BY-LAWS OF
VILLAS OF SUNTREE HOMEOWNERS ASSOCIATION, INC.
A Corporation not for profit under the
Laws of the State of Florida

These are the By-Laws of Villas of Suntree Homeowners Association, In., (hereinafter for convenience called "Association " or Corporation"), a corporation not for profit, incorporated under the laws of the State of Florida.

ARTICLE I
Association

Section 1.1 Office. The office of the Association shall be at 1000 Villa Drive, Melbourne, Florida 32940, or such other place as shall be selected by a majority of the Board of Directors.

Section 1.2 Fiscal Year. The fiscal year of the Association shall be the calendar year.

ARTICLE II
Definitions

All terms defined in the Declaration of Covenants and Restrictions for Villas of Suntree recorded in Official Records Book 2874, Page 0013, of the Public Records of Brevard County (the "Covenants") Certificate of amendments and were approved pursuant to Article XV of the By-Laws at a special meeting. The Book 4293 /3111 recorded February 27, 2001 .The amendments were approved by an affirmative vote of two-thirds (2/3) of the members of the Association.

ARTICLE III
Membership

The members of the Association shall be those persons described in Article V of the Articles of Incorporation.

ARTICLE IV
Voting Rights

One class of membership shall have the voting rights set forth in Article V of the Articles of Incorporation.

ARTICLE V
Board of Directors

Section 5.1 Selection: Terms of Office. The Board of Directors shall be elected at the time set forth in section 5.3 and in a manner set forth in Article VI of these By-Laws.

Section 5.2 Designation of Directors by Class B Member. Class B terminated.

Section 5.3 Election of Directors by the Class A Members. After the Time at which the Class B membership terminates, as provided in Article V of the Articles of Incorporation, The Board of Directors shall consist of five (5) members who shall be elected in the following manner:

5.3.1. Class A members . The incumbent Board of Directors designated by the Class B member shall hold office until the election of their successors by the Class A members at the first meeting of the Class members which shall be held for this purpose within sixty (60) days after the termination of the Class B membership.

5.3.2. The Board of Directors The Board of Directors shall consist of five (5) Directors, who shall be elected in the manner set forth in Article VI of these By-Laws; two (2) of such Directors shall be elected for two (2) years and three (3) such Directors shall be elected for one (1) year.

Section 5.4: Vacancies. Vacancies on the Board of Directors shall be filled by the majority of the remaining Directors, any such appointed Director to hold office until his successor is elected by Class A members who were entitled to elect the Director, at the next annual meeting of the members or at any special meeting duly called for that purpose.

ARTICLE VI
Election Procedure

Section 6.1: Election of Directors Votes cast for persons nominated for election to the Board of Directors shall be by written ballot as hereinafter provided. The persons receiving the largest number of votes shall be elected.

Section 6.2: Nominations Committee. The Nominations Committee shall make nominations for a full slate of Directors for election to the Board of Directors by the Class members. The Nominations Committee shall consist of three (3) persons appointed each year by the Board of Directors, one (1) of whom shall be a director, and two (2) of whom shall be non-directors. Members of the Nominations Committee shall be appointed each year by the Board of Directors at least sixty (60) days before the date on which the election for the Members of the Board of Directors is to be held. The slate of Directors to be nominated by the Nominations Committee shall be completed at least three days before the date of such election.

In addition, nominations for the Board of Directors may be made by Petition signed by more than twenty (20) members of the Association, provided that such Petitions are filed with the Secretary of the Association at lease ten (10) days before the date of the meeting at which the Directors are to be elected.

Section 6.3: Ballots. All elections to the Board of Directors shall be made on a written ballot which shall (a) describe the vacancies to be filled and (b) set forth the names of those nominated by the Nominations Committee for such vacancies and those nominated by the Petition timely filed with the Secretary of the Association.

Section 6. 4: Voting Procedures. The member designated by the Owners of a Lot to cast the vote for the Lot shall receive the ballot for such Lot at the Annual Meeting. After the ballots are marked, they shall be turned over to an Elections Committee, which shall consist of three (3) members appointed by the Board of Directors. The elections committee shall then adopt a procedure, which shall:

6.4.1 Establish that the number of ballots turned in by each member correspond with the number of Lots owned by such member or his proxy identified on the ballot.

6.4.2. If the vote is by proxy, establish that a proxy has been filed with the Secretary as provided in Article XII of these By-Laws and that such proxy is valid.

The procedure shall be taken in such a manner that the vote of any member or his proxy shall not be disclosed to anyone, including the Elections Committee.

The result of the election shall be announced at the conclusion of the meeting. After the announcement of the results by the Elections Committee, unless a review of the procedure is demanded by thirty-five (35%) of the members casting ballots in the election within ten (10) days after election, the ballots shall be destroyed and the results shall thereupon be final.

