

BY - LAWS
OF
FLORIDA NON-PROFIT CORPORATION

ARTICLE I. IDENTITY

The following By-Laws shall govern the operation of the Condominium created by the Declaration of Condominium to which these By-Laws are attached.

The Association whose name appears at the end of this instrument is a Florida Corporation not for profit, organized and existing under the laws of the State of Florida for the purpose of administering (but not exclusively unless so provided in the Association's Articles of Incorporation) the Condominium created by the Declaration of Condominium to which these By-Laws are attached.

Section 1. The office of the Association shall be at the Condominium property or at such other place as may be subsequently designated by the Board of Directors of the Association.

Section 2. The Seal of the Corporation shall bear the name of the Corporation, the word "Florida", the words "Corporation not for profit", and the year of incorporation.

Section 3. As used herein, the word "Corporation" shall be the equivalent of Association", as defined in the Declaration of Condominium to which these By-Laws are attached. All other words, as used herein, shall have the same definitions as attributed to them in the Declaration of Condominium to which these By-Laws are attached. As used herein and in the Declaration of Condominium to which these By-Laws are attached and the other Exhibits to said Declaration of Condominium, the terms "Board of Directors" and "Board of Administration" are synonymous.

ARTICLE II. MEMBERSHIP AND VOTING PROVISIONS

Section 1. Membership in the Association shall be limited to owners of the Condominium units in Condominium(s) wherein this Corporation has been designated the Association to operate and administer said Condominium by virtue of the Declaration of Condominium of said Condominium. Transfer of unit ownership, either voluntary or by operation of law, shall terminate membership in the Association, and said membership is to become vested in the transferee. If unit ownership is vested in more than one person, then all of the persons so owning said unit shall be members eligible to hold office, attend meetings, etc., but, as hereinafter indicated, the vote of a unit shall be cast by the "voting member". If unit ownership is vested in a Corporation, said Corporation may designate an individual officer or employee of the Corporation as its "voting member".

Any application for the transfer of membership or for a conveyance of an interest in, or to encumber or lease a Condominium parcel, where the approval of the Board of Directors of the Association and of the Management Firm, as long as the Management Agreement remains in effect, is required, as set forth in these By-Laws and the Declaration

Exhibit No.2

SEE 8490 PAGE 369

of Condominium to which they are attached, shall be accompanied by an application fee in an amount to be set by the Board of Directors of the Association to cover the cost of contacting the references given by the applicant, and such other costs of investigation that may be incurred.

Section 2. Voting.

(a) The owner(s) of each Condominium unit shall be entitled to one (1) vote for each Condominium unit owned. If a Condominium unit owner owns more than one (1) unit, he shall be entitled to vote for each unit owned. The vote of a Condominium unit shall not be divisible.

(b) A majority of the members' votes at a duly constituted meeting pursuant to Section 3, Article II of these By-Laws, shall decide any question unless the Declaration of Condominium, By-Laws, Articles of Incorporation of the Association or Management Agreement provide otherwise, in which event the voting percentage required in the said Declaration of Condominium, By-Laws, Articles of Incorporation or Management Agreement shall control.

Section 3. Quorum. Unless otherwise provided in these By-Laws, the presence in person or by proxy of a majority of the members' total votes shall constitute a quorum. The applicable provisions of F.S. 718.112(2)(f) are paramount to the foregoing provisions and any other provisions in these By-Laws are attached and the Exhibits attached to said Declaration as to matters set forth in the aforesaid Statute.

Section 4. Proxies. Votes may be cast in person or by proxy. All proxies shall be in writing and signed by the person entitled to vote (as set forth below in Section 5) and shall be filed with the Secretary not less than three (3) days prior to the meeting in which they are to be used and shall be valid only for the particular meeting designated therein. Where a unit is owned jointly by a husband and wife, and if they have not designated one of them as a voting member, a proxy must be signed by both husband and wife where a third person is designated.

Section 5. Designation of Voting Member. If a Condominium unit is owned by one person, his right to vote shall be established by the recorded title to the unit. If a Condominium unit is owned by more than one (1) person, the person entitled to cast the vote for the unit shall be designated in a Certificate, signed by all of the recorded owners of the unit and filed with the Secretary of the Association. If a Condominium unit is owned by a Corporation, the officer or employee thereof entitled to cast the vote of the unit for the Corporation shall be designated in a Certificate for this purpose signed by the President or Vice-President, attested to by the Secretary or Assistant Secretary of the Corporation, and filed with the Secretary of the Association. The person designated in such Certificate who is entitled to cast the vote for a unit shall be known as the "voting member". If such a Certificate is not on file with the Secretary of the Association for a unit owned by more than one person or by a Corporation, the vote of the unit concerned shall not be considered in determining the requirement for a quorum, or for any purpose requiring the approval of a person entitled to cast the vote for the unit, except if said unit is owned by a husband and wife. Such Certificates shall be valid until revoked

or until superseded by a subsequent Certificate or until a change in the ownership of the unit concerned takes place. If a Condominium unit is owned jointly by a husband and wife, the following three provisions are applicable thereto:

(a) They may, but they shall not be required to, designate a voting member.

