EXHIBIT "C"

BYLAWS

OF

OAK HARBOUR, SECTION FOUR, CONDOMINIUM ASSOCIATION, INC.

1808 0042

ARTICLE I: NAME AND PRINCIPAL OFFICE

Section 1. The name of this corporation, which has been duly incorporated under the laws of Florida, as a non-profit corporation, shall be OAK HARBOUR, SECTION FOUR, CONDOMINIUM ASSOCIATION, INC. This corporation shall be referred to hereinafter as the "Association," and its principal office shall be located at 550 Maitland Avenue, Altamonte Springs, Florida 32751.

ARTICLE II: PURPOSE

Section 1. This corporation has been organized as a non-profit corporation pursuant to the provisions of Chapter 617, Florida Statutes, for the purpose of operation and management of condominium, buildings and grounds pursuant to the provisions of Chapter 718 of the Florida Statutes. The condominium to be operated and managed by this corporation more particularly set forth in the Declaration of Condominium as OAK HARBOUR, SECTION FOUR, A CONDOMINIUM.

ARTICLE III: MEMBERS

Section 1. All of the owners of the condominium units shall be members of this corporation. Upon recording of a deed establishing a change of record title to a condominium unit in the condominium, and the delivery to the corporation of a true copy of the said recorded instrument, the new owners designated by said instrument shall become members of the corporation, and the membership of the prior owner shall be thereby terminated.

Section 2. The owners of condominium units shall be entitled to voting interests in the affairs of the corporation equal to the same percentage or fractional share of the unit's share of the common elements, common surplus and the common expenses of the condominium, as set forth for each unit in Article VII of the Declaration of Condominium.

Section 3. The determination of persons entitled to vote shall be based upon record title to the unit, plus the furnishing to the Association of certified copies of recorded deed or other instruments of conveyance or transfer of the unit, and in sending notices of meetings and the recording votes, the Association or any other persons, shall be entitled to rely on the record title for each unit, as furnished to the Association at its office.

If a unit is owned by more than one person, or is under lease, the person entitled to cast a vote for the unit shall be designated by a voting certificate, signed by all of the record owners of the unit and filed with the Association.

If a unit is owned by a corporation, the person entitled to cast a vote for the unit shall be designated by a voting certificate signed by the President or Vice President and attested by the Secretary of the owner corporation and filed with this Association. Such voting certificate shall be valid until revoked or until superseded by a subsequent voting certificate, filed with the Association, or transfer of ownership of the unit, as above specified. A voting certificate designating the person entitled to cast a vote of a unit, may be revoked by any owner of a unit, by filing a written revocation or if it has been revoked, the vote of such owner or owners shall not be considered in determining the requirement for a quorum, nor for any other purpose.

Section 4. No other person or legal entity may be a member of the corporation or vote in its affairs, except the representatives designated by the Developer of the said condominium who shall be entitled to vote as members the shares of the Developer for the units that the Developer owns.

ARTICLE IV: MEETINGS

Section 1. The annual members meeting shall be held at the principal office of the corporation or at such other place as may be set forth in the notice of said meeting, in Seminole County, Florida. At such meeting, the members shall elect Directors to serve until the next annual meeting of the members, or until their successors shall be duly elected and qualified, and for such other business as may be authorized to be transacted by the members. Provided, however, if said meeting date falls on a legal holiday, the meeting shall be held at the same hour on the next secular day.

The first annual meeting of the members shall be held one (1) year after the recording of the Declaration of Condominium if not a legal holiday, and, if a legal holiday, then on the next secular day following. The holding of the first annual meeting may be accelerated if, in the opinion of the said Developer, it is advisable to hold said meeting.

Written notice of the annual meeting shall be personally served upon or mailed mail to each member entitled to vote at such address as appears on the books of the Association, at least fourteen (14) days prior to the meeting. A notice of such meeting shall be posted at a conspicuous place on the condominium property at least fourteen (14) days prior to the meeting. Unless a member waives in writing the right to receive notice of the annual meeting by mail, the notice shall be sent by mail, and the post office certificate of mailing shall be retained as proof of such mailing.

Section 2. Special meetings of the members may be held at the same place as the annual meeting, or such other place in Seminole County, Florida, as may be set forth in the notice of said meeting. Such special meeting may be called at any time by the President, or, in his absence, the Vice President, or by a majority of the Board of Directors of the Association; and such meeting must be called by such persons, upon receipt of a written request from members entitled to cast thirty-three percent (33%) or more of the vote of the entire membership. A special meeting must be called when a budget adopted by the Board of Directors requires assessments against unit owners in any fiscal or calendar year exceeding one hundred fifteen percent (115%) of the assessments for the preceding year and ten percent (10%) of the unit owners submit a written application to be Board, whereupon the Board shall call a special meeting of the unit owners within thirty (30) days, upon not less than ten (10) days written notice to each unit owner. At such special meeting, unit owners shall consider and enact a budget.