ARTICLE VIII Powers and Duties of the board of Directors

Section 7.1: Powers. The Board of Directors shall have the powers set forth in the Articles of Incorporation.

Section 7.2 : Director Absence. In the event that any member of the Board of Directors of the Association shall be absent from three (3) consecutive regular meetings of the Board of Directors, the Board may at the meeting during which said third absence occurs, declare the office of said absent Director to be vacant and the provisions relating to the filling of a vacancy of the Board of Directors as set forth in these By-Laws shall become operative.

Section 7.3 Duties: It shall be the duty of the Board of Directors:

7.3.1 To keep a complete record of all it acts and corporate affairs and to make reports thereon to the Members at the annual meeting of the members.

7.3.2 To supervise all officer, agents and employees of the Association.

7.3.3. To prepare an annual budget and to fix the amount of the annual Assessment against each Lot owned by a Member at least thirty (30) days in advance of the date of any payment of such Assessment is due. The budget shall include an adequate reserve fund for repair and replacement of Common Property.

7.3.4 To prepare a roster of the Lots and Assessments applicable thereto which shall be kept in the offices of the Association and shall be open to inspection by any Member thereof, and, to send

Written notice of each assessment to every Member subject thereto.

7.3.5. To issue, or cause an appropriate officer to issue upon demand by any person, a certificate setting forth whether all assessments against a Lot have been paid and if not identifying the amount of any unpaid Assessments and the period to which such unpaid Assessment relates. Such certificate shall be conclusive evidence to the person to whom it is addressed of payment of any Assessment therein stated to have been paid.

7.3.6. To obtain and maintain a liability and casualty insurance policy for the protection of the Association, covering the Common Property and covering such risks and with such deductible amounts as the Board of Directors shall determine.

7.3.7. To obtain and maintain casualty insurance for the protection of the Members, covering the individual townhomes. The named beneficiary may be the individual Owners, the Association, or a bank with trust powers, as permitted by the insurer and Florida Law.

7.3.8. To obtain, when and if available fidelity bond coverage as specified in Section 803.07p of FNMA Conventional Home Mortgage Selling Contract Supplement.

ARTICLE VIII
Directors Meetings

Section 8.1: Time and Place. Meetings of the Board of Directors may be held at any place within or without the State of Florida. The Board of Directors shall meet within fourteen (14) days following the close of the annual meeting of the Members. Regular meetings of the board of Directors may be held at such time and place as shall from time to time to be determined by the Board of Directors.

Section 8.2: Notice: No notice of regular meetings of the Board of Directors is required. If the day for a regular meeting shall fall upon a holiday, the meeting shall be held at the same hour on the first day following which is not a holiday.

Section 8.3: Special Meetings. Special meetings of the Board of Directors shall be held when called by an officer of the Association or by any Director after not less than forty-eight (48) hours' notice to each Director except in the case of an emergency.

Section 8.4: Waivers. Consents and Approvals. The transaction of any business of any meeting of the Board of Directors, however called and noticed, or wherever held, shall be valid as though made at a meeting duly held after a regular call and notice if a quorum is present and, if either before or after the meeting, each of the Directors not present signs a written waiver of notice, or consent to the holding of such meeting, or an approval of the minutes thereof. All

such waivers, consents or approvals shall be filed with the corporate records and shall me made a part of the minutes of the meeting.

Section 8.5: Quorum. The majority of the Board of Directors shall constitute a quorum thereof.

Section 8.6: Adjourned Meetings. If at any meeting of the Board there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting, any business that might have been transacted at the meeting as originally called, may be transacted without further notice.

ARTICLE
IX Officers

Section 9.1: Officers. The officers shall be a President, a First Vice President, a Second Vice President, a Secretary, and a Treasurer. The President shall be a Member of the Board of Directors.

Section 9.2: Majority Vote. The officers shall be chosen by majority vote of the Directors.

Section 9.3: All officers shall hold office during the pleasure of the Board of Directors.

Section 9.4: President. The President shall preside at all meetings of the Board of Directors, and shall see that orders and resolutions of the Board of Directors are carried out, and sign all notices, checks, leases, mortgages, deeds and all other written instruments as may be incidental to the orders and resolutions of the Board of Directors.

Section 9.5: Vice Presidents. The First Vice President shall perform all the duties of the President in the President's absence. The Second Vice President shall perform all the duties of the First Vice President in the First Vice President's absence.

Section 9.6 : Secretary. The secretary shall be "ex officio" the Secretary of the Board of Directors and shall record the vote and keep the minutes of all proceedings in a book to be kept for such purposes. He shall keep the records of the Association. He shall record in a book kept for such purpose the names of all members of the Association together with their addresses as registered by such members.

