

By-Laws

NOTICE:

"If this document contains any restrictions based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 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
WOODRIDGE ESCONDIDO PROPERTY OWNERS' ASSOCIATION

ARTICLE I

NAME AND LOCATION

The name of the corporation is WOODRIDGE ESCONDIDO PROPERTY OWNERS' ASSOCIATION, hereinafter referred to as the "Association." The principal office of the Association shall be located in the County of San Diego, California.

ARTICLE II

DEFINITIONS

Section 1. "Articles" shall mean and refer to the Articles of Incorporation of the Association as they may from time to time be amended.

Section 2. "Association" shall mean and refer to WOODRIDGE ESCONDIDO PROPERTY OWNERS' ASSOCIATION, a California Nonprofit Mutual Benefit Corporation, its successors and assigns.

Section 3. "Board" shall mean and refer to the Board of Directors of the Association.

Section 4. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

Section 5. "Common Maintenance Area" shall mean and refer to those portions of Lots over which easements for common maintenance are conveyed to the Association.

Section 6. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded in the Office of the County Recorder of San Diego County, California, including amendments and revisions as may in the future be recorded.

Section 7. "FHA" shall mean and refer to the Federal Housing Administration.

Section 8. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 9. "Member" shall mean and refer to those persons entitled to membership in the Association as provided in the Declaration.

Section 10. "Mortgage" shall mean and refer to a deed of trust as well as a mortgage encumbering a Lot.

Section 11. "Mortgagee" shall mean and refer to the beneficiary of a deed of trust as well as the mortgagee of a mortgage encumbering a Lot.

Section 12. "Owner" shall mean and refer to the record owner, whether one (1) or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 13. "Properties" shall mean and refer to that certain real property described as such in the Declaration of Covenants, Conditions and Restrictions, recorded or to be recorded in the Office of the County Recorder of San Diego County, California, Owners of which are required to be Members of the Association, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 14. "VA" shall mean and refer to the Veterans Administration.

ARTICLE III

MEETINGS OF MEMBERS AND MEMBERSHIP RIGHTS

Section 1. Annual Meetings. Annual meetings of the Members shall be held each year during the month of July, at the day and time determined by the Board. Annual meetings of Members shall be held within the Properties or at such other location in San Diego County, California, in reasonable proximity to the Properties, as may be designated in the notice of meeting.

Section 2. Special Meetings. Special meetings of Members, for any purpose or purposes whatsoever, may be called at any time by the president or by a majority of a quorum of the Board, or by the written request of five percent (5%) or more of the voting power of the Members.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by first class mail, postage prepaid, at least ten (10) but not more than forty-five (45) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association or supplied by such member to the Association for the purpose of notice, and to the holder of a first Mortgage encumbering any lot who has requested in writing such notice. Such notice shall specify the place, day and hour of the meeting and those matters which the Board intends to present for action by the Members. The holder of a first Mortgage encumbering any Lot shall be entitled to designate a representative who shall have the right to attend all meetings of Members.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, a majority of the total voting power of Members shall constitute a quorum for any action except as otherwise provided in the Articles, the Declaration or these Bylaws. The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment notwithstanding the withdrawal of enough voting power to leave less than a

quorum. If, however, such quorum shall not be present or represented at any meeting, the Members present in person or by proxy may not transact business but shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented or, unless otherwise provided by law, may 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 meeting the quorum requirement shall be at least thirty-three percent (33%) of the total voting power of Members. 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.

Section 5. Proxies. Every person entitled to vote or execute consents shall have the right to do so either in person or by an agent or agents authorized by a written proxy executed by such person or his duly authorized agent and filed with the secretary of the Association; provided that no such proxy shall be valid after the expiration of eleven (11) months following the date of its execution. The transfer of title to any lot shall void any outstanding proxy pertaining to the voting rights of the membership appurtenant to that Lot.

Section 6. Presumption of Notice. A recitation in the minutes of any membership meeting that notice of such meeting had been properly given shall be prima facie evidence that such notice was so given.

