any fiscal year levying special assessments to defray the costs of any action or undertaking on behalf of the Association which in the aggregate exceed five percent (5%) of the budgeted gross expenses of the Association for that fiscal year.

(f) 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 year with the following exceptions:

(1) A management contract, the terms of which have been approved by the Federal Housing Administration or Veterans Administration;

(2) 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

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

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise become disqualified to serve.

Section 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 such authority, and perform such duties as the Board may, from time to time, determine.

Section 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 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.

Section 6. Vacancies. A vacancy in any office may 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.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The president shall preside at all meetings of the Board of Directors; see that orders and resolutions of the Board are carried out; and sign documents and written instruments on behalf of Association.

Vice-President

(b) The vice-president shall act in the place and stead 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; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses; and perform such other duties as required by the Board.

Treasurer

(d) The treasurer (or at the option of the Board of Directors, a professional property manager) shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meetings, and deliver a copy of each to the members within ninety (90) days after the end of the fiscal year.

ARTICLE IX

COMMITTEES

The Association shall appoint a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE X

BOOKS AND RECORDS

The membership register, books of account, and minutes of meetings of the Board of Directors and of committees of the Board of Directors shall be made available for inspection and copying by any member of the Association (or by his duly appointed representative) and, upon request, by those Institutional Lenders holding first mortgages on living units in the Project, for all purposes reasonably related to such member's or Institutional Lender's interest as a member or lender. The place where said items shall be available for in-

spection shall be the principal office of the Association or such other place within the Project as the Board of Directors may prescribe. The member or Institutional Lender desiring to make the inspection shall give at least 24 hours notice to the custodian of the records desired to be inspected. The hours and days of the week when an inspection may be made are Monday through Friday (except legal holidays) from 9:00 a.m. to 3:00 p.m. Each member or Institutional Lender requesting copies of documents shall pay the cost of reproducing the copies upon receipt thereof.

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.

ARTICLE XI

ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the condominium against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within fifteen (15) days after the due date, a late charge of five dollars (\$5.00) shall automatically be assessed for each month or fraction thereof from the date of delinquency to the date the assessment and all late charges are paid, and the Association may bring an action at law against the owner personally obligated to pay the same or foreclose the lien against the condominium, and late charges, costs of suit, and reasonable attorneys' fees incurred in any such action shall be added to the amount of such assessment. Notwithstanding the foregoing, in no event shall the amount of said late charges, in any given calendar year, exceed an amount equal to ten percent (10%) of that years annual assessments. No owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his condominium. Notwithstanding anything herein to the contrary, any Institutional Lender who obtains title to a living

unit pursuant to the remedies provided for in its first mortgage or by foreclosure of said mortgage shall not be liable for such living units unpaid dues or assessments when such accrued prior to the acquisition of title to such living unit by the Institutional Lender.

ARTICLE XII

AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote or written consent of:

(a) At least a bare majority of a quorum but not more than a bare majority of the voting power of the Association; and

(b) At least a bare majority of the votes of members other than the Declarant.

Notwithstanding the above, the percentage of a quorum or of the voting power of the Association or of members other than the Declarant necessary to amend a specific clause or provision in the Bylaws shall not be less than the prescribed percentage of affirmative votes required for action to be taken under this clause. Notwithstanding anything herein to the contrary, if the two-class voting structure provided for in the Articles is in effect at the time an amendment to these Bylaws is sought, these Bylaws may not be amended without the vote or written consent of at least a bare majority of a quorum of members of each class of membership. Where the governing instruments for the Association require the vote or written assent of each class of membership as a prerequisite to the initiation of action by or in the name of the Association, any requirement in such governing document that the vote of the Declarant shall be excluded in any such determination, other than the requirements set forth in Title 10, California Administrative Code Section 2792.4, shall not be applicable.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

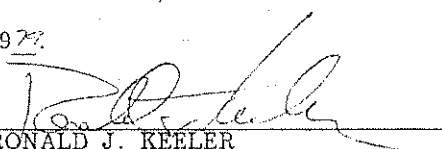
Section 3. No By-Law can be amended by a percentage of votes less than the percentage of votes required to effect the purpose of such By-Law.

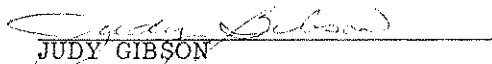
ARTICLE XIV


MISCELLANEOUS

Whenever pursuant to the Declaration there is no Class B membership, provisions of these by-laws which require action by both classes of the voting membership shall require the stated action by Class A members only.

IN WITNESS WHEREOF, we, being all of the directors of the VERMONT VILLAS CONDOMINIUMS HOMEOWNERS ASSOCIATION, have hereunto set our hands this 17th day of September, 1977.


RONALD J. KEELER


JUDY GIBSON


STEVEN M. KEELER

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting secretary of the VERMONT VILLAS CONDOMINIUMS HOMEOWNERS ASSOCIATION, a California corporation, and,

That the foregoing By-Laws constitute the original By-Laws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 17th day of September, 1977.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 17th day of September, 1977.

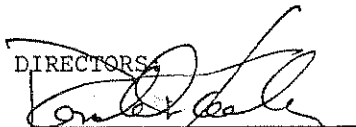
Jay Wilson
Secretary

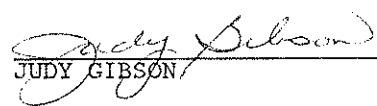
CERTIFICATE OF ADOPTION OF BYLAWS OF
VERMONT VILLAS CONDOMINIUMS HOMEOWNERS ASSOCIATION

The undersigned, being all of the persons elected as the first Board of Directors of this Corporation, hereby assent to the foregoing By-laws, and adopt the same as the By-laws of this corporation.