(b) If they do not designate a voting member, and if both are present at a meeting and are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to vote on that subject at that meeting. (As previously provided, the vote of a unit is not divisible).

(c) Where they do not designate a voting member and only one is present at a meeting, the person present may cast the unit vote just as though he or she owned the unit individually and without establishing the concurrence of the absent person.

ARTICLE III.

MEETING OF THE MEMBERSHIP

Section 1. Place. All meetings of the Association membership shall be held at the Condominium property, or at such other place and at such time as shall be designated by the Board of Directors of the Association and stated in the notice of the meeting.

Section 2. Notices. It shall be the duty of the Secretary to mail or deliver a notice of each annual or special meeting, stating the time and place thereof to each unit owner of record at least fourteen (14), but not more than thirty (30) days prior to such meeting, and to post at a conspicuous place on the property a copy of the notice of said meeting at least fourteen (14) days prior to said meeting. The provisions of this Section, where applicable, shall be modified by the paramount provisions of F.S. 718.112 (2)(f) and F.S. 718.301(1) and (2). Notice of any annual or special meeting shall state the purpose thereof and said meeting shall be confined to the matters stated in said notice. All notices shall be mailed to or served at the address of the unit owner as it appears on the books of the Association and posted as hereinbefore set forth, provided however, that notice of an annual meeting shall be mailed in accordance with F.S. 718.112(2)(d).

Section 3. Annual Meeting. The annual meeting for the purpose of electing Directors and transacting any other business authorized to be transacted by the members shall be held once in each calendar year at such time and on such date in each calendar year as the Board of Directors shall determine. At the annual meeting, the members shall elect by plurality vote (cumulative voting prohibited) a Board of Directors and shall transact such other business as may have been stated in the notice for said meeting.

Section 4. Special Meeting. Special meetings of the members for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President, and shall be called by the President or Secretary at the request in writing of a majority of the Board of Directors, or at the request in writing of voting members representing twenty-five (25%) percent of the members' total votes, which request shall state the purpose or purposes of the proposed

OFF 8490 PAGE 371

meeting. Business transacted at all special meetings shall be confined to the matters stated in the notice thereof. The provisions of this Section, where applicable, shall be modified by the paramount provisions of F.S. 718.112(2)(f) and F.S. 718.301(1) and (2).

Section 5. Waiver and Consent. Whenever the vote of members at a meeting is required or permitted by any provision of these By-Laws to be taken in connection with any action of the Association, the meeting and vote of members may be dispensed with if not less than three-fourths (3/4ths) of the members who would have been entitled to vote upon the action if such meeting were held, shall consent in writing to such action being taken; however, Notice of such action shall be given to all members unless all members approve such action.

Section 6. Adjourned Meeting. If any meeting of members cannot be organized because a quorum of voting members is not present, either in person or by proxy, the meeting may be adjourned from time to time until a quorum is present.

Section 7. Approval or Disapproval of a
unit owner upon any matter, whether or not the subject of an Association meeting, shall be by the voting members provided, however, that where a unit is owned jointly by a husband and wife and they have not designated one of them as a voting member, their joint approval or disapproval shall be required where they are both present, or in the event only one is present, the person present may cast the vote without establishing the concurrence of the absent person.

Section 8. The Management Firm, as long as the Management Agreement remains in effect, shall be entitled to notice of all Association meetings and shall be entitled to attend the Association's meetings and it may designate such person(s) as they desire to attend such meetings on its behalf.

ARTICLE IV.

DIRECTORS

Section 1. Number, Term and Qualifications.
The affairs of the Association shall be governed by a Board of Directors composed of not less than three (3) nor more than nine (9) persons, as is determined from time to time by the members. All Officers of a Corporate unit owner shall be deemed to be members of the Association so as to qualify as a Director herein. The term of each Director's service shall extend until the next annual meeting of the members, and thereafter, until his successor is duly elected and qualified, or until he is removed in the manner provided in Section 3 below. All Directors shall be members of the Association, provided, however, that all Director(s) that the Developer is entitled to elect or designate need not be members. Notwithstanding the provisions of the first sentence of this Section, the Developer shall be entitled to determine from time to time the number of the Directors that will govern the affairs of the Association until such time as the Developer is no longer entitled to elect or designate Directors or a Director, pursuant to F.S. 718.301. The Developer shall be entitled to elect or designate all of the Directors of the Association subject to the paramount provisions of F.S. 718.301 (1) and pursuant to said F.S. 718.301(1), when unit owners other than the Developer own 15% or more of the units in a Condominium that will be operated ultimately by the Association, said unit

DEF 8490 PAGE 372

owners, other than the Developer, shall be entitled to elect one-third (1/3) of the members of the Board of Directors and when unit owners, other than the Developer, are entitled to elect not less than a majority of the members of the Board of Directors of the Association, they shall only be entitled to elect a simply majority of the members of the Board of Directors of the Association and the remaining Directors shall be elected or designated by the Developer subject to the limitations of the aforesaid Statute. All of the applicable provisions of F.S. 718.301, subject to the terms and provisions hereinbefore set forth, shall be deemed incorporated herein; however, said terms and provisions shall be limited and deemed amended to comply with the applicable provisions of F.S. 718.301, where such provisions of said Statute are determined as a matter of law to apply to and be paramount to the aforesaid terms and provisions of this Section. The use of the term "unit owner" in this Section and pursuant to F.S. 718.301 (1), where applicable, means Voting Members, pursuant to Article II, Section 5 of these By-Laws.

Section 2. First Board of Directors.

(a) The first Board of Directors of the Association who shall hold office and serve until the first annual meeting of members, and until their successors have been elected and qualified, shall consist of the following:

DENNIS STECKER
JANICE GARVER
DORIS GLASCOE

(b) The organizational meeting of a newly elected Board of Directors of the Association shall be held within ten (10) days of their election, at such place and time as shall be fixed by the Directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary, provided a quorum shall be present.

Section 3. Removal of Directors. Subject to the provisions of F.S. 718.301, any one or more of the Directors may be recalled and removed from office with or without cause, by the affirmative vote at a special meeting or agreement in writing by a majority of all voting members, and a successor may then and there be elected to fill the vacancy thus created. Should the membership fail to elect said successor, the Board of Directors may fill the vacancy in the manner provided in Section 4 below. A special meeting of the members to recall a Director or Directors may be called by ten (10%) percent of the members giving notice of the meeting as required for a special meeting of members and the notice shall state the purpose of the meeting.

Section 4. Vacancies on Directorate. If the office of any Director or Directors becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the remaining Directors, though less than a quorum, shall choose a successor or successors, who shall hold office for the balance of the unexpired term in respect to which such vacancy occurred. The election held for the purpose of filling said vacancy may be held at any regular or special meeting of the Board of Directors.

Section 5. Disqualification and Resignation of Directors. Any Director may resign at any time by sending a written notice of such resignation to the office of

8490 373

the Corporation, delivered to the Secretary. Unless otherwise specified therein, such resignation shall take effect upon receipt thereof by the Secretary. Commencing with the organizational meeting of a newly elected Board of Directors following the first annual meeting of the members of the Association, more than three (3) consecutive absences from regular meetings of the Board of Directors, unless excused by resolution of the Board of Directors, shall automatically constitute a resignation effective when such resignation is accepted by the Board of Directors. Commencing with the Directors elected at such first annual meeting of the membership, the transfer of title of his unit by a Director shall automatically constitute a resignation, effective when such resignation is accepted by the Board of Directors. No member shall continue to serve on the Board should he be more than thirty (30) days delinquent in the payment of an assessment, and said delinquency shall automatically constitute a resignation, effective when such resignation is accepted by the Board of Directors.

Section 6. Regular Meetings. The Board of Directors may establish a schedule of regular meetings to be held at such time and place as the Board of Directors may designate. Notice of such regular meetings shall, nevertheless, be given to each Director personally or by mail, telephone or telegraph at least five (5) days prior to the day named for the meeting, and notices of such meetings shall be posted conspicuously on the Condominium property at least forty-eight (48) hours in advance of such meetings except in the case of an emergency.

Section 7. Special Meetings. Special meetings of the Board of Directors may be called by the President, and in his absence, by the Vice-President or by a majority of the members of the Board of Directors, by giving five (5) days notice in writing to all of the members of the Board of Directors of the time and place of said meeting. All notices of special meetings shall state the purpose of the meeting and a copy of same shall be posted conspicuously on the Condominium property at least forty-eight (48) hours in advance of such meetings, except in the case of an emergency.

Section 8. Directors' Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may waive notice of such meeting and such waiver shall be deemed equivalent to the giving of notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 9. Quorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at such meetings at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At each such adjourned meeting, any business which might have been transacted at the meeting, as originally called, may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the Minutes thereof, shall constitute the presence of such Director for the purpose of determining a quorum.

Section 10. Compensation. The Directors' fees, if any, shall be determined by the Voting Members.

Section 11. The Management Firm, as long as the Management Agreement remains in effect, shall be entitled to attend the Directors' meetings and it may designate such person(s) as it desires to attend such meetings on its behalf.

Section 12. Powers and Duties. The Board of Directors of the Association shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or by the Declaration(s) of Condominium, this Association's Articles of Incorporation, or these By-Laws, directed to be exercised and done by unit owners. These powers shall specifically include, but shall not be limited to the following:

(a) To exercise all powers specifically set forth in the Declaration(s) of Condominium, this Association's Articles of Incorporation, in these By-Laws, and in the Condominium Act, and all powers incidental thereto.

(b) To make assessments, collect said assessments, and use and expend the assessments to carry out the purposes and powers of the Association, subject to the provisions of the Management Agreement attached to the Declaration of Condominium to which these By-Laws are attached.

(c) To employ, dismiss and control the personnel necessary for the maintenance and operation of the project, and of the common areas and facilities, including the right and power to employ attorneys, accountants, contractors, and other professionals, as the need arises, subject to the provisions of the Management Agreement attached.

(d) To make and amend regulations respecting the operation and use of the common elements and Condominium property and facilities, and the use and maintenance of the Condominium units therein. The foregoing is subject to the provisions of the Management Agreement attached to the Declaration of Condominium to which these By-Laws are attached.

(e) To contract for the management of the Condominium and to delegate to such contractor all of the powers and duties of the Association, except those which may be required by the Declaration(s) of Condominium to have approval of the Board of Directors or membership of the Association. To contract for the management or operation of portions of the common elements or facilities susceptible to the separate management or operation thereof, and to lease or concession such portions. The foregoing powers have been delegated to the Management Firm, under the provisions of the Management Agreement.

(f) The further improvement of the Condominium property, both real and personal, and the right to purchase realty and items of furniture, furnishings, fixtures and equipment for the foregoing, and the right to acquire and enter into agreements pursuant to the applicable Florida Statutes, and as amended subject to the provisions of the

aforescribed Declaration of Condominium, this Association's Articles of Incorporation, and these By-Laws, and Management Agreement attached to the Declaration of Condominium to which these By-Laws are attached.

(g) Designate one or more committees which, to the extent provided in the resolution designating said committee, shall have the powers of the Board of Directors in the management and affairs and business of the Association. Such committee shall consist of at least three (3) members of the Association. The Committee or Committees shall have such name or names as may be determined from time to time by the Board of Directors, and said Committee(s) shall keep regular Minutes of their proceedings and report the same to the Board of Directors, as required. The foregoing powers shall be exercised by the Board of Directors or its contractor or employees, subject only to approval by unit owners when such is specifically required.

Section 13. Proviso. The delegation of any power and/or duty by the Board of Directors to the Developer and/or Management Firm and/or other party under the Condominium documents which is not permitted as a matter of law, including but not limited to, Chapters 76-222 and 77-221, shall be deemed cancelled and such delegation or delegations as they appear in the Condominium documents shall be deemed to be delegated therefrom with the same force and effect as though said delegation of power and/or duty had not appeared therein, and such delegation shall not affect the validity of the applicable Condominium document(s). The invalidity of any delegation of a power and/or duty by the Board of Directors, as hereinbefore provided, under the law, including Chapters 76-222 and 77-221, shall not affect the remainder of the applicable Condominium document(s) and the remainder of said document(s) shall be deemed valid.

ARTICLE V.

OFFICERS

Section 1. Elective Officers. The principal officers of the Association shall be a President, a Vice-President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors. One person may not hold more than one of the aforementioned offices, except one person may be both Secretary and Treasurer. The President and Vice-President shall be members of the Board of Directors. Notwithstanding the foregoing, the restriction as to one person holding only one of the aforementioned offices or the President and Vice-President being members of the Board of Directors shall not apply as long as the Developer is entitled to elect all or a majority of the Board of Directors as hereinbefore provided.

Section 2. Election. The Officers of the Association designated in Section 1 above shall be elected annually by the Board of Directors at the organizational meeting of each new Board following the meeting of the members.

Section 3. Appointive Officers. The Board may appoint Assistant Secretaries and Assistant Treasurers and such other Officers as the Board of Directors deems necessary.

Section 4. Term. The Officers of the Association shall hold office until their successors are chosen and qualify in their stead. Any Officer elected or appointed by the Board of Directors may be removed at any time, with or without cause, by the Board of Directors provided,

REF R490 PAGE 376

however, that no Officer shall be removed except by the affirmative vote for removal by a majority of the whole Board of Directors (e.g., if the Board of Directors is composed of five persons, then three of said Directors must vote for removal). If the office of any Officer becomes vacant for any reason, the vacancy shall be filled by the Board of Directors.

Section 5. The President. He shall be the chief executive officer of the Association; he shall preside at all meetings of the unit owners and of the Board of Directors. He shall have executive powers and general supervision over the affairs of the Association and other officers. He shall sign all written contracts to perform all of the duties incident to his office and which may be delegated to him from time to time by the Board of Directors.

Section 6. The Vice-President. He shall perform all of the duties of the President in his absence, and such other duties as may be required of him from time to time by the Board of Directors of the Association.

Section 7. The Secretary. He shall issue notices of all Board of Directors' meetings and all meetings of unit owners; he shall attend and keep the Minutes of same; he shall have charge of all of the Association's books, records and papers, except those kept by the Treasurer. The Assistant Secretary shall perform the duties of the Secretary when the Secretary is absent.

Section 8. The Treasurer.

(a) He shall have custody of the Association's funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association, and shall deposit all monies and other valuable effects in the name of and to the credit of the Association in such depositories as may be designated from time to time by the Board of Directors. The books shall reflect an account for each unit in the manner required by F.S. 718.111(7), including (a) and (b) thereunder.

(b) He shall disburse the funds of the Association as may be ordered by the Board of Directors in accordance with these By-Laws, making proper vouchers for such disbursements, and shall render to the President and Board of Directors at the regular meetings of the Board of Directors, or whenever they may require it, an account of all of his transactions as the Treasurer and of the financial condition of the Association.

(c) He shall collect the assessments and shall promptly report the status of collections and of all delinquencies to the Board of Directors and, when requested, to the Management Firm and Lessor under the Long-Term Lease.

(d) He shall give status reports to potential transferees on which reports the transferees may rely.

(e) The Assistant Treasurer shall perform the duties of the Treasurer when the Treasurer is absent.

Section 9. Proviso. The terms and provisions of Article IV, Section 13, of these By-Laws shall be deemed repeated and realleged under this Article and the Sections thereunder as though specifically set forth herein.

REF 8490 REC377

ARTICLE VI.

FINANCES AND ASSESSMENTS

Section 1. Depositories. The funds of the Association shall be deposited in such banks and depositories as may be determined by the Board of Directors from time to time upon resolutions approved by the Board of Directors, and shall be withdrawn only upon checks and demands for money signed by such officer or officers of the Association as may be designated by the Board of Directors. Obligations of the Association shall be signed by at least two (2) officers of the Association; provided, however, that the provisions of the Management Agreement between the Association and the Management Firm relative to the subject matter in this Section shall supersede the provisions hereof.

Section 2. Fidelity Bonds. The Treasurer and all officers who are authorized to sign checks, and all officers and employees of the Association, and any contractor handling or responsible for Association funds, shall be bonded in such amount as may be determined by the Board of Directors. The premiums on such Bonds shall be paid by the Association. The Bond shall be in an amount sufficient to equal the monies an individual handles or has control of via a signatory or a bank account or other depository account; however, notwithstanding the foregoing, the Management Firm, under the terms of the Management Agreement, as to funds in its possession and/or control, shall determine in its sole discretion, the amount of and who is to be bonded, if any, among its employees.

Section 3. Fiscal or Calendar Year. The Association shall be on a calendar year basis. Notwithstanding the foregoing, the Board of Directors is authorized to change to a fiscal year in accordance with the provisions and regulations from time to time prescribed by the Internal Revenue Code of the United States of America at such time as the Board of Directors deems it advisable.

Section 4. Determination of Assessments

(a) The Board of Directors of the Association shall fix and determine from time to time the sum or sums necessary and adequate for the common expenses of the Condominium. Common expenses shall include expenses for the operation, maintenance, repair or replacement of the common elements and the limited common elements, costs of carrying out the powers and duties of the Association, all insurance premiums and expenses relating thereto, including fire insurance and extended coverage, and any other expenses designated as common expenses from time to time by the Board of Directors of the Association, or under the provisions of the Declaration of Condominium to which these By-Laws are attached. The Board of Directors is specifically empowered on behalf of the Association to make and collect assessments and to lease, maintain, repair and replace the common elements and limited common elements of the Condominium. Funds for the payment of common expenses shall be assessed against the unit owners in the proportions or percentages of sharing common expenses, as provided in the Declaration. Said assessments shall be payable monthly in advance and shall be due on the first day of the applicable month in advance, unless otherwise ordered by the Board of Directors. Special assessments, should such be required by the Board of Directors, shall be levied in the same manner as hereinbefore provided for regular assessments and shall be payable in the manner determined by the Board of Directors. The foregoing

SEE PAGE 378

powers and duties of the Association have been delegated to the Management Firm, as provided in the Management Agreement attached to the Declaration of Condominium to which these By-Laws are attached. All funds due under these By-Laws and the Management Agreement which are attached to the Declaration of Condominium to which these By-Laws are attached and said Declaration of Condominium are common expenses of the Condominium.

(b) When the Board of Directors has determined the amount of any assessment, the Treasurer of the Association shall mail or present to each unit owner, a statement of said unit owner's assessment. All assessments shall be payable to the Treasurer of the Association and upon request said Treasurer shall give a receipt for each payment made to him.

(c) The provisions of the Management Agreement attached to the Declaration of Condominium to which these By-Laws are attached, or any other applicable Management Agreement, shall supersede the provisions relative thereto in this Section and as to all Sections in Article VI of these By-Laws. The Board of Directors has delegated the power and duty of making and collecting assessments to the Management Firm, as long as the Management Agreement remains in effect, and as provided in the Management Agreement except the Board of Directors retains the authority to make assessments as to the following:

(1) Special Assessments for additional recreation or social activities.

(2) Acquisition of units, as provided in Article IX of these By-Laws and pursuant to Article XIX.J. of the Declaration of Condominium to which these By-Laws are attached, subject to the written approval of such parties as are specified therein.

(d) The Management Firm, as long as the Management Agreement remains in effect, and thereafter, the Board of Directors, shall adopt an operating budget for each fiscal year, pursuant to F.S. 718.112(2)(f).

Section 5. Application of Payments and Co-Mingling of Funds. All sums collected by the Association from assessments may be co-mingled in a single fund or divided into more than one fund as determined by the Management Firm, as long as the Management Agreement remains in effect and thereafter, by the Board of Directors of the Association. All assessment payments by a unit owner shall be applied as to interest, delinquencies, costs and attorneys' fees, other charges and expenses and advances, as provided herein and in the Declaration of Condominium, and general or special assessments in such manner and amounts as the Management Firm, as long as the Management Agreement remains in effect, determines in its sole discretion, and thereafter, as the Board of Directors determines in its sole discretion. The Management Firm may co-mingle the Association's funds with the funds of others for whom it is acting as Manager.

Section 6. Acceleration of Assessment Installments upon Default. If a unit owner shall be in default in the payment of an installment upon any assessment, the Management Firm or the Board of Directors may accelerate the remaining installments for one (1) year upon notice thereof to the unit owner and, thereupon, the unpaid balance of the

assessment shall become due upon the date stated in the notice, but not less than fifteen (15) days after delivery of or the mailing of such notice to the unit owner.

Section 7. During the term of the Management Agreement, the Management Firm shall render to the Association a statement for each calendar year no later than four months next thereafter. The Management Firm shall perform a continual internal audit of the Association's financial records for the purpose of verifying the same but no independent or external audit shall be required of it. During the term of the Management Agreement the Association may conduct an external audit by an independent auditor acceptable to the Management Firm at such reasonable time as the Management Firm shall agree to, provided however, said request for inspection is not made more than once in any calendar year and provided that the cost and expense of same is borne by the Association. Upon the termination of the Management Agreement, an audit of the accounts of the Association shall be made annually. Said audit shall be prepared by such Accountant as the Board of Directors determines and a copy of said report shall be available to the members of the Association in the office of said Association and with the Treasurer of the Association. Such report shall be available not later than four (4) months after the end of the year for which the report is made. The consent of the Management Firm as to an independent auditor who may be employed to conduct an external audit, as hereinabove set forth in this Section, shall not be unreasonably withheld.

Section 8. Proviso. The terms and provisions of Article IV, Section 13, of these By-Laws shall be deemed repeated and realleged under this Article and the Sections thereunder as though specifically set forth herein. The applicable terms and provisions of Article X of the Declaration of Condominium to which these By-Laws are attached shall be deemed to be repeated and realleged herein.

ARTICLE VII.

ADDITIONS OR ALTERATIONS

There shall be no additions or alterations to the common elements or limited common elements of the Condominium(s) which this Association operates and maintains except as specifically provided for in said Condominium's Declaration of Condominium. The Board of Directors shall have the right to make assessments for additions or alterations to the common elements of said Condominium, without the approval of members of this Association provided said assessment therefore does not exceed the amount required herein and in the Declaration of Condominium to which these By-Laws are attached, and further provided that said assessment is in accordance with these By-Laws and said Declaration of Condominium.

ARTICLE VIII.

COMPLIANCE AND DEFAULT

Section 1. Violations. In the event of a violation (other than the non-payment of an assessment) by the unit owner in any of the provisions of the Declaration of Condominium, of these By-Laws, or of the applicable portions of the Condominium Act, the Association, by direction of its Board of Directors, may notify the unit owner by Written notice of said breach, transmitted by mail, and if such violation shall continue for a period of thirty (30) days from the date of the notice, the Association, through its Board of

OFF 8490 REC 380

Directors, shall have the right to treat such violation as an intentional and inexcusable and material breach of the Declaration, of the By-Laws, or of the pertinent provisions of the Condominium Act, and the Association may then, at its option, have the following elections:

(a) An action at law to recover for its damage on behalf of the Association or on behalf of the other unit owners.

(b) An action in equity to enforce performance on the part of the unit owner; or

(c) An action in equity for such equitable relief as may be necessary under the circumstances, including injunctive relief.

Upon a finding by the Court that the violation complained of is willful and deliberate, the unit owner so violating shall reimburse the Association for reasonable attorney's fees incurred by it in bringing such action. Failure on the part of the Association to maintain such action at law or in equity within thirty (30) days from the date of a written request, signed by a unit owner, sent to the Board of Directors, shall authorize any unit owner to bring an action in equity or suit at law on account of the violation in the manner provided for in the Condominium Act. Any violations which are deemed by the Board of Directors to be a hazard to public health may be corrected immediately as an emergency matter by the Association and at the cost thereof shall be charged to the unit owner as a specific item, which shall be a lien against said unit with the same force and effect as if the charge were a part of the common expenses.

Section 2. Negligence or Carelessness of Unit Owner, etc. All unit owners shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, negligent or carelessness or by that of any member of his family, or his or their guests, employees, agents, or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in insurance rates occasioned by use, misuse, occupancy or abandonment of any unit or its appurtenances. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance company of rights of subrogation. The expense for any maintenance, repair or replacement required, as provided in this Section, shall be charged to said unit owner as a specific item, which shall be a lien against said unit with the same force and effect as if the charge were a part of the common expenses.

Section 3. Costs and Attorney's Fees. In any proceeding arising because of an alleged default by a unit owner, the prevailing party shall be entitled to recover the costs of the proceeding including such reasonable attorney's fees as may be determined by the Court.

Section 4. No Waiver of Rights. The failure of the Association or of a unit owner to enforce any right, provision, covenant or condition which may be granted by the Condominium documents, shall not constitute a waiver of the right of the Association or unit owner to enforce such right, provision, covenant or condition of the future.

Section 5. Election of Remedies. All rights, remedies and privileges granted to the Association or unit owner, pursuant to any terms, provisions, covenants or conditions of the Condominium documents shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional right, remedies or privileges as may be granted to such other party by Condominium documents or at law or in equity.

Section 6. The Management Firm. As long as the Management Agreement remains in effect, the Management Firm shall act on behalf of the Board of Directors of the Association and on its own behalf with the same power and authority granted to the Board of Directors of the Association as to all matters provided under this Article VIII, Sections 1 through 5, inclusive, and said Sections 1 through 6, inclusive, of this Article VIII shall be interpreted as including within the contest of such Sections, violations of the Management Agreement attached to the Declaration of Condominium to which these By-Laws are attached, or any other applicable Management Agreement. Section 2 above shall also be interpreted as meaning and including said Condominium's property, both real and personal. The Management Firm may act upon its own determination and direction of the Board of Directors of the Association as to Section 1 hereinabove. Should the Management Firm fail to act, as directed by the Board of Directors as to Section 1 above, the Board of Directors may act on its own behalf; however, due to the diverse types of situations that may arise between unit owners stemming out of the alleged violations, the Management Firm shall not be liable or responsible to the Association, its Board of Directors or the unit owners for its failure to act as directed by the Board of Directors as to Section 1 hereinabove.

ARTICLE IX.

ACQUISITION OF UNITS.

Section 1. Voluntary Sale or Transfer. Upon receipt of a unit owner's written notice of intention to sell or lease, as described in Article XI of the Declaration of Condominium to which these By-Laws are attached, the Board of Directors shall have full power and authority to consent to the transaction, as specified in said Notice, or object to same for good cause, or to designate a person other than the Association as designee, pursuant to the provisions of said Article XI without having to obtain the consent of the membership thereto. The Board of Directors shall have the further right to designate the Association as being "willing to purchase, lease or rent" upon the proposed terms, upon adoption of a resolution by the Board of Directors recommending such purchase or leasing to the membership, but notwithstanding the adoption of such resolution and such designation by the Board of Directors, the Association shall not be bound and shall not so purchase or lease except upon the authorization and approval of the affirmative vote of voting members casting not less than sixty percent (60%) of the total votes of the members present at any regular or special meeting of the members wherein said matter is voted upon. The provisions of Article XI of the Declaration of Condominium to which these By-Laws are attached or Article XI of any Declaration of Condominium to these By-Laws are attached shall supersede the provisions herein relative thereto.

REF 8490 PAGE 382

Section 2. Acquisition on Foreclosure. At any foreclosure sale of a unit, the Board of Directors may, with the authorization and approval by the affirmative vote of voting members casting not less than sixty percent (60%) of the total votes of the members present at any regular or special meeting of the members wherein said matter is voted upon, acquire in the name of the Association or its designee, a Condominium parcel being foreclosed. The term "foreclosure", as used in this Section, shall mean and include any foreclosure of any lien, excluding the Association's lien for assessments. The power of the Board of Directors to acquire a Condominium parcel at any foreclosure sale shall never be interpreted as any requirement or obligation on the part of the said Board of Directors or of the Association to do so at any foreclosure sale, the provisions hereof being permissive in nature and for the purpose of setting forth the power in the Board of Directors to do so should the requisite approval of the voting members be obtained. The Board of Directors shall not be required to obtain the approval of unit owners at the foreclosure sale of a unit due to the foreclosure of the Association's lien for assessments under the provisions of Article X of the Declaration of Condominium to which these By-Laws are attached or Article X of any Declaration to which these By-Laws are attached, notwithstanding the sum the Board of Directors determines to bid at such foreclosure sale.

ARTICLE X.

AMENDMENTS TO THE BY-LAWS.

The By-Laws may be altered, amended or added to at any duly called meeting of the unit owners, provided: -

(1) Notice of the meeting shall contain a statement of the proposed Amendment.

(2) If the Amendment has received the unanimous approval of the full Board of Directors, then it shall be approved upon the affirmative vote of the voting members casting a majority of the total votes of the members of the Association.

(3) If the Amendment has not been approved by the unanimous vote of the Board of Directors, then the Amendment shall be approved by the affirmative vote of the voting members casting not less than three-fourths (3/4ths) of the total votes of the members of the Association; and,

(4) Said Amendment shall be recorded and certified as required by the Condominium Act.

(5) Notwithstanding the foregoing, these By-Laws may only be amended with the written approval when required of the parties specified in Article VIII of the Declaration of Condominium to which these By-Laws are attached.

ARTICLE XI.

NOTICES.

Whatever notices are required to be sent hereunder shall be delivered or sent in accordance with the applicable provisions for notices as set forth in the Declaration of Condominium to which these By-Laws are attached and, where applicable, in accordance with F.S. 718 Et Seq.

ARTICLE XII.

INDEMNIFICATION.

The Association shall indemnify every Director and every Officer, his heirs, executors and administrators, against all loss, cost and expense reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a Director or Officer of the Association, including reasonable counsel fees to be approved by the Association, except as to matters wherein he shall be finally adjudged in such action, suit or proceeding, to be liable for or guilty of gross negligence or willful misconduct. The foregoing rights shall be in addition to and not exclusive of all other rights to which such Directors or Officer may be entitled.

ARTICLE XIII.
MEMBERSHIP.

LIABILITY SURVIVES TERMINATION OF

The termination of membership in the Condominium shall not relieve or release any such former owner or member from any liability or obligations incurred under or in any way connected with the Condominium during the period of such ownership and membership, or impair any rights or remedies which the Association may have against such former owner and member arising out of or in any way connected with such ownership and membership, and the covenants and obligations incident thereto.

ARTICLE XIV.

LIMITATION OF LIABILITY.

Notwithstanding the duty of the Management Firm and the Association to maintain and repair parts of the Condominium property, the Management Firm and Association shall not be liable for injury or damage caused by a latent condition in the property, nor for injury or damage caused by the elements or by other owners or persons.

ARTICLE XV.

PARLIAMENTARY RULES.

Robert's Rules of Order (latest edition) shall govern the conduct of the Association's meetings when not in conflict with the Condominium Act, the Declaration of Condominium or these By-Laws.

ARTICLE XVI.

LIENS.

Section 1. Protection of Property. All liens against a Condominium unit, other than for permitted mortgages, taxes or special assessments, shall be satisfied or otherwise removed within thirty (30) days of the date the lien attaches. All taxes and special assessments upon a Condominium unit shall be paid before becoming delinquent, as provided in these Condominium documents or by law, whichever is sooner.

Section 2. Notice of Lien. A unit owner shall give notice to the Management Firm, as long as the Management Agreement remains in effect, and the Association of every lien upon this unit, other than for permitted mortgage, taxes and special assessments within five (5) days after the attaching of the lien.

Section 3. Notice of Suit. Unit owners shall give notice to the Management Firm and the Association of every suit or other proceeding which will or may affect title to his unit or any part of the property, such notice to be given within

five (5) days after the unit owner receives notice thereof.

Section 4. Failure to comply with this Article
concerning liens will not affect the validity of any judicial
sale.

Section 5. Permitted Mortgage Register.
The Association may maintain a register of all permitted mortgages
and at the request of a mortgagee, the Association shall forward
copies of all notices for unpaid assessments or violations
served upon a unit owner to said mortgagee. The Management Firm,
as long as the Management Agreement remains in effect, shall
not be required to maintain a register, as provided herein.
If a register is maintained, the Management Firm, as long as
the Management Agreement remains in effect, and thereafter, the
Board of Directors of the Association may make such charge as it
deems appropriate against the applicable unit for supplying the
information provided herein.

ARTICLE XVII.

RULES AND REGULATIONS.

Section 1. The Management Firm, as long as the Manage-
ment Agreement remains in effect, and thereafter, the Board of
Directors may from time to time adopt or amend previously
adopted administrative Rules and Regulations governing the details
of the operation, use, maintenance, management and control of the
common elements of the Condominium and any facilities or services
made available to the unit owners. A copy of the Rules and
Regulations adopted from time to time, as herein provided, shall
from time to time be posted in a conspicuous place.

Section 2. As to Condominium Units. The Management
Firm, as long as the Management Agreement remains in effect,
and thereafter, the Board of Directors may, from time to time,
adopt or amend previously adopted Rules and Regulations
governing and restricting the use and maintenance of the Condo-
minium unit(s), provided however, that copies of such Rules and
Regulations, prior to the time the same become effective, shall
be posted in a conspicuous place on the Condominium's property
and/or copies of same shall be furnished to each unit owner.

Section 3. Conflict. In the event of any conflict
between the Rules and Regulations adopted, or from time to time
amended, and the Condominium documents, or the Condominium Act,
the latter shall prevail. If any unreconciled conflict should
exist or hereafter arise with respect to the interpretation
of these By-Laws and the Management Agreement, the provisions
of the By-Laws shall prevail, and as between these By-Laws
and the Declaration of Condominium, the provisions of said
Declaration shall prevail.

ARTICLE XVIII.

PROVISO.

The terms and provisions of Article I through Article
XVII, inclusive, in these By-Laws shall be limited and deemed
amended to comply with the applicable provisions of Chapters
76-222 and 77-221 where such provisions of said Chapters are
determined as a matter of law to apply to the terms and
provisions of said Article I through Article XVII, inclusive,
of these By-Laws. The terms and provisions of Article IV,
Section 13, of these By-Laws shall be deemed repeated and
realleged under Article X through Article XVII, inclusive,
and the Sections thereunder of these By-Laws just as though
they were specifically set forth thereunder. All of the Articles
and Sections in these By-Laws and, where applicable, the
provisions relating thereto, as set forth in the Declaration of

SEE 8490 PAGE 385

Condominium to which these By-Laws are attached and the Exhibits attached to said Declaration, shall be limited and deemed amended to comply with the applicable provisions of Chapters 76-222 and 77-221 where such provisions of said Chapters are determined as a matter of law to apply to the applicable provisions set forth in said Declaration and Exhibits thereto. The invalidity of any provision of these By-Laws under the law, including Chapters 76-222 and 77-221, shall not affect the remainder of these By-Laws or other applicable Condominium document(s) shall be deemed valid. The applicable terms and provisions of Article XIX of the Declaration of Condominium to which these By-Laws are attached shall be deemed repeated and realleged herein as to these By-Laws.

APPROVED AND DECLARED as the By-Laws of the Association named below.

DATED this 6 day of AUGUST, 1979.

APPLEGREEN CONDOMINIUM APARTMENTS, INC. 4

(SEAL)

BY:

Min. Alet
President

ASSOCIATION

Attest:

Tom Huren
Secretary