Section 7. Consent of Absentees. The transactions of any meeting of Members, either annual or special, however called and noticed, shall be as valid as though occurring at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy and if, either before or after the meeting, each of the Members entitled to vote, not present in person or by proxy, signs a written waiver of notice, or a consent to the holding of such meeting or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made part of the minutes of the meeting.

Section 8. Action Without Meeting. Any action, which under the provisions of the California Corporations Code may be taken at a meeting of the Members, may be taken without a meeting if done in compliance with the provisions of Section 7513 of the California Corporations Code.

Section 9. Membership Rights. No Member shall have the right without the prior approval of the Board to exercise any of the powers or to perform any of the acts by these Bylaws delegated to the Board as in Article VII of these Bylaws more fully provided. Unless otherwise provided in the Declaration and subject to the rules and regulations adopted by the Board, each Member, his immediate family, guests and tenants shall have the right to use and enjoy the Common Area. The membership rights and privileges, together with the voting rights of any Member, may be suspended by the Board for any period of time during which the assessment on his Lot remains unpaid, and for a period not to exceed thirty (30) days for any infraction of the Association's published Rules and Regulations after reasonable written notice and an opportunity for a hearing before the Board. Should the Board believe grounds may exist for any such suspension, the Board shall give to the Member believed to be in violation at least fifteen (15) days prior written notice of the intended suspension and the reasons therefor. The Member shall be given an opportunity to be heard

before the Board either orally or in writing not less than five (5) days before the effective date of suspension. The notice required hereby may be given by any method reasonably calculated to provide actual notice. Any notice given by mail must be given by first class or registered mail sent to the last address of the Member shown on the Association's records. Monetary penalties may be adopted by the Board and published in the Association's Rules and Regulations and shall be imposed only after the above notice and hearing provisions. Anything herein stated to the contrary notwithstanding, the Board shall not have the power to suspend any Member's rights of access or the utilities to his Lot and no Member may be expelled from the Association.

ARTICLE IV

SELECTION AND TERM OF OFFICE OF DIRECTORS

Section 1. Number and Qualifications. The affairs of this Association shall be managed by a Board of five (5) directors. All directors shall be Members in good standing with all assessments paid and not subject to any suspension of membership rights. Only one Member per Lot shall be eligible to serve on the Board at any one time.

Section 2. Term of Office. Directors shall be elected at each annual meeting of Members to fill the vacancies of those directors whose term then expires for a term of two (2) years, but if any such annual meeting is not held, or the directors are not elected thereat, the directors may be elected at any special meeting of Members held for that purpose. All directors shall hold office until their successors are elected.

Section 3. Removal. The entire Board, or an individual director, may be removed from the Board, with or without cause, by a majority vote of the Members. In the event of death or resignation of a director, his successor may be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor. The Board of Directors shall have the power and authority to remove a director and shall declare his or her office vacant if he or she (i) has been declared of unsound mind by a final order of court; (ii) has been convicted of a felony; (iii) has been found by a final order or judgment of any court to have breached any duty under Corporations Code sections 7233-7236 (relating to standards of conduct of directors); (iv) fails to attend three (3) consecutive regular meetings of the Board of Directors that have been duly noticed in accordance with California law, unless excused for good cause by a majority of the board or (v) has been delinquent in the payment of assessments levied against his or her unit(s) for a period of sixty (60) days or more. The Board of Directors shall have the power and authority to select successor board members to fill the unexpired term of directors who resign and directors who are removed by board action.

Section 4. Compensation. No director shall receive compensation for any services 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 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, and two (2) or more Members. The Nominating Committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not fewer than the number of vacancies that are to be filled. Such nominations must be made from among the Members. Each nominee shall be given a reasonable opportunity to communicate to the Members the nominee's qualifications and the reasons for the nominee's candidacy. Each nominee shall be given a reasonable opportunity to solicit votes and the Members shall be given a reasonable opportunity to choose among the nominees.

Section 2. Election. Election to the Board shall be by secret written ballot. No Member shall have the right to cumulate his votes.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board shall be held monthly, at such place and hour within the Properties as may be fixed from time to time by resolution of the Board. In the event there is no available facility within the Properties sufficient to hold the meeting, the meeting shall be held at the nearest available facility which is sufficient, as determined by 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. Notice of all such regular meetings of the Board shall be communicated to the directors not fewer than four (4) days prior to the meeting; provided, however, notice of a meeting need not be given to any director who has signed a waiver of notice or a written consent to the holding of the meeting.

Section 2. Special Meetings. Special meetings of the Board shall be held when called by the president of the Association, or by any two (2) directors other than the president, after the notice is given to each director as stated below:

Special meetings of the Board shall be held upon four days notice by first class mail or 48 hours notice delivered personally or by telephone or telegraph. The articles or bylaws *may not dispense with notice of a special meeting*. A notice, or waiver of notice, need not specify the purpose of any regular or special meeting of the Board. Notice of a meeting need not be given to any director who has signed a waiver of notice or a written consent to the holding of the meeting.

Section 3. Quorum. A majority of the number of 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.

Section 4. Attendance. With the exception of executive sessions of the Board, all regular and special meetings of the Board shall be open to all Members; provided, however, that 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, upon the vote of

a majority of a quorum, 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 that relates to the formation of contracts. The nature of any and all business to be considered in executive session shall first be announced in open session.

Section 5. Action Without Meeting. Any action required or permitted to be taken by the Board may be taken without a meeting, if all members of the Board, individually or collectively, consent to that action. Such action shall have the same force and effect as a unanimous vote of the Board. Such consent or consents shall be filed with the minutes of the proceedings of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board shall have the power to:

(a) adopt and publish Rules and Regulations governing the use of the Common Area, the Common Maintenance Area, and the common facilities and roads within the Properties, and the personal conduct of the Members and their guests thereon. The Board may additionally adopt such Rules and Regulations governing the use of residences within the Properties and the personal conduct of Members, their guests and tenants within residences where such use and/or conduct affects, or may affect, other owners. The Board may take such steps as it deems necessary for the enforcement of such Rules and Regulations, including the imposition of monetary penalties and/or the suspension of voting rights and the right to use any Common Areas or common facilities; provided notice and a hearing are provided as more particularly set forth in Article III, Section 9. of these Bylaws.

(b) suspend the voting rights and right to use any 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:

(c) exercise for the Association all powers, duties and authorities vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles or the Declaration; provided, however, that the Board shall not have the power to borrow money for the Association, nor to sell property of the Association without the vote or written assent of a majority of the voting power of Members;

(d) declare the office of a member of the Board to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board; and

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

Section 2. Duties. It shall be the duty of the Board 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 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 assessment against each Lot at least thirty (30) 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) record the lien against any property for which assessments are not paid within ninety (90) days after due date and/or to bring an action at law against the Owner personally obligated to pay the same;

(d) furnish, or to cause an appropriate officer to furnish, upon demand by any person, a certificate signed by an officer of the Association setting forth whether the assessments on a specific Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance;

(e) procure and maintain adequate fire, casualty, liability and hazard insurance as required by the Declaration, and otherwise adequately insure property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) cause the Common Area and Common Maintenance Area to be maintained;

(h) pay all charges for water metered or charged to the Common Area and Common Maintenance Area;

(i) maintain, repair and restore the Common Area and Common Maintenance Area, and to collect and disburse casualty insurance proceeds for reconstruction and repair of the insured Common Area and Common Maintenance Area improvements;

(j) landscape, care for, maintain and water all planted areas owned by the Association and all areas for which the Association has maintenance responsibility;

(k) restore or replace any or all of the buildings, structures or improvements on the Common Area or Common Maintenance Area at any time and from time to time as the Board may determine desirable or necessary, and to make capital expenditures for and on behalf of the Association: provided, however, that no capital expenditure may be made without the vote or written assent of a majority of the voting power of Members;

(l) enforce the provisions of the Declaration, these Bylaws or any other agreement to which the Association is a party;

(m) contract and pay for goods and services relating to the Common Area and Common Maintenance Area, including management, legal and accounting services; provided, however, that the term of any service or management contract shall be limited to a duration of one (1) year except a management contract, the terms of which have been approved by the FHA or VA, and shall provide that the Association may terminate such contract for cause upon thirty (30) days written notice thereof; except that a contract with a public utility company for materials or services the rates for which are regulated by the Public Utilities Commission may exceed a term of one (1) year so long as it does not exceed the shortest term for which the public utility will contract at the regulated rate, and a contract for prepaid casualty and/or liability insurance policies may be for a term of not to exceed three (3) years provided that the policy permits short rate cancellation by the Association.

(n) pay any taxes and special assessments which are or could become a lien on the Common Area;

(o) prepare budgets and financial statements for the Association as provided in the Bylaws;

(p) initiate and execute disciplinary proceedings against Members for violations of the provisions of the Articles and Bylaws, the Declaration and the rules and regulations adopted by the Board; and

(g) delegate any of its powers hereunder to others, including committees, officers and employees.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a president and vice president, who shall at all times be members of the Board, a secretary and a chief financial officer (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 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 disqualified to serve.

Section 4. Special Appointments. The Board may select 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 a majority of 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.

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 (1) 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, 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 checks and promissory notes unless another officer is so authorized by resolution of the Board.

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, in accordance with the procedures established by the Board, record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members together with their addresses; and shall perform such other duties as required by the Board.

Chief Financial Officer (Treasurer)

(d) The chief financial officer (treasurer) shall, in accordance with the procedures established by the Board, 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; shall sign all checks and promissory notes of the Association unless another officer is so authorized by resolution of the Board; keep proper books of account; cause an annual audit of the Association's books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and statement of income and expenditures to be presented to the membership at its regular

annual meeting, and deliver a copy to each of the Members.

(e) Section 9. Compensation. No officer of the Association shall receive compensation for his services performed in the conduct of the business of the Association; provided, however, any officer may be reimbursed for his actual expenses incurred in the performance of his duties.

ARTICLE IX

COMMITTEES

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

ARTICLE X

BOOKS AND RECORDS

The books, records and papers of the Association, including the membership register, books of account and minutes of the meetings of Members, of the Board and of Committees of the Board, shall at all times, during reasonable business hours, be subject to inspection by any Member or by his duly appointed representative, and by the holder of any first Mortgage encumbering a Lot. The Declaration, the Articles and the Bylaws shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at a reasonable cost. The Board shall establish reasonable rules with respect to:

- (a) Notice to be given to 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 costs of reproducing copies of documents requested by a Member.

Every director of the Association shall have the absolute right at any time to inspect the Common Area and Common Maintenance Area and all books, records and documents of the Association. The right of inspection by a director shall include the right at his expense to make extracts and copies of documents.

ARTICLE XI

ASSESSMENTS

Owners of Lots are obligated to pay assessments as described in the Declaration.

ARTICLE XII

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: WOODRIDGE ESCONDIDO PROPERTY OWNERS ASSOCIATION, a California corporation.

ARTICLE XIII

AMENDMENTS

Section 1. These Bylaws may be amended or repealed by at least a majority of the voting power of Members of the Association.

Section 2. In the case of any conflict between the Articles and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XIV

MISCELLANEOUS

Section 1. The fiscal year of the Association shall begin on the first day of September and end on the 31st day of August of every year. The fiscal year may be changed by resolution of the Board.

Section 2. The Board shall cause:

(a) financial statements of the affairs of the Association to be made available, upon request, to the Members, pursuant to Section 1365 of the California Civil Code, as it may be amended from time to time.

(b) an annual report (audit) consisting of the following to be distributed within one hundred twenty (120) days after the close of the Association's fiscal year:

(1) a balance sheet as of the end of the fiscal year;

(2) an income and expense statement for the fiscal year;

(3) a statement of changes in financial position for the fiscal year;

(4) any information required to be reported under Section 8322 of the California Corporations Code;

(5) for any fiscal year in which the gross income to the Association exceeds \$75,000.00, a copy of a review of the annual report prepared in accordance with generally accepted

accounting principles by a licensee of the California State Board of Accountancy.

The annual report (audit) referred to above shall be prepared by a licensee of the California State Board of Accountancy for each fiscal year.

Section 3. The Board shall cause a pro forma operating statement (budget) for the Association to be prepared for each fiscal year of the Association, a copy of which shall be distributed personally or by mail to each of the Members not fewer than forty-five (45) nor more than sixty (60) days prior to the beginning of the fiscal year to which the budget relates. The budget shall include the estimated revenue and expenses of the Association on an accrual basis for the next fiscal year.

(a) a statement of the Association's policies and practices in enforcing its remedies against Members for default in the payment of annual and special assessments, including the recording and foreclosing of liens against the Member's Lot shall be distributed with the budget each year.

Section 4. The Board shall establish and maintain a Reserve account of monies that the Association has identified for inclusion in its annual budget for use to defray the future repair or replacement of, or additions to, those major components which the Association is obligated to maintain. This shall include the following provisions:

(a) The amount of money; the categories of Association assets; and the useful life of such assets for which reserve funds should be maintained, shall be initially established by a competent outside expert employed by the Association, and whose recommendations shall be approved by the Board of Directors.

(b) The Board shall assure that the basic categories, useful life of assets, and funding are reviewed and corrected as appropriate, at least every two years by a committee of Members, subject to final approval by the Board.

(c) The Board shall not less than quarterly, review a reconciliation of the Reserve account; review the actual reserve revenues and expenses, and compare them with the current year budget; review the latest account statements for the reserve account and review an income and expense statement for the account.

(d) The Board shall annually disclose to the Members, with the budget, the total cash reserves set aside; an estimate of the current replacement cost and estimated useful life of the assets; and a general statement as to the procedures used to calculate the foregoing.

(e) The Board shall approve any expenditure of reserve funds by at least a majority vote in advance of any such expenditure.

(f) The Board shall see that all reserve funds are maintained separately from general funds of the Association, and that they are invested in a safe, interest-bearing account. Earned interest may be placed in the general fund of the Association, at the discretion of the Board.

(g) The Board shall assure that sufficient amounts are included in the annual budget and in the required monthly payment of fees by Members, to fund the Reserve account.

Section 5. Any procedure, action or matter for which these Bylaws require the vote or written assent of the Members, shall require the vote or written assent of a majority of the voting power of the Members of the Association.

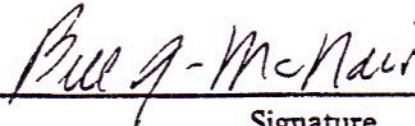
ARTICLE XV

NOTICE TO LENDERS

Upon the written request of the holder of a first Mortgage encumbering any Lot, the Association shall give to such holder (i) prior written notice of any action of the Association taken in connection with any material amendment to the Declaration, these Bylaws or the Articles, the effectuation of a decision to terminate professional management of the Common Area and the abandonment or termination of the project composed of the Lots and Common Area; (ii) written notice of any substantial damage to or destruction of any improvement located on a Lot or any part of the Common Area promptly upon such damage or destruction; (iii) written notice of any condemnation or eminent domain proceeding or proposed acquisition in lieu thereof of any Lot or the Common Area or any part thereof, promptly upon the commencement thereof; and (iv) written notification of any default by the Owner of a Lot encumbered by a first Mortgage, the holder of which requests such notice, in the performance of such Owner's obligations under the Declaration of these Bylaws which is not cured within sixty (60) days.

CERTIFICATE OF SECRETARY

The undersigned, Secretary of the WOODRIDGE ESCONDIDO PROPERTY OWNERS' ASSOCIATION, does hereby certify that the foregoing Restated Bylaws consisting of 13 pages were duly adopted by the Members of said Association on the 21st day of July, 1993, and that they now constitute said Bylaws.



Signature

Bill J. McNair, Secretary

Typed name

WOODRIDGE ESCONDIDO PROPERTY OWNERS
ASSOCIATION