Executed at San Diego, California on September 17, 1979.

DIRECTORS


RONALD J. KEELER

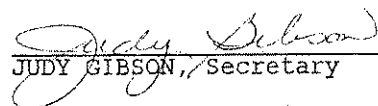

JUDY GIBSON

STEVEN M. KEELER

CERTIFICATE BY SECRETARY OF ADOPTION BY DIRECTORS

THIS IS TO CERTIFY that I am the duly elected, qualified and acting secretary of the above-named corporation and that the foregoing By-laws were adopted as the By-laws of said corporation on the date set forth above by the persons elected as the first Board of Directors of said corporation.

Executed at San Diego, California on September 17, 1979.


JUDY GIBSON, Secretary

CERTIFICATE OF SECRETARY

OF

VERMONT VILLAS CONDOMINIUM HOMEOWNERS ASSOCIATION

The undersigned hereby certifies that:

I am now and at all times herein mentioned the duly elected Secretary of the Vermont Villas Condominium Homeowners Association, a duly organized and existing California corporation not for profit, and in charge of the minute books and corporate records of said corporation; and,

Attached hereto and marked Exhibit "A" is a true and correct copy of a By-Law change duly adopted by the written consent of fifty-one percent (51%) or more of the members of the corporation, which written consents were signed on or before February 6, 1986.

Said By-Law change has not been modified or rescinded and is at the date of this certificate in full force and effect.

IN WITNESS WHEREOF, the undersigned has executed this certificate and affixed the corporate seal of said corporation on March 1, 1986.

Charles A. Williams

BY-LAW CHANGE

VERMONT VILLAS CONDOMINIUM HOMEOWNERS ASSOCIATION

Section

ARTICLE V, Section 1 of the original By-Laws has been deleted and below is the Section as it was adopted by fifty one (51%) percent of the members of the corporation.

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members.

CERTIFICATE OF SECRETARY
OF
VERMONT VILLAS CONDOMINIUM HOMEOWNERS ASSOCIATION

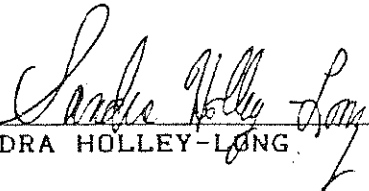
The undersigned hereby certifies that:

I am now and at all times herein mentioned the duly elected Secretary of the Vermont Villas Condominium Homeowners Association, a duly organized and existing California corporation not for profit, and in charge of the minute books and corporate records of said corporation; and,

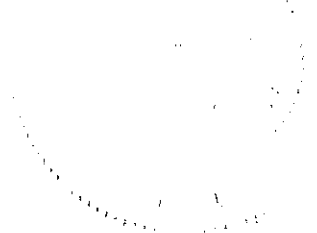
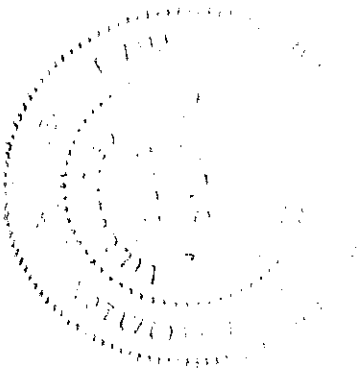
Attached hereto and marked Exhibit "A" is a true and correct copy of a By-law change duly adopted by the written consent of fifty-one percent (51%) or more of the members of the corporation, which written consents were signed on or before June 22, 1987.

Said By-law change has not been modified or rescinded and is at the date of this certificate in full force and effect.

IN WITNESS WHEREOF, the undersigned has executed this certificate and affixed the corporate seal of said corporation on July 2, 1987.



SANDRA HOLLEY-LONG



BY-LAW CHANGE

VERMONT VILLAS CONDOMINIUM HOMEOWNERS ASSOCIATION

Section

ARTICLE IV, Sections 1 and 2 of the original By-laws have been deleted and below are the Sections as they were adopted by fifty one percent (51%) of the members of the corporation.

Section 1. Number. The affairs of this Association shall be managed by a Board of five (5) directors, who shall be members of the Association.

Section 2. Term of Office. At each annual meeting the members shall elect such number of directors as may be necessary to maintain during the next year five (5) members of the Board of Directors. Each director shall be elected for a term of two (2) years, unless said member is elected to fill a vacancy created by resignation, recall or death of a sitting member, in which case the new member will serve the unexpired term of that director.

THIRD AMENDMENT TO
THE BYLAWS
FOR
VERMONT VILLAS
CONDOMINIUMS HOMEOWNERS ASSOCIATION

THIS THIRD AMENDMENT TO THE BYLAWS was made as of July 11, 1992, by a majority vote, fifty-one percent (51%), of the membership of the Corporation.

ARTICLE V
NOMINATION AND ELECTION OF DIRECTORS

SECTION 3. VACANCIES.

In the event of death, removal, or resignation of a director, his successor shall be filled by approval of the Board at a duly held meeting or by a sole remaining Directors, and shall serve for the unexpired term of his predecessor.



Secretary - Vermont Villas

12/3/92
Date