Section 9.7: Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; provided, however, that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board. The Treasurer shall keep proper books of account and cause an annual audit of the Association's books to be made at the completion of each fiscal year. He shall prepare the annual budgets and an annual balance sheet statement and the budget and balance sheet statement shall be presented to the membership at its

Regular annual meeting. The Treasurer shall, upon written request of any holder of a first mortgage, furnish copies of the statements to such lender.

ARTICLE X
Committees

Section10.1 Standing Committees. Each standing committee shall consist of a chairman and two (2) or more members and shall include a member of the Board of Directors. The standing committees shall be appointed by the Board of Directors immediately after each annual meeting to serve until the close of the next annual meeting.

Section 10.2: Executive Committee. The Board of Directors shall have the power to appoint an executive committee from among its membership and may delegate to any such executive committee any of its powers, duties and functions.

Section 10.3: Review of Complaints. It shall be the duty of each committee to receive complaints from members on any matter involving Association functions, duties and activities in its field of responsibility. It shall dispose of such complaints, as it deems appropriate or refer them to the Board of Directors.

ARTICLE XI
Meetings of Members

Section 11.1 Annual Meetings: The First Annual Meeting of the Class A Members shall be held within sixty (60) days after the termination of the Class B membership. Thereafter, the regular annual meeting of the Members shall be held at 8:00p.m. On the first Thursday in March of each year (beginning the year in which said meeting date is more than twelve (12) months following the initial meeting), provided, however, if the day is a legal holiday, the meeting shall be held at the same hour on the following Thursday. The place of the annual meetings shall be determined by the Board of Directors.

Section 11.2: Special Meetings. Special Meetings of members may be called at any time by the President, The Vice Presidents, The Secretary or the Treasurer, or by Two (2) or more members of the Board of directors. In addition, special meetings of Class A members may be called upon written request of the members who have the right to cast one-fourth (1/4) of the total votes entitled to be cast under the provisions of Article V of the Articles of Incorporation at the time such written request is made.

Section 11.3: Notice. Notice of meetings of Class A members shall be given to the Members by the Secretary either personally, or by sending a copy of the notice through the mail, postage thereon fully prepaid, to his address appearing on the books of.the Association. Each member shall register his address with the Secretary, and notices of meeting shall be mailed to him at such address. Notice of any regular or special meeting shall be mailed at least ten (10) days in advance of the meeting, and shall set forth in general the nature of the business to be transacted.

Section 11.4: Quorum. The presence at the meetings of Members entitled to cast, or of proxies entitled to cast, one-fifth (1/5) of the vote of the class of membership so meeting shall constitute a quorum for any actions governed by these By-Laws unless it is provided otherwise in the Declaration or the Articles of Incorporation, or elsewhere in these by-laws. See Article XV

ARTICLE III
Proxies

Section 12.1: Form of Vote. At all meetings of members, each member entitled to vote may vote in person or by proxy.

Section 12.2 Proxies. All proxies shall be in writing filed with the Secretary of the Association. No proxy shall extend beyond a period of twelve (12) months, and every proxy shall automatically cease if the person granting the proxy ceases to be a member. No person may hold more than five (5) proxies.

ARTICLE XIII
Inspection of Books and Papers; Lender's Notices

Section 13.1: Inspection. Copies of the Declaration, By-Laws, Articles of Incorporation, Rules and Regulations of the Association and the bookkeeping records of the Association shall at all times, during reasonable business hours, be subject to the inspection of any member.

Section 13.2: Notices. Upon written request to the Association identifying the name and address of the lender holding a lien on a Lot in the Subdivision and the Lot encumbered by the lien, the lender will be entitled to timely written notice of:

(a) Any condemnation loss or any casualty loss which affects a material portion of the Subdivision or any Lot on which there is a first mortgage held, insured, or guaranteed by such lender;
(b) Any delinquency in the payment of Assessments owed by the Member owning a Lot subject to a first mortgage held, insured or guaranteed by such lender, which remains uncured for a period of sixty (60) days;
(c) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;
(d) Any proposed action which would require the consent of a specified percentage of mortgage holders.

ARTICLE XIV
Parliamentary Rule

Section 14.1: Roberts Rules of Order (latest edition) shall govern the conduct of the Association proceedings when not in conflict with the Covenants or Articles of Incorporation.

ARTICLE XV

Amendments

Section 15.1 These By-Laws may be amended by a majority of a quorum of the Members of the Association entitled to vote.

ARTICLE XVI
Conflicts

Section 16.1: In any case of any conflict between the Articles of Incorporation and these By-Laws, the Articles of Incorporation shall control; and in the case of any conflict between the Covenants and these By-Laws, the Covenants shall control.