Written notice of a special meeting of members stating the time, place and object thereof shall be served upon or mailed to each member entitled to vote thereon at such address as appears on the books as the Association at least five (5) days before such meeting. A notice of such meeting shall be posted at a conspicuous place on the Condominium property at least five (5) days prior to the meeting.

Section 3. Notice of the time and place of all annual and special meetings shall be mailed by the President or Vice President or Secretary to each member unless waived in writing by the

member. A certificate of the officer mailing said notice shall be prima facie proof that said notice was given. Notice of a meeting may be waived before or after meetings.

Section 4. The President, or, in his absence, the Vice President, shall preside at all annual or special meetings of the members, or a third person may serve in capacity of temporary Chairman, if consented to by a majority of the members present in person at the meeting.

Section 5. A quorum for members meetings shall consist of persons present in person, or by proxy entitled to cast more than fifty percent (50%) of the vote of the entire membership. In the event that a quorum is not present, the members present at any meeting, though less than a quorum, may adjourn the meeting to a future date. A quorum once established at a meeting cannot be destroyed by the withdrawal of members present in person or by proxy. The acts approved by a majority vote of the members voting in person or by proxy, at which a quorum is present, shall constitute the acts of the members, except where approval by a greater percentage vote of the members is required by the Declaration of Condominium, the Articles, these Bylaws, or the said Condominium Act.

The signing of approval by any member of a copy of the minutes shall constitute the presence of such member for the purpose of validating all of the actions taken at said meeting.

Section 6. Votes may be cast in person of by proxy. All proxies shall be in writing and shall be filed with the Association prior to the particular meeting designated therein, or any adjournment thereof, and entered of record in the minutes of the meeting. No proxy shall be valid unless the same is executed by the person holding a voting certificate for the particular unit, as specified in Section 3 of Articles III; or unless said person is the sole owner of the unit, pursuant to the record title furnished to the Association, as provided in Section I of Article III. Proxies shall be valid only for the particular meeting designated therein.

Section 7. Annual or special meetings of the members may be held at any time or place in Seminole County, Florida, without notice, with the written consent of members entitled to cast a majority percentage of the vote of the membership. Waiver of notice of annual meetings by members shall be as provided in Section 1 of this Article.

Section 8. If any meeting of members cannot be organized because a quorum has not attended or furnished proxies, the members present in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

Section 9. The order of business at all meetings of the members, where applicable and where no other agenda has been approved by the presiding officer, shall be as follows:

(a) Election of Chairman of the meeting, if necessary;

(b) Calling the roll and certifying proxies;

(c) Proof of notice of meeting or waiver of notice;

(d) Reading and disposal of any unapproved meeting;

(e) Reports of officers;

(f) Reports of committees;

(g) Election of directors;

(h) Unfinished business;

(i) New business.

Section 10. The Association proceedings shall be conducted in accordance with Roberts Rules of Order when not otherwise in conflict with the Articles and Bylaws of this corporation, or with Statutes of Florida, or the Declaration of Condominium.

Section 11. Any action required by law, these bylaws, the Articles of Incorporation or the Declaration of Condominium to be taken at an annual or special meeting of members, or any action which may be taken at an annual or special meeting of the members, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken or to be taken, shall be signed by the members 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 shares 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 members who have not consented in writing. The notice shall fairly summarize the material features of the authorized action.

ARTICLE V: DIRECTORS

Section 1. The business and affairs of the Association shall be managed by a Board of Directors who shall be elected by the members. Said Board of Directors shall consist of not less than three (3) persons nor more than nine (9) persons. The number of Directors shall initially be three (3). The number of Directors may be increased or decreased by an Amendment to these Bylaws, such amendment to be adopted in the manner as provided in these Bylaws. During such period as the Developer shall be in control of the Association, the number of directors shall be three (3).

Section 2. The Developer shall have the right to elect a majority of the members of the Board of Directors of the Association until three (3) years after fifty percent (50%) of the maximum number of units that will be operated ultimately by the Association have been conveyed to purchasers; or three (3) months after ninety percent (90%) of the maximum number of units that will be operated ultimately by the Association have been conveyed to purchasers; or when all the units that will be operated ultimately by the Association have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the Developer in the ordinary course of business; or when some of the units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business, whichever occurs first. The Developer is entitled to elect at least one (1) member of the Board of Directors of the Association as long as Developer holds for sale in the ordinary course of business at least five percent (5%) of the units in a condominium operated by the Association. The Developer may relinquish any of such rights sooner than provided herein by written instrument. When fifteen percent (15%) of the unit owners have taken fee title, the Association members shall be entitled to request a special meeting to elect not less than one-third (1/3) of the members of the Board of Directors.

Developer shall be entitled to elect and appoint all members of the Board of Directors which are not elected by Unit Owners other than the Developer. Because this Condominium is a phase condominium, the right of the Developer to elect members of the Board of Directors shall be based upon the total of all voting interests of the maximum number of condominium units which may be included in the Condominium, or such lesser number of units as may have been actually submitted to the Condominium as of seven (7)

years from the date the original Declaration of Condominium is recorded, which is the final date by which the remaining phases may be submitted to Condominium.

Terms of directors shall be for one (1) year, and shall extend until the next annual meeting of the members and thereafter until a successor is duly elected and qualified, or until the Director is removed in the manner elsewhere provided. The owners of each unit, or the person entitled to vote for each unit as set forth in Article III, Section 3, shall be entitled to vote their percentage vote for each Director to be elected. Any nominee declared elected must receive a plurality of votes. Directors elected by the Developer shall have the right to serve until the next annual meeting, and until their successors have been duly elected and qualified, even though the term set forth above is reached during the year prior to the holding of an annual meeting. This shall not modify the voting rights of the Developer, as to any unsold units.

It shall not be necessary for a member of the Board of Directors to be the owner of any individual unit, if elected by the Developer, as provided above. It shall be necessary, however, for any other member of the Board of Directors to also be the owner of a unit, or an officer of the corporation owning a unit, or the trustee of a trust owning a unit. Except for the Directors elected or appointed by the Developer, a Director may be removed with or without cause or for the failure to be either the owner of a unit, have an interest therein, or in the event of corporate ownership, failure to be an officer or designated agent thereof. The removal of a Director pursuant to this paragraph may be subject to the right of the Developer to elect Directors as provided in this Section, or by the vote or agreement in writing by a majority of all unit owners. A special meeting of the unit owners (members) to recall a director or directors may be called by ten percent (10%) of the unit owners giving notice of the meeting as required for a meeting of unit owners, and the notice shall state the purpose of the meeting.

Section 3. Prior to the holding of the first annual meeting of the members, the Directors named in the Articles shall so serve, and if any so named resign or for any reason cannot serve, the Developer may name any person to fill the said vacancy, and such Directors may be removed from office at any time, for any reason, by the Developer.

The Directors of the Board shall be elected at the annual meeting of the members of the Condominium Association by the Developer (if applicable) and by the members, and they shall hold office for a one (1) year term or until their successors are duly elected.

After the Developer ceases to elect the majority of the Board of Directors, as provided above, at the first annual meeting of the members next occurring, as specified in these Bylaws, the Directors shall be elected by the members, and by the Developer where applicable, at such annual meeting, and said Directors shall serve for the periods provided therein, or until they are removed from office as provided herein.

Section 4. In the event of a vacancy occurring in the Board of Directors, the remaining Directors shall elect one of the members to serve as a Director for the unexpired term of the former Director. However, if the vacancy is brought about by resignation or removal of a Director who was designated by the Developer, then in that event the Developer shall have the right to fill the vacancy at its discretion, and the person so appointed shall serve for the unexpired portion of the term of the former Director.

Section 5. After the first annual meeting of the members, a Director may be removed from office, with or without cause, by the affirmative vote of a majority of all unit owners, at any regular or special meeting, provided, however that no Director elected by the Developer shall be removed without its written consent, so long as it has the right to elect Directors, or the Director in question, but the Developer may remove any of its designated or elected Directors and fill any vacancy in any directorship previously filled by a person designated and selected by it, by designating such intent by its written instrument delivered to any officer of the Association.

Section 6. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order to legally constitute such meeting, provided a majority of the whole Board shall be present.

Section 7. Regular meetings of the Board of Directors shall be held at such time and place as shall be determined from time to time by a majority of the Directors. Notice of such regular meetings of the Board shall be given to each Director personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting, or may be held without prior notice if all Directors waive notice in writing before the meeting, or ratify the action taken at the meeting by written approval signed after the meeting is held.

The Directors may eStablish a schedule of regular meetings to be held in the offices of the Association and no further notice of the regular meetings shall be required to be sent to said Directors once a schedule has been adopted. Notice of meetings shall be posted conspicuously on the condominium property at least forty-eight (48) hours in advance except in an emergency.

Section 8. Special meetings of the Board of Directors may be called by the President on three (3) days notice to each Director, given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting (as hereinbefore provided). Special meetings of the Board of Directors shall be called by the President or Secretary, in like manner and on like notice on the written request of at least three (3) Directors. Notice of special meetings shall be posted conspicuously on the condominium property at least forty-eight (48) hours in advance, except in an emergency.

Section 9. Before or after any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting, and such waiver shall be deemed equivalent to the giving of such 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 10. 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 a meeting 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 any such adjourned meeting, any business which might have been transacted at the meeting originally called, may be transacted without further notice. The President of the Association shall act as Chairman of the Board of Directors and he shall be entitled to vote as a member of the Board of Directors on all questions arising before the Board of Directors.

Section 11. The Board of Directors shall have all of the powers vested in it under common law, and pursuant to the Florida Condominium Act, as amended from time to time, together with any powers granted to it pursuant to the terms of the Articles of Incorporation, the condominium documents, subject only to such approval of the owners of units or the Developer, as may be required by these Bylaws, the Articles of the Association, and the condominium documents.

Such powers shall include, but shall not be limited to:

(a) Management and operation of the condominium;

(b) Making and collecting assessments from members for the purpose of operating and managing the condominium, paying all costs and expenses, and paying rentals and other charges pertaining to any recreational leased lands;

(c) Maintenance, repair and replacement of condominium property; and using proceeds of assessments in the exercise of its powers and duties.

(d) Reconstruction of improvements after any casualty, and the further improvement of the condominium property and any recreational leased property;

(e) Hiring and dismissing any necessary personnel required to maintain and operate the condominium, which may include the retaining of and payment of reasonable compensation to independent contractors, such as accountants, attorneys and brokers to accomplish and carry out its powers and duties.

(f) Making and amending from time to time the regulations respecting use of the condominium property;

(g) The approving or disapproving of proposed purchasers, lessees and mortgagees of units, in the manner provided in the Declaration of Condominium and the Rules and Regulations adopted by the Board of Directors, pursuant thereto.

(h) The carrying and paying of premiums for such insurance as may be required for the protection of the owners of condominium units and the Association against any casualty or any liability to third persons, and the paying of all power, water, sewer and other utility services rendered to the condominium, not billed to the unit owners.

(i) The employment of or contracting for the management and maintenance of the Condominium and to authorize a management agent to assist the Association in carrying out its powers and duties by performing such functions as the collection of assessments, preparation of records, enforcement of rules, and maintenance of the common elements. The Association shall, however, retain at all times the powers and duties granted them by the Condominium Act, including, but not limited to, the making of assessments, promulgation of rules, and execution of contracts on behalf of the Association.

(j) The enforcing by legal means of the provisions of the condominium documents, the Articles of Incorporation, the Bylaws of the corporation and the regulations for the use of the property in the condominium.

(k) The paying of any taxes or special assessments against any condominium unit where the same are in default, and to assess same against the said unit, subject to said taxes and liens.

(l) The paying of any taxes or special assessments on any condominium unit acquired by the Association through the

enforcement of any lien held by the Association against said unit, or otherwise acquired.

(m) The executing of any recreational lease which is to be utilized for recreational purposes for the owners of the units in this condominium and to pay the rentals and other charges called for in the said recreational lease.

(n) The acquiring of the title by foreclosure or by deed of conveyance to any condominium unit provided that the title to the said unit and all appurtenances shall be held in trust for the use and benefit of all the owners of the units in this condominium.

ARTICLE VI: OFFICERS

Section 1. The officers of the Association shall be a President, Vice President, a Secretary and Treasurer, all of whom shall be elected annually by the Board of Directors, and who may be peremptorily removed from office by vote of the Directors at any meeting. The President and Vice President must be Directors. After the Developer no longer has the power to elect or appoint a majority of the Board, the Secretary and Treasurer must be members of the Association.

The Directors may appoint an Assistant Treasurer and Assistant Secretary and such other officers as in their judgment may be necessary. The office of the Secretary and Treasurer may be filled by the same person. The Board of Directors may from time to time elect such other officers and designate their duties and powers, as the Board determines to be necessary to manage the affairs of the Association.

Section 2. The officers of the Association shall be elected annually by the Board at at the annual meeting of each new Board, or until their successors are duly elected and qualified, except that upon the affirmative vote of a majority of the Directors, any officer may be removed, with or without cause, and a successor appointed.

Section 3. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of President of a corporation, including, but not limited to the power of appointing committees from among the members, from time to time, as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

Section 4. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to so act on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

Section 5. The Secretary shall issue notice of all Directors and members meetings and shall attend and keep the minutes of the same, shall have charge of all Association books, records and papers, shall be custodian of the corporate seal, shall attest with his signature and impress with the corporate seal all contracts or other documents required to be signed on behalf of the Association, and shall perform all such other duties as are incident to his office. The duties of the Assistant Secretary shall be the same as those of the Secretary in the absence of the Secretary.

Section 6. The Treasurer shall have the responsibility for Association funds and securities, and shall be responsible for

keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall keep the books of the Association in accordance with good accounting practices and he shall perform all other duties incident to the office of Treasurer. The duties of the Assistant Treasurer shall be the same as those of the Treasurer in the absence of the Treasurer.

Section 7. Any vacancy in the office of the President, Vice President, Treasurer, Assistant Treasurer, Secretary or Assistant Secretary, or any other officer or employee for any reason whatsoever, may be filled by the Board of Directors at any regular or special meeting which may elect a successor to the vacant office who shall hold office for the balance of the unexpired term.

Section 8. The compensation of all officers and employees of the Association shall be fixed by the Directors. This provision shall not preclude the Board of Directors from employing a Director or managing agent or other entity, nor preclude the Board from contracting with a Director, management agent or other entity for the management of the condominium.

ARTICLE VII: FINANCE

Section 1. The funds of the Association shall be deposited in a bank in Seminole County, Florida, and shall be withdrawn only upon the check or order of such officers, employees, or agents as are designated by Resolution by the Board of Directors from time to time.

Section 2. For accounting purposes the Association shall operate upon the calendar year beginning the 1st day of January and ending the 31st day of December each year unless otherwise determined by the Board of Directors.

Section 3. The Board of Directors of the Association shall maintain a set of books of accounts for the Association which shall show all the receipts and expenditures of the Association, the cost of which shall be considered as common expenses, which shall include the accounts and reserves set forth in the Declaration of Condominium and the following:

(a) An individual account shall be kept for each unit in the condominium which shall designate the name and address of the owner or owners, the amount of each assessment against the unit, the dates and amounts in which the assessments become due, the amounts paid upon the account and the balance upon the assessments.

(b) A current expense fund shall be maintained which shall include all receipts and expenditures to be made within the year for which the budget is made including a reasonable allowance for contingencies and working funds, but not item "c", as described hereafter. The balance of this fund at the end of each year may be applied to reduce the assessments for the succeeding year, or may be transferred to the Capital Reserve Account provided for in item "c" hereafter.

(c) Reserves for deferred maintenance, replacement or capital expenditures shall be maintained which shall include funds for maintenance items that occur less frequently than annually, repairs or replacements required because of damage, depreciation or obsolescence, or which may be used for capital expenditures for improvements or personal property that will be a part of the common property and/or for the lease or purchase of a condominium unit or parking spaces which are held by the Association until leased or sold in the sole discretion of the Directors. Funds reserved for deferred maintenance and capital expenditures shall be used for the purposes for which they are reserved unless their use for other purposes is approved by a majority of the members of the Association at a duly called meeting of the Association.

Section 4. The Board of Directors shall adopt a budget for each calendar year that shall include the estimated funds required to defray the common expenses and to provide and maintain funds for the foregoing accounts and reserves according to good accounting practices, which shall include the following specific accounts:

(a) Current Expense. The amount to be budgeted by the Board of Directors for current expenses shall not exceed one hundred fifteen percent (115%) of the budget for this account for the prior year.

(b) Reserves for deferred maintenance, replacement or capital expenditures. The amount adopted in the budget by the Board of Directors for deferred maintenance, replacement or capital expenditures which shall include, but not be limited to, roof replacement, building painting and pavement resurfacing, or for additional improvements or additional personal property that will be a part of the common elements, shall be computed by means of a formula which is based upon estimated life and estimated replacement costs for each reserve item. The amounts determined by the above formula shall not apply to a particular budget for which the members of this Association have by a vote of the majority of the members present at a duly called meeting of the Association shall have determined for a fiscal year to provide no reserves or reserves less adequate than required by this provision..

(c) The amount for each budgeted item may be increased over the foregoing limitations when approved by the unit owners entitled to cast not less than sixty-six percent (66%) of the vote at a duly called meeting of the Association. Nothing contained herein shall be construed as restricting the right of the Board of Directors at any time in their sole discretion to levy any additional assessment in the event that the budget originally adopted shall appear to be insufficient to pay costs and expenses of operation and management or in the event of emergencies. Special assessments shall not exceed the sum of One Hundred Dollars ($100.00) per year, per unit, unless the same has been approved by at least sixty-six percent (66%) of the vote at a duly called meeting of the Association, except that such $100.00 limitation shall not apply to reserves required by the Condominium Act nor to any assessments levied in connection with the reconstruction or repair for damage under the provisions of the Declaration of Condominium.

(d) Copies of the budget and proposed assessment shall be mailed or furnished to each member not less than thirty (30) days prior to the meeting at which the budget will be considered. If the budget is amended subsequently, a copy of the amended budget shall be furnished to each member.

Section 5. The Board of Directors shall require that a fidelity bond be obtained from all officers and employees of the Association handling or responsible for the Association funds. The amount of such bond shall be determined by the Board of Directors and shall at least equal the sum of three (3) month's assessments on all units, plus the Association reserve funds, and should cover the maximum funds in the custody of the Association. The bonds shall provide for at least ten (10) days' written notice to the Association before the bond may be cancelled, and such notice shall also be given to each FNMA servicer or lender, if applicable. The premiums on such bond shall be paid by the Association as an item or general expense.

Section 6. All assessments paid by members of the Association for the maintenance and operation of the condominium shall be utilized by the Association for the purposes of said assessments. Any excess monies received from said assessments paid by any member shall be held by the Association for the use and bene-

fit of the members. Any surplus held by the Association after the payment of expenses for maintaining and operating the limited and general common property and carrying out all of the Association's other obligations, shall be considered as general surplus and held for the benefit of all members.

Section 7. The assessments shall be collected in the manner provided for in the Declaration of Condominium.

Section 8. Every Owner and occupant shall comply with any and all rules and regulations which from time to time may be adopted, and the provisions of the Declaration, Bylaws and Articles of Incorporation of the Association, as amended from time to time. Failure of an Owner or occupant to so comply shall be grounds for action which may include, without limitation, an action to recover sums due for damages, injunctive relief, or any combination thereof. In addition to all other remedies, in the sole discretion of the Board of Directors of the Association, a fine or fines may be imposed upon an Owner for failure of an Owner, his family, guests, invitees, lessees or employees, to comply with any covenant, restriction, rule or regulation in the Declaration, Articles of Incorporation, Bylaws, or Rules and Regulations, provided the following procedures are adhered to:

(a) Notices: The Association shall notify the Owner or occupant of the infraction or infractions. Included in the notice shall be a date and time of the next Board of Directors meeting at which time the Owner or occupant shall present reasons why penalties should not be imposed.

(b) Hearing: The non-compliance shall be presented to the Board of Directors after which the Board of Directors shall hear reasons why penalties should not be imposed. A written decision of the Board of Directors shall be submitted to the Owner or occupant by not later than twenty-one (21) days after the Board of Directors' meeting.

(c) Penalties: The Board of Directors may impose fines not to exceed Fifty Dollars ($50.00) per violation or non-compliance.

(d) Payment of Penalties: Fines shall be paid not later than thirty (30) days after notice of the imposition or assessment of the penalties.

(e) Application of Penalties: All monies received from fines shall be allocated as directed by the Board of Directors.

(f) Non-Exclusive Remedy: These fines shall not be construed to be exclusive and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; however, any penalty paid by the offending Owner or occupant shall be deducted from or offset against any damages which the Association may otherwise be entitled to recover by law from such Owner or occupant.

ARTICLE VIII: AMENDMENTS

Section 1. The Articles of Incorporation may be amended as provided in the Articles.

Section 2. The Bylaws may be amended by the members at any regular, special or annual meeting of the members at which a quorum is present, called for such purpose, or in the case of an annual meeting, provided notice of the proposed changes have been furnished in writing to all members of persons entitled to vote thereon, at least thirty (30) days prior to said meeting. Such amendment shall be effective when approved by at least sixty-six percent (66%) of the voting interests to which the unit owners

present and voting shall be entitled; provided further that as long as the developer has the power to elect a majority of the Board of Directors, no amendment shall be effective without its written approval.

Section 3. The Declaration of Condominium may be amended in accordance with the provisions of the Declaration of Condominium.

Section 4. Any amendment to the Bylaws shall be valid when set forth in or annexed to an Amendment to Declaration recorded with the Clerk of the Circuit Court in Seminole County, Florida.

Section 5. Prior to the first annual meeting of the members of this condominium, the developer shall have the right to make changes in the Bylaws and Articles.

The foregoing were duly adopted as the Bylaws of OAK HARBOUR, SECTION FOUR, CONDOMINIUM ASSOCIATION, INC., being a corporation not for profit under the laws of the State of Florida, at the first meeting of the Board of Directors on the 19th day of October, 1987.

ATTEST:

, Secretary

By: , President

[CORPORATE SEAL]

r:bylawoak

EXHIBIT "D"

PHASE 1

Commence at the Southeast corner of the North 1/2 of the Northeast 1/4 of the Northwest 1/4 of Section 24, Township 21 South, Range 29 East, Seminole County, Florida, also being the Northeast corner of Lot 5, Block H of Oakland Estates, 2nd Section as recorded in Plat Book 14, Pages 48 and 49 of the Public Records of Seminole County, Florida; thence South 390.00 feet, along the West line of the Northwest 1/4 of the Northeast 1/4 of said Sectin 24 and the East line of said Oakland Estates, 2nd Section to a point on the Northwest corner of Lot 16, Block "A" of Oakland Estates 1st Section as recorded in Plat Book 14, Pages 19 and 20 of the Public Records of Seminole County, Florida; thence leaving aforesaid line run along the Northerly boundary line of said Oakland Estates 1st Section S. 87°39'20" E. 401.19 feet for the POINT OF BEGINNING; thence leaving said Northerly boundary line run N. 04°13'16" E. 241.61 feet to a point on the Southerly line of an ingress/egress easement as recorded in O.R. Book 1359, Pages 718 through 720 of the Public Records of Seminole County, Florida; thence along said Southerly line through the following courses and distances: Thence N. 84°04'58" E. 17.01 feet to a point of curvature of a curve concave Southwesterly and having a radius of 545.00 feet; thence Easterly 207.96 feet along the arc of said curve through a central angle of 21°51'45" to a point; thence S. 74°03'17" E. 52.32 feet; thence leaving said Southerly line run S. 01°56'53" W. 222.00 feet to a point on the aforesaid Northerly boundary line of Oakland Estates 1st Section; thence along the Northerly boundary line of said Oakland Estates 1st Section N. 87°39'20" W. 283.61 feet to the POINT OF BEGINNING.

Containing therein 1.5507 acres.

PHASE 2

Commence at the Southeast corner of the North 1/2 of the Northeast 1/4 of the Northwest 1/4 of Section 24, Township 21 South, Range 29 East, Seminole County, Florida, also being the Northeast corner of Lot 5, Block H of Oakland Estates, 2nd Section as recorded in Plat Book 14, Pages 48 and 49 of the Public Records of Seminole County, Florida; thence South 390.00 feet, along the West line of the Northwest 1/4 of the Northeast 1/4 of said Section 24 and the East line of said Oakland Estates, 2nd Section to a point on the Northwest corner of Lot 16, Block "A" of Oakland Estates 1st Section as recorded in Plat Book 14, Pages 19 and 20 of the Public Records of Seminole County, Florida; thence leaving said West line run S.87°39'20"E. 684.80 feet along the Northerly boundary line of Oakland Estates 1st Section for the POINT OF BEGINNING; thence leaving said Northerly boundary line run N.01°56'53"E. 222.00 feet to a point on the Southerly line of an ingress/egress easement as recorded in O.R. Book 1359, Pages 718 through 720 of the Public Records of Seminole County, Florida; thence along said Southerly line through the following courses and distances; thence S.74°03'17"E. 69.68 to the point of curvature of a curve concave Northwesterly and having a radius of 113.84 feet; thence Easterly 101.36 feet along the arc of said curve through a central angle of 51°00'43" to the point of a reverse curve concave Southeasterly and having a radius of 163.95 feet; thence Northeasterly 119.67 feet along the arc of said curve through a central angle of 41°49'16" to a point on said curve; thence leaving said Southerly line from a tangent bearing of S.83°14'38"E. run S.02°20'40"W. 87.56 feet; thence S.05°32'27"E. 80.76 feet; thence S.02°20'40"W. 91.50 feet to a point on the aforesaid Northerly boundary line of Oakland Estates 1st Section; thence along said Northerly boundary line run N.87°39'20"W. 285.41 feet to the POINT OF BEGINNING.

Containing therein 1.4642 acres.

PHASE 3

Commence at the Southeast corner of the North 1/2 of the Northeast 1/4 of the Northwest 1/4 of Section 24, Township 21 South, Range 29 East, Seminole County, Florida, also being the Northeast corner of Lot 5, Block H of Oakland Estates, 2nd Section as recorded in Plat Book 14, Pages 48 and 49 of the Public Records of Seminole County, Florida; thence South 390.00 feet, along the West line of the Northwest 1/4 of the Northeast 1/4 of said Section 24 and the East line of said Oakland Estates, 2nd Section to a point on the Northwest corner of Lot 16, Block "A" of Oakland Estates 1st Section as recorded in Plat Book 14, Pages 19 and 20 of the Public Records of Seminole County, Florida; thence leaving aforesaid line run S.87°39'20"E. 970.21 feet along said Northerly boundary line of Oakland Estates 1st Section for the POINT OF BEGINNING; thence leaving said Northerly boundary line run N.02°20'40"E. 91.50 feet; thence N.05°32'27"W. 80.76 feet; thence N.02°20'40"E. 87.56 feet to a point on a curve concave Southwesterly and having a radius of 163.95 feet and said point being on the Southerly line of an ingress/egress easement as recorded in O.R. Book 1359, Pages 718 through 720 of the Public Records of Seminole County, Florida; thence along said Southerly line through the following courses and distances: Thence from a tangent bearing of S.83°14'38"E. run Southeasterly 91.92 feet along the arc of said curve through a central angle of 32°07'20" to the point of tangency; thence S.51°07'18"E. 21.26 feet to the point of curvature of a curve concave Northeasterly and having a radius of 143.44 feet; thence Southeasterly 97.26 feet along the arc of said curve through a central angle of 38°50'57" to the point of tangency; thence S.89°58'15"E. 80.00 feet to a point on the Westerly right of way line of Maitland Avenue (County Road 427); thence leaving said Southerly easement line run S.00°01'45"W. 190.00 feet along said Westerly right of way line to a point on the Northeast corner of Lot 1 Block "A" of aforesaid Oakland Estates 1st Section; thence along the Northerly boundary line of said Oakland Estates 1st Section run N.87°39'20"W. 269.79 feet to the POINT OF BEGINNING.

Containing therein 1.3068 acres.

PHASE 4

Commence at the Northwest corner of the Northeast 1/4 of Section 24, Township 21 South, Range 29 East, Seminole County, Florida; thence N. 89°56'00" E. 1237.65 feet along the North line of said Northeast 1/4 and also being the South line of Lake Orienta Hills Unit 2 as recorded in Plat Book 14, Page 77 and also Lake Orienta Hills Unit 1 as recorded in Plat Book 14, Page 71 of the Public Records of Seminole County, Florida to a point on the Westerly right of way line of Maitland Avenue (County Road 427); thence S. 00°05'45" E. 650.45 along said Westerly right of way line of Maitland Avenue for the Point of Beginning; thence continue S. 00°05'45" E. 146.92 feet; thence leaving said right of way line run along the Northerly line of an ingress/egress easement as recorded in O.R. Book 1359, Pages 718 through 720 of the Public Records of Seminole County, Florida the following courses and distances: S. 89°54'15" W. 50.00 feet to the point of curvature of a curve concave to the Northeast and having a radius of 113.25 feet; thence run Northwesterly 76.07 feet along the arc of said curve through a central angle of 38°29'00" to the point of tangency; thence run N. 51°36'45" W. 40.46 feet to the point of curvature of a curve concave to the Southwest and having a radius of 179.13 feet; thence run Northwesterly and Southwesterly 227.68 feet along the arc of said curve through a central angle of 72°49'30" to the point tangency; thence run S. 55°33'45" W. 48.93 feet to the point of curvature of a curve concave to the Northwest and having a radius of 161.33 feet; thence run Southwesterly 120.40 feet along the arc of said curve through a central angle of 42°45'38"; thence leaving said curve and said Northerly line of said ingress/egress easement from a tangent bearing of N.81°40'38"W. run N. 00°12'45" E. 142.56 feet; thence run N. 89°48'22" E. 518.93 feet to the Point of Beginning.
Containing therein 1.2645 acres.

PHASE 5

Commence at the Northwest corner of the Northeast 1/4 of Section 24, Township 21 South, Range 29 East, Seminole County, Florida; thence N.89°56'00"E. 741.45 feet along the North line of said Northeast 1/4 and also being the South line of Lake Orienta Hills Unit 2 as recorded in Plat Book 14, Page 77 and also Lake Orienta Hills Unit 1 as recorded in Plat Book 14, Page 71 of the Public Records of Seminole County, Florida for a POINT OF BEGINNING; thence continue N.89°56'00"E. 241.75 feet along the above aforementioned line; thence leaving said North line of the Northeast 1/4 run S.00°04'00"E. 140.00 feet; thence 84.40 feet; thence S.08°52'35"W. 150.72 feet to a point on a curve concave Southwesterly having a radius of 230.00 feet and a central angle of 06°17'14" and said point also being on the Northerly line of a private ingress/egress roadway easement as recorded in the O.R. Book 1565, Page 340 and O.R. Book 1359, Page 718 through 720 of the Public Records of Seminole County, Florida; thence from a tangent bearing of N.80°51'01"W. run Northwesterly along the arc of said curve 25.24 feet to the point of tangency; thence continue along said easement line N.87°08'15"W. 108.98 feet; thence leaving said Northerly line run N.00°04'00"W. 280.65 feet to the POINT OF BEGINNING.

Containing therein 1.2602 acres.

PHASE 6

Commence at the Northwest corner of the Northeast 1/4 of Section 24, Township 21 South, Range 29 East, Seminole County, Florida; thence N.89°56'00" E. 983.20 feet along the North line of said Northeast 1/4 and also being the South line of Lake Orienta Hills Unit 2 as recorded in Plat Book 14, Page 77 and also Lake Orienta Hills Unit 1 as recorded in Plat Book 14, Page 71 of the Public Records of Seminole County, Florida for a POINT OF BEGINNING; thence continue N.89°56'00"E. 254.45 feet along the North line of said Northeast 1/4 of said South line of Lake Orienta Hills Unit 1 to the Westerly right of way line of Maitland Avenue (County Road 427); thence S.00°05'45"E. 157.69 feet along said Westerly right of way line; thence leaving said Westerly right of way line run S.89°54'15"W. 120.00 feet; thence S.00°05'45"E. 164.44 feet; thence S.19°14'15"W. 119.32 feet to a point on a curve concave Northeasterly and having a radius of 161.81 feet and said point being on the Northerly line of a private ingress/egress roadway easement as recorded in O.R. Book 1565, Page 340 of the Public Records of Seