

OF
SUNSET LAKES MASTER ASSOCIATION, INC.,
a Florida corporation not-for-profit

1. GENERAL.

1.1. Identity. These are the BYLAWS OF SUNSET LAKES MASTER ASSOCIATION, INC., hereinafter referred to as the "MASTER ASSOCIATION," a corporation not-for-profit formed under the laws of the State of Florida. The MASTER ASSOCIATION has been organized for the purposes stated in the Articles of Incorporation, and shall have all of the powers provided in these BYLAWS, the Articles of Incorporation, the Master Declaration for Sunset Lakes (hereinafter referred to as the "DECLARATION"), and any other statute or law of the State of Florida, or any other power incident to any of the above powers.

1.2. Principal Office. The principal office of the MASTER ASSOCIATION shall be at such place as the BOARD may determine from time to time.

1.3. Fiscal Year. The fiscal year of the MASTER ASSOCIATION shall be the calendar year.

1.4. Seal. The seal of the MASTER ASSOCIATION shall have inscribed upon it the name of the MASTER ASSOCIATION, the year of its incorporation and the words "Corporation Not-for-Profit." Said seal may be used by causing it, or a facsimile thereof, to be impressed, affixed or otherwise reproduced upon any instrument or document executed in the name of the MASTER ASSOCIATION.

1.5. Inspection of Books and Records. The records of the MASTER ASSOCIATION shall be open to inspection by the OWNERS, and all holders, insurers, or guarantors of any first mortgage encumbering any PROPERTY, upon request, during normal business hours or under other reasonable circumstances. Such records of the MASTER ASSOCIATION shall include current copies of the DECLARATION, ARTICLES, BYLAWS, any Rules and Regulations of the MASTER ASSOCIATION, and any amendments thereto, any contracts entered into by the MASTER ASSOCIATION, and the books, records and financial statements of the MASTER ASSOCIATION. The MASTER ASSOCIATION shall be required to make available to prospective purchasers of any PROPERTY or UNIT current copies of the DECLARATION, ARTICLES and BYLAWS, and the most recent annual financial statement of the MASTER ASSOCIATION.

1.6. Definitions. Unless the context otherwise requires, all terms used in these BYLAWS shall have the same meaning as are attributed to them in the DECLARATION and the ARTICLES.

2. MEMBERSHIP IN GENERAL.

2.1. Qualification. The qualification of members, the manner of their admission to membership and the termination of such membership shall be as set forth in the ARTICLES.

2.2. Changes in Members. Change of membership in the MASTER ASSOCIATION shall be as provided in the ARTICLES.

2.3. Member Register. The secretary of the MASTER ASSOCIATION shall maintain a register in the office of the MASTER ASSOCIATION showing the names and addresses of the OWNERS. Upon request from the MASTER ASSOCIATION, each PARCEL ASSOCIATION shall supply the MASTER ASSOCIATION with a current list of the names and addresses of the OWNERS of UNITS or PROPERTY subject to the jurisdiction of the PARCEL ASSOCIATION. Each OWNER shall at all times advise the secretary of any change of address of the OWNER, of any change of ownership of the OWNER's UNIT(S) or PROPERTY, and of any change in the UNITS and PLANNED UNITS within the OWNER'S PROPERTY. The MASTER ASSOCIATION shall not be responsible for reflecting any changes, until notified of such changes in writing. Any mortgagee of any PROPERTY may register by notifying the MASTER ASSOCIATION in

writing of its mortgage. In the event the MASTER ASSOCIATION files a claim of lien which affects any PROPERTY encumbered by the mortgage of a registered mortgagee, a copy of the claim of lien shall be mailed to the registered mortgagee.

3. MEMBERSHIP VOTING.

3.1. Voting Rights. There shall be one vote for each UNIT and each PLANNED UNIT as provided in the DECLARATION and the ARTICLES.

3.2. Majority Vote and Quorum Requirements. The acts approved by a majority of the votes cast in person or by proxy at a meeting of the members at which a quorum is present shall be binding upon all OWNERS for all purposes, except where otherwise provided by law, in the DECLARATION, the ARTICLES or in these BYLAWS. Unless otherwise so provided or required by law, at any regular or special meeting, the presence in person or by proxy of persons entitled to cast a 25% of the votes of the entire membership at the time of such vote shall constitute a quorum.

3.3. Determination as to Voting Rights.

3.3.1. OWNERS. If the PROPERTY associated with the membership of an OWNER is owned by more than one individual or by an entity, the votes for the UNITS and PLANNED UNITS within the PROPERTY of the OWNER may be cast at any meeting by any co-OWNER of the PROPERTY, but if when the vote is to be cast, a dispute arises between the co-OWNERS as to how the vote will be cast, they shall lose the right to cast the votes of the OWNER on the matter being voted upon, but their vote shall continue to be counted for purposes of determining the existence of a quorum. For purposes of this Paragraph, the principals or partners of any entity (other than a corporation) shall be deemed co-owners, and the directors and officers of a corporation shall be deemed co-owners.

3.4. Proxies. Every OWNER entitled to vote at a meeting of the OWNERS, or to express consent or dissent without a meeting, may authorize another person to act on the OWNER's behalf by a limited proxy signed by such OWNER. OWNER's may not vote by general proxy. Any such proxy shall be delivered to the Secretary of the MASTER ASSOCIATION, or the person acting as secretary at the meeting, at or prior to the time designated in the order of business for so delivering such proxies. Any proxy shall be effective only for the specific meeting for which originally given and any lawfully adjourned meetings thereof. A proxy is not valid for a period longer than 90 days after the date of the first meeting for which it is given. Every proxy shall be revocable at any time at the pleasure of the OWNER executing it.

4. MEMBERSHIP MEETINGS.

4.1. Who May Attend. Any person entitled to cast the vote(s) of an OWNER, and in the event any UNIT or PROPERTY is owned by more than one PERSON, all co-owners of the UNIT or PROPERTY, as described in Paragraph 3.3.1, may attend any meeting of the members. However, the votes of any OWNER shall be cast in accordance with the provisions of Article 3 above. Any PERSON not expressly authorized to attend a meeting of the OWNERS, as set forth above, may be excluded from any meeting of the OWNERS by the presiding officer of the meeting. INSTITUTIONAL LENDERS have the right to attend all meetings of the OWNERS.

4.2. Place. All meetings of the OWNERS shall be held at the principal office of the MASTER ASSOCIATION or at such other place and at such time as shall be designated by the BOARD and stated in the notice of meeting.

4.3. Notices. Written notice stating the place, day and hour of any meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be given to each OWNER not less than 10 nor more than 60 days before the date of the meeting, either personally or by first class mail, by or at the direction of the President, the Secretary or the officer or persons calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail, addressed to the OWNER at the OWNER's address as it appears on the records of the MASTER ASSOCIATION, unless such OWNER shall have filed a written request with the Secretary of the MASTER ASSOCIATION stating that

notices to him be mailed to some other address. For the purpose of determining OWNERS entitled to notice of, or to vote at, any meeting of the OWNERS, or in order to make a determination of the OWNERS for any other purpose, the BOARD shall be entitled to rely upon the OWNER register as same exists ten days prior to the giving of the notice of any meeting, and the BOARD shall not be required to take into account any changes in membership occurring after that date but may, in their sole and absolute discretion, do so. Notwithstanding the foregoing, if the PROPERTY of an OWNER is owned by more than one person or by an entity, only one notice shall be required to be sent with respect to the OWNER, which may be made to any one co-owner as defined in Paragraph 3.3.1 of these BYLAWS. Notwithstanding anything contained herein to the contrary, as to completed UNITS, any notice to the OWNER of a completed UNIT may be sent to the mailing address of the UNIT without naming the OWNER, unless the OWNER of the UNIT notifies the MASTER ASSOCIATION that notices to the OWNER are to be sent to another address.

4.4. Waiver of Notice. Whenever any notice is required to be given to any OWNER under the provisions of the ARTICLES or these BYLAWS, or as otherwise provided by law, a waiver thereof in writing signed by the PERSON or PERSONS entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice. Attendance of an OWNER at a meeting shall constitute a waiver of notice of such meeting, except when the OWNER objects at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened.

4.5. Annual Meeting. The annual meeting for the purpose of electing directors and transacting any other business shall be held at eight o'clock p.m. on the third Monday in March of each year, or at such other time in the months of March or April of each year as shall be selected by the BOARD and as is contained in the notice of such meeting. If the BOARD fails to call such meeting by the end of March of any year, then within thirty (30) days after the written request of any OWNER, or any Officer or director of the MASTER ASSOCIATION, the Secretary shall call an annual meeting. During the period when DECLARANT appoints a majority of the directors, no annual meetings will be required.

4.6. Special Meetings. Special meetings of the OWNERS may be requested at any time by written notice to the Secretary by any director, the President, or by written petition signed by at least 25 OWNER(S), or as otherwise provided by law. Such request shall state the purpose of the proposed meeting. Business transacted at all special meetings shall be confined to the subjects stated in the notice of meeting. Notice of any special meeting shall be given by the Secretary, or other officer of the MASTER ASSOCIATION, to all of the OWNERS within thirty (30) days after same is duly requested, and the meeting shall be held within forty-five (45) days after same is duly requested.

4.7. Adjournments. Any meeting may be adjourned or continued by a majority of the votes present at the meeting in person or by proxy, regardless of a quorum, or if no OWNER entitled to vote is present at a meeting, then any officer of the MASTER ASSOCIATION, may adjourn the meeting from time to time. If any meeting is adjourned or continued to another time or place, it shall not be necessary to give any notice of the adjourned meeting, if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, and any business may be transacted at the adjourned meeting that might have been transacted at the original meeting. If the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, notice of the adjourned meeting may be given to OWNERS not present at the original meeting, without giving notice to the OWNERS which were present at such meeting.

4.8. Organization. At each meeting of the OWNERS, the President, the Vice President, or any person chosen by a majority of the OWNERS present, in that order, shall act as chairman of the meeting. The Secretary, or in his absence or inability to act, any person appointed by the chairman of the meeting shall act as Secretary of the meeting.

4.9. Order of Business. The order of business at the annual meetings of the OWNERS shall be:

4.9.1. Determination of chairman of the meeting;

4.9.2. Calling of the roll and certifying of proxies;

4.9.3. Proof of notice of meeting or waiver of notice;

4.9.4. Reading and disposal of any unapproved minutes;

4.9.5. Election of inspectors of election;

4.9.6. Election of directors;

4.9.7. Reports of directors, officers or committees;

4.9.8. Unfinished business;

4.9.9. New business; and

4.9.10. Adjournment

4.10. Minutes. The minutes of all meetings of the OWNERS shall be kept in a book available for inspection by the OWNERS or their authorized representatives, and the members of the BOARD, at any reasonable time. The MASTER ASSOCIATION shall retain these minutes for a period of not less than seven (7) years.

4.11. Actions Without a Meeting. Any action required or permitted to be taken at any annual or special meeting of the OWNERS may be taken without a meeting, without prior notice, and without a vote if a consent in writing, setting forth the action so taken, shall be signed by the OWNERS having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all OWNERS entitled to vote thereon were present and voted. Within ten (10) days after obtaining such authorization by written consent, notice shall be given to those OWNERS who have not consented in writing. The notice shall fairly summarize the material features of the authorized action. If the PROPERTY for which membership is established in the MASTER ASSOCIATION is owned by more than one person or by an entity, the consent for such PROPERTY need only be signed by one person who would be entitled to cast the vote(s) for the PROPERTY as a co-owner pursuant to Paragraph 3.3.1 of these BYLAWS.

5. BOARD.

5.1. Number of Directors. The affairs of the MASTER ASSOCIATION shall be managed by a BOARD comprised of not less than three directors. So long as DECLARANT is entitled to appoint any director pursuant to the ARTICLES, the number of directors will be determined, and may be changed from time to time, by DECLARANT by written notice to the BOARD. Thereafter, the number of directors shall be determined by the members, and in any event the number of directors shall always be an odd number.

5.2. Election of Directors by Members. Election of directors to be elected by the OWNERS shall be conducted in the following manner:

5.2.1. At any time after DECLARANT no longer has the right to appoint one or more directors from a PARCEL a special meeting of the OWNERS may be called to elect new directors. In the absence of such a meeting, the directors appointed by DECLARANT may continue to serve until the next annual meeting of the OWNERS. In the event such a special meeting is called and held, and directors are elected by the OWNERS, at such special meeting the OWNERS may elect to not hold the next annual meeting of the OWNERS if such next annual meeting is less than six (6) months after the date of the special meeting. Upon such election, the next annual meeting shall not be held.

5.2.2. Except as provided above, the OWNERS shall elect directors at the annual OWNERS' meetings, unless a special meeting of the OWNERS is called in order to fill a vacancy on the BOARD.

5.2.3. Procedure for Electing Directors.

5.2.3.1. The election of directors by the OWNERS shall be by written ballot or voting machine. Proxies shall in no event be used in electing directors, either in

general elections or elections to fill vacancies caused by recall, resignation or otherwise, unless otherwise provided by law.

5.2.3.2. Not less than 60 days before a scheduled election, the MASTER ASSOCIATION shall mail or deliver, whether by separate MASTER ASSOCIATION mailing or included in another MASTER ASSOCIATION mailing or delivery including regularly published newsletters, to each OWNER entitled to vote, a first notice of the date of the election. The notice shall also provide for a date for a BOARD meeting to be held not less than 40 days before the scheduled election, at which candidates for the BOARD will be nominated. Any person desiring to be a candidate for the BOARD may submit a written nomination to the BOARD at or prior to the meeting, which written nominations must be signed by at least 10 OWNERS and the person nominated, and if such nomination is timely submitted the person nominated shall be entitled to be a candidate. At the meeting of the BOARD any OWNER may nominate himself or may nominate another person, if he has permission in writing to nominate the other person or if the nominee is present and accepts the nomination, and any nomination at the meeting must be seconded by another OWNER (who may be a director) to be valid. Notwithstanding the foregoing, the BOARD shall not be required to accept more than three nominees for each director to be elected.

5.2.3.3. Not less than 30 days before the election, the MASTER ASSOCIATION shall mail or deliver a second notice of the election to all OWNERS entitled to vote therein, together with a ballot which shall list all candidates. The ballot shall indicate the PARCEL where the director resides or owns a UNIT. Upon request of a candidate, the MASTER ASSOCIATION shall include an information sheet, no larger than 8 1/2 inches by 11 inches, containing typing or information on one side only, which must be furnished by the candidate not less than 35 days before the election, to be included with the mailing of the ballot, with the costs of mailing and copying to be born by the MASTER ASSOCIATION. However, the MASTER ASSOCIATION has no liability for the contents of the information sheets prepared by the candidates. The ballot may include other matters to be voted upon by the OWNERS at the discretion of the BOARD.

5.2.3.4. Each OWNER shall cast his ballot by checking the names of not more than the number of directors to be elected. The ballot may be mailed or delivered to the MASTER ASSOCIATION prior to the election. Each ballot shall be signed by the OWNER casting the ballot and shall contain the address of the OWNER, unless secret ballots are required by the BOARD or by law. If secret ballots are required the BOARD shall adopt a reasonable method for the OWNERS to be able to mail or deliver their ballots to the MASTER ASSOCIATION prior to the meeting and which will ensure that no ballots are improperly duplicated and that no OWNER casts more than one ballot. Any such procedure provided by law, or contained in the Florida Condominium Act for elections in condominium associations, shall be deemed reasonable but shall not be required unless required by law applicable to the MASTER ASSOCIATION. Notwithstanding the foregoing, secret ballots will not be required unless required by law or unless the requirement for secret ballots and the method of casting the ballots are approved by a majority of the directors at or prior to the board meeting to nominate the candidates.

5.2.3.5. Elections shall be decided by a plurality of those ballots cast. There shall be at least one director elected from each PARCEL (a person who resides in or owns a UNIT in a PARCEL will be deemed "from" the PARCEL), unless no person from a PARCEL is nominated or is willing to serve. Accordingly, where a director is to be elected from a PARCEL, the person from the PARCEL who receives more votes than anyone else from the PARCEL will be the director elected from the PARCEL. Where there are any directors to be elected at large (i.e. if there are more directors than PARCELS) the remaining candidate(s) who receive the most votes will be elected at large. Unless otherwise provided by law, there shall be no quorum requirement. No OWNER shall permit any other person to vote his ballot, and any such ballots improperly cast shall be deemed invalid. An OWNER who needs assistance in casting the ballot for reasons stated in Florida Statutes, Section 101.051, may obtain assistance in casting the ballot. Any OWNER violating this provision may be fined by the MASTER ASSOCIATION as provided in the DECLARATION.

5.2.3.6. The regular election shall occur on the date of the annual meeting of the OWNERS. Notwithstanding the provisions of this subparagraph, an election

and balloting are not required unless more candidates file notices of intent to run or are nominated than vacancies exist on the BOARD.

5.2.3.7. NOTWITHSTANDING THE FOREGOING, THE ELECTION OF DIRECTORS BY THE OWNERS SHALL BE DONE IN CONFORMANCE WITH ANY APPLICABLE MANDATORY STATUTORY REQUIREMENTS HEREAFTER ADOPTED, AS SAME MAY BE AMENDED FROM TIME TO TIME, AND SAME SHALL CONTROL OVER ANY CONFLICTING PROVISIONS OF THESE BYLAWS.

5.3. Organizational Meeting. The newly elected BOARD shall meet for the purposes of organization, the election of officers and the transaction of other business immediately after their election or within ten days of same 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.

5.4. Regular Meetings. Regular meetings of the BOARD may be held at such time and place as shall be determined, from time to time, by a majority of the directors. The BOARD shall notify all OWNERS as to scheduled dates of the BOARD's regular meetings, but will not be required to send noticed of each meeting to the OWNERS. The BOARD shall place notices of regular meetings at conspicuous places on the SUBJECT PROPERTY, including all guardhouses, as reasonably determined by the BOARD at least 48 hours before any regular meeting, except in the case of an emergency.

5.5. Special Meetings. Special meetings of the BOARD may be called by any director, or by the President, at any time. The BOARD shall place notices of special meetings at conspicuous places on the SUBJECT PROPERTY, including all guardhouses, as reasonably determined by the BOARD at least 48 hours before any special meeting, except in the case of an emergency.

5.6. Notice of Meetings. Notice of each meeting of the BOARD shall be given by the Secretary, or by any other officer or director, which notice shall state the day, place and hour of the meeting. Notice of such meeting shall be delivered to each director either personally or by telephone or telegraph, at least 24 hours before the time at which such meeting is to be held, or by first class mail, postage prepaid, at least three days before the day on which such meeting is to be held. Notice of a meeting of the BOARD need not be given to any director who signs a waiver of notice either before or after the meeting. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting and a waiver of any and all objections to the place, the time or the manner in which the meeting has been called or convened, except when a director or states, at the beginning of the meeting, an objection to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the BOARD need be specified in any notice or waiver of notice of such meeting.

5.7. Attendance at BOARD Meetings. All meetings of the BOARD shall be open to all OWNERS and INSTITUTIONAL LENDERS. A director may appear at a BOARD meeting by telephone conference, but in that event a telephone speaker shall be attached so that any discussion may be heard by the directors and any OWNERS present as in an open meeting.

5.8. Quorum and Manner of Acting. A majority of the BOARD determined in the manner provided in these BYLAWS shall constitute a quorum for the transaction of any business at a meeting of the directors. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the BOARD, unless the act of a greater number of directors is required by statute, the DECLARATION, the ARTICLES or by these BYLAWS.

5.9. Adjourned Meetings. A majority of the directors present at a meeting, whether or not a quorum exists, may adjourn any meeting of the BOARD to another place and time. Notice of any such adjourned meeting shall be given to the directors who are not present at the time of the adjournment and, unless the time and place of the adjourned meeting are announced at the time of the adjournment, to the other directors. Any business that might have been transacted at the meeting as originally called may be transacted at any adjourned meeting without further notice.

5.10. Presiding Officer. The presiding officer of the directors' meetings shall be the Chairman of the BOARD if such an officer is elected; and if none, the President of the MASTER ASSOCIATION shall preside if the President is a director. In the absence of the presiding officer, the directors shall designate one of their members to preside.

5.11. Order of Business. The order of business at a directors' meeting shall be:

- 5.11.1. Calling of roll;
- 5.11.2. Proof of due notice of meeting;
- 5.11.3. Reading and disposal of any unapproved minutes;
- 5.11.4. Reports of officers and committees;
- 5.11.5. Election of officers;
- 5.11.6. Unfinished business;
- 5.11.7. New business, and
- 5.11.8. Adjournment.

5.12. Minutes of Meetings. The minutes of all meetings of the BOARD shall be kept in a book available for inspection by the OWNERS, or their authorized representatives, and the directors at any reasonable time.

5.13. Committees. The BOARD may, by resolution duly adopted, appoint committees. Any committee shall have and may exercise such powers, duties and functions as may be determined by the BOARD from time to time, which may include any powers which may be exercised by the BOARD and which are not prohibited by law from being exercised by a committee.

5.14. Resignation. Any director of the MASTER ASSOCIATION may resign at any time by giving written notice of his resignation to the BOARD or Chairman of the BOARD or the President or the Secretary. Any such resignation shall take effect at the time specified therein or, if the time when such resignation is to become effective is not specified therein, immediately upon its receipt; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

5.15. Removal of Directors. Directors may be removed as follows:

5.15.1. Any director other than a director appointed by DECLARANT may be removed by majority vote of the remaining directors, if such director has been absent for the last three consecutive directors' meetings, and/or adjournments and continuances of such meetings.

5.15.2. Any director other than a director appointed by DECLARANT may be removed with or without cause by OWNERS having a majority of the votes of the entire membership at a special meeting of the OWNERS called by OWNERS having not less than 5% of the votes of the entire membership expressly for that purpose. The vacancy on the BOARD caused by any such removal may be filled by the OWNERS at such meeting or, if the OWNERS shall fail to fill such vacancy, by the BOARD as in the case of any other vacancy on the BOARD, subject to the requirements of Paragraph 5.2.5.

5.16. Vacancies. Subject to the requirements of Paragraph 5.2.5, vacancies in the BOARD may be filled by a majority vote of the directors then in office, though less than a quorum, or by a sole remaining director, and the director so chosen shall hold office until the next annual election and until their successors are duly elected and shall have qualified, unless sooner displaced. If there are no directors in office, then a special election of the OWNERS shall be called to elect the directors.

5.17. Directors Appointed by DECLARANT. Notwithstanding anything contained herein to the contrary, DECLARANT shall have the right to appoint the maximum number of directors in accordance with the privileges granted to them pursuant to the ARTICLES and these BYLAWS. All directors appointed by DECLARANT shall serve at DECLARANT's pleasure, and DECLARANT shall have the absolute right, at any time, and in its sole discretion, to remove any director appointed by it, and to replace such director with another person to serve on the BOARD. Replacement of any director appointed by DECLARANT shall be made by written notice to the MASTER ASSOCIATION which shall specify the name of the person designated as successor director. The removal of any director and the designation of his successor by DECLARANT shall become effective immediately upon delivery of such written notice. DECLARANT may waive its right to appoint one or more directors which it has the right to appoint at any time upon written notice to the MASTER ASSOCIATION, and thereafter such director(s) shall be elected by the OWNERS.

5.18. Compensation. The directors shall not be entitled to any compensation for serving as directors unless the OWNERS approve such compensation, provided however the MASTER ASSOCIATION may reimburse any director for expenses incurred on behalf of the MASTER ASSOCIATION without approval by the OWNERS.

5.19. Powers and Duties. The directors shall have the right to exercise all of the powers and duties of the MASTER ASSOCIATION, express or implied, existing under these BYLAWS, the ARTICLES, the DECLARATION, or as otherwise provided by statute or law. Such powers and duties of the directors shall include, without limitation (except as limited elsewhere herein), the following:

5.19.1. The operation, care, upkeep and maintenance of the COMMON AREAS, and any other portion of the SUBJECT PROPERTY determined to be maintained by the BOARD.

5.19.2. The determination of the expenses required for the operation of the MASTER ASSOCIATION.

5.19.3. The collection of ASSESSMENTS for COMMON EXPENSES from the OWNERS.

5.19.4. The employment and dismissal of personnel.

5.19.5. The adoption and amendment of rules and regulations covering the details of the operation and use of PROPERTY owned and/or maintained by the MASTER ASSOCIATION.

5.19.6. Maintaining bank accounts on behalf of the MASTER ASSOCIATION and designating signatories required therefor.

5.19.7. Obtaining and reviewing insurance for PROPERTY owned and/or maintained by the MASTER ASSOCIATION.

5.19.8. The making of repairs, additions and improvements to, or alterations of, PROPERTY owned and/or maintained by the MASTER ASSOCIATION.

5.19.9. Borrowing money on behalf of the MASTER ASSOCIATION; provided, however, that (i) a 2/3 vote of the OWNERS, obtained at a meeting duly called and held for such purpose in accordance with the provisions of these BYLAWS, shall be required for the borrowing of any sum in excess of \$25,000.00; and (ii) no lien to secure repayment of any sum borrowed may be created on any PROPERTY without the consent of the OWNER of such PROPERTY.

5.19.10. Contracting for the management and maintenance of PROPERTY owned and/or maintained by the MASTER ASSOCIATION authorizing a management agent or company to assist the MASTER ASSOCIATION in carrying out its powers and duties by performing such functions as the submission of proposals, collection of ASSESSMENTS, preparation of records, enforcement of rules, and maintenance, repair and replacement of the COMMON AREAS with funds as shall be made available by the MASTER ASSOCIATION for such purposes. The MASTER ASSOCIATION and its officers shall, however, retain at all times

the powers and duties granted by all MASTER ASSOCIATION documents and the DECLARATION, including, but not limited to, the making of ASSESSMENTS, promulgation of rules, and execution of contracts on behalf of the MASTER ASSOCIATION.

5.19.11. Exercising all powers specifically set forth in the DECLARATION, the ARTICLES, these BYLAWS, and as otherwise provided by statute or law, and all powers incidental thereto or implied therefrom.

5.19.12. Entering into and upon any portion of the SUBJECT PROPERTY, including UNITS, when necessary to maintain, care and preserve any PROPERTY in the event the respective PARCEL ASSOCIATION or OWNER fails to do so.

5.19.13. Collecting delinquent ASSESSMENTS by suit or otherwise, abating nuisances, and enjoining or seeking damages from the OWNERS for violations of these BYLAWS and the terms and conditions of the DECLARATION or of the Rules and Regulations of the MASTER ASSOCIATION.

5.19.14. Acquiring and entering into agreements whereby the MASTER ASSOCIATION acquires leaseholds, memberships, and other possessory or use interests in lands or facilities, whether or not contiguous to the lands operated by the MASTER ASSOCIATION, intended to provide for the enjoyment, recreation, or other use and benefit of the OWNERS and declaring expenses in connection therewith to be COMMON EXPENSES; all in such form and in such manner as may be deemed by the BOARD to be in the best interest of the MASTER ASSOCIATION, and the participation in the acquisition of any interest in lands or facilities for the foregoing purposes may be direct or indirect, meaning, without limiting the generality of the foregoing, by direct ownership of land or acquisition of stock in a corporation owning land.

6. OFFICERS.

6.1. Members and Qualifications. The officers of the MASTER ASSOCIATION shall include a President, a Vice President, a Treasurer and a Secretary, all of whom shall be elected by the directors of the MASTER ASSOCIATION and may be pre-emptively removed from office with or without cause by vote of the directors at any meeting by concurrence of a majority of the directors. Any person may hold two or more offices except that the President shall not also be the Secretary. The BOARD may, from time to time, elect such other officers and designate their powers and duties as the BOARD shall find to be appropriate to manage the affairs of the MASTER ASSOCIATION from time to time. Each officer shall hold office until his successor shall have been duly elected and shall have qualified, or until his death, or until he shall have resigned, or until he shall have been removed, as provided in these BYLAWS.

6.2. Resignations. Any officer of the MASTER ASSOCIATION may resign at any time by giving written notice of his resignation to any director, the President or the Secretary. Any such resignation shall take effect at the time specified therein, or if there is no time specified therein, immediately upon its receipt; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make such resignation effective.

6.3. Vacancies. A vacancy in any office, whether arising from death, resignation, removal or any other cause may be filled for the unexpired portion of the term of the office which shall be vacant in the manner prescribed in these BYLAWS for the regular election or appointment of such office.

6.4. The President. The President shall be the chief executive officer of the MASTER ASSOCIATION. He shall have all of the powers and duties which are usually vested in the office of president of an association or corporation including, but not limited to, the power to appoint committees from among the OWNERS from time to time, as he may in his discretion deem appropriate to assist in the conduct of the affairs of the MASTER ASSOCIATION.

6.5. The Vice President. The Vice President shall, in the absence or disability of the President, exercise the powers and perform the duties of the President. He shall also assist the President generally and exercise such other powers and perform such other duties as may be prescribed by the BOARD.

6.6. The Secretary. The Secretary shall prepare and keep the minutes of all proceedings of the directors and the OWNERS. He shall attend to the giving and serving of all notices to the OWNERS and directors and other notices required by law. He shall have custody of the seal of the MASTER ASSOCIATION and affix the same to instruments requiring a seal when duly executed. He shall keep the records of the MASTER ASSOCIATION, except those of the Treasurer, and shall perform all other duties incident to the office of secretary of an association, and as may be required by the BOARD or the President.

6.7. The Treasurer. The Treasurer shall have custody of all property of the MASTER ASSOCIATION, including funds, securities, and evidences of indebtedness. He shall keep books of account for the MASTER ASSOCIATION in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the BOARD for examination at reasonable times. He shall submit a Treasurer's Report to the BOARD at reasonable intervals and shall perform all other duties incident to the office of treasurer. He shall collect all ASSESSMENTS and shall report promptly to the BOARD the status of collections.

6.8. Compensation. The officers of the MASTER ASSOCIATION shall not be entitled to compensation unless the BOARD specifically votes to compensate them. However, neither this provision, nor the provision that directors will not be compensated unless otherwise determined by the OWNERS, shall preclude the BOARD from employing a director or an officer as an employee of the MASTER ASSOCIATION and compensating such employee, nor shall they preclude the MASTER ASSOCIATION from contracting with a director for the management of PROPERTY subject to the jurisdiction of the MASTER ASSOCIATION, or for the provision of services to the MASTER ASSOCIATION, and in either such event to pay such director a reasonable fee for such management or provision of services.

7. FINANCES AND ASSESSMENTS.

7.1. Adoption of the Budget.

7.1.1. Not less than sixty days prior to the commencement of any calendar year of the MASTER ASSOCIATION, the BOARD shall adopt a budget for such calendar year, necessary to defray the COMMON EXPENSES of the MASTER ASSOCIATION for such calendar year. The COMMON EXPENSES of the MASTER ASSOCIATION shall include all expenses of any kind or nature whatsoever incurred, or to be incurred, by the MASTER ASSOCIATION for the operation of the PROPERTY owned and/or operated by the MASTER ASSOCIATION, and for the proper operation of the MASTER ASSOCIATION itself, including, but not limited to, the expenses of the operation, maintenance, repair, or replacement of the COMMON AREAS; costs of carrying out the powers and duties of the MASTER ASSOCIATION; all insurance premiums and expenses, including fire insurance and extended coverage; reasonable reserves for purchases, deferred maintenance, replacements, betterments, and unknown contingencies; and all other expenses designated as COMMON EXPENSES by these BYLAWS, the DECLARATION, the ARTICLES, or any other applicable statute or law of the State of Florida. If pursuant to any agreement entered into by the MASTER ASSOCIATION, any expense of the MASTER ASSOCIATION is to be shared with any PERSON(S), then the annual budget of the MASTER ASSOCIATION shall contain a separate classification for such expense(s). In the event the BOARD fails to adopt an annual budget for any year, the prior year's budget shall remain in effect until a new budget is adopted or the existing budget is amended or revised.

7.1.2. If, after the adoption of any budget, it shall appear that the adopted budget is insufficient to provide adequate funds to defray the COMMON EXPENSES of the MASTER ASSOCIATION for the fiscal year in which the adopted budget applies to, the BOARD may adopt an amended budget to provide such funds. All of the above provisions shall apply to the adoption of an amended budget.

7.2. Assessments and Assessment Roll.

7.2.1. As soon as practicable after the adoption of a budget, or an amended budget, the BOARD shall fix and determine the amount and frequency of the ASSESSMENTS for COMMON EXPENSES, pursuant to the DECLARATION, the ARTICLES and these BYLAWS. Such ASSESSMENTS shall be due not more frequently than monthly, and shall each be in an

amount no less than required to provide funds in advance for payment of all of the anticipated current operating expenses and for all of the unpaid operating expenses previously incurred. Any periodic ASSESSMENTS for COMMON EXPENSES, whether quarterly, monthly or otherwise, shall be equal unless the BOARD determines unequal ASSESSMENTS are required to provide funds in advance for the expenses of the MASTER ASSOCIATION. As soon as practicable after the determination of the ASSESSMENTS for COMMON EXPENSES, the MASTER ASSOCIATION shall notify each OWNER, in writing, of the amount, frequency and due date of such OWNER's ASSESSMENTS, provided, however, that no ASSESSMENT shall be due in less than (10) days from the date of such notification.

7.2.2. In the event the expenditure of funds by the MASTER ASSOCIATION is required that cannot be paid from the ASSESSMENTS for COMMON EXPENSES, the BOARD may make special ASSESSMENTS, which shall be levied in the same manner as hereinbefore provided for ASSESSMENTS for COMMON EXPENSES and shall be payable in the manner determined by the BOARD. Each OWNER's share of any special ASSESSMENT shall be in the same proportion as the OWNER's share of the ASSESSMENTS for COMMON EXPENSES.

7.2.3. The MASTER ASSOCIATION shall maintain an ASSESSMENT roll for each OWNER, designating the name and current mailing address of the OWNER, the amount of each ASSESSMENT payable by such OWNER, the dates and amounts in which the ASSESSMENTS come due, the amounts paid upon the account of the OWNER, and the balance due.

7.3. Depositories. The funds of the MASTER ASSOCIATION shall be deposited in such banks and depositories as may be determined and approved by appropriate resolutions of the Board from time to time. Funds shall be withdrawn only upon checks and demands for money signed by such officers, directors or other persons as may be designated by the BOARD. Fidelity bonds as required by the DECLARATION shall be required of all signatories on any accounts of the MASTER ASSOCIATION.

7.4. Application of Payments and Commingling of Funds. All sums collected by the MASTER ASSOCIATION from ASSESSMENTS may be commingled in a single fund or divided into more than one fund, as determined by the BOARD.

7.5. Accounting Records and Reports. The MASTER ASSOCIATION shall maintain accounting records according to good accounting practices. The records shall be open to inspection by OWNERS and all INSTITUTIONAL LENDERS, or their authorized representatives, at reasonable times. The records shall include, but not be limited to, (a) a record of all receipts and expenditures, and (b) the assessment roll of the OWNERS referred to above. The BOARD may, and upon the vote of a majority of the OWNERS shall, conduct a review of the accounts of the MASTER ASSOCIATION by a certified public accountant, and if such a review is made, a copy of the report shall be made available to each OWNER and INSTITUTIONAL LENDER, upon written request to the MASTER ASSOCIATION.

7.6. PARCEL EXPENSES and ASSESSMENTS. The provisions of this paragraph 7 shall be equally applicable with respect to PARCEL EXPENSES and PARCEL ASSESSMENTS, and separate budgets, ASSESSMENTS, Assessment Rolls, accounts, and books and records shall be established for same.

8. PARLIAMENTARY RULES.

8.1. Roberts' Rules of Order (latest edition) shall govern the conduct of the MASTER ASSOCIATION meetings when not in conflict with the DECLARATION, the ARTICLES or these BYLAWS.

9. AMENDMENTS. Except as otherwise provided, these BYLAWS may be amended in the following manner:

9.1. Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered.

9.2. Initiation. A resolution to amend these BYLAWS may be proposed by any director, or by a petition signed by at least 25 OWNERS.

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9.3. Adoption of Amendments.

9.3.1. A resolution for the adoption of the proposed amendment shall be adopted either: (a) by a majority of all of the directors of the MASTER ASSOCIATION, and by a majority vote of the OWNERS; or (b) by a 2/3 vote of all of the OWNERS. Any amendment approved by the OWNERS may provide that the BOARD may not further amend, modify or repeal such amendment.

9.3.2. Notwithstanding the foregoing, so long as DECLARANT owns any portion of the SUBJECT PROPERTY, DECLARANT shall have the right to unilaterally amend these BYLAWS without the joinder or approval of any directors or any OWNER, and no amendment to these BYLAWS may be made without the written consent of DECLARANT.

9.4. No amendment shall make any changes in the qualification for membership nor in the voting rights or property rights of OWNERS without approval of 2/3 of all the OWNERS. No amendment shall be made that is in conflict with the DECLARATION, the ARTICLES or these BYLAWS. So long as DECLARANT owns any PROPERTY, or holds any mortgage encumbering any PROPERTY other than a UNIT, no amendment shall make any changes which would in any way affect any of the rights, privileges, powers or options herein provided in favor of, or reserved to DECLARANT, unless DECLARANT joins in the execution of the amendment.

9.5. Execution and Recording. No modification of, or amendment to, these BYLAWS shall be valid unless recorded in the public records of the county in which the SUBJECT PROPERTY is located.

9.6. Any amendment made by DECLARANT, and any amendment made by the OWNERS prior to the completion of seventy-five percent (75%) of all of the UNITS which may be built within the SUBJECT PROPERTY, must be approved by the Federal Housing Administration or by the Veterans Administration if any mortgage encumbering any UNIT is guaranteed or insured by either such agency, if such amendment materially and adversely affects the OWNERS, provided however such approval shall specifically not be required where the amendment is made to correct errors or omissions or is required to comply with the requirements of any INSTITUTIONAL LENDER, or is required by any governmental authority. Such approval shall be deemed given if either agency fails to deliver written notice of its disapproval of any amendment to DECLARANT or to the MASTER ASSOCIATION within 20 days after a request for such approval is delivered to the agency by certified mail, return receipt requested or equivalent delivery, and such approval shall be conclusively evidenced by a certificate of DECLARANT or the MASTER ASSOCIATION that the approval was given or deemed given.

10. RULES AND REGULATIONS. The BOARD may, from time to time, adopt, or amend previously adopted, Rules and Regulations concerning the use of the COMMON AREAS and concerning the use, operation and maintenance of other portions of the SUBJECT PROPERTY in order to further implement and carry out the intent of the DECLARATION, the ARTICLES, and these BYLAWS. The BOARD shall make available to any OWNER, upon request, a copy of the Rules and Regulations adopted from time to time by the BOARD.

11. MISCELLANEOUS.

11.1. Tenses and Genders. The use of any gender or of any tense in these BYLAWS shall refer to all genders or to all tenses, wherever the context so requires.

11.2. Partial Invalidity. Should any of the provisions hereof be void or become unenforceable at law or in equity, the remaining provisions shall, nevertheless, be and remain in full force and effect.

11.3. Conflicts. In the event of any conflict, any applicable Florida statute, the DECLARATION, the ARTICLES, these BYLAWS, and the Rules and Regulations of the MASTER ASSOCIATION shall govern, in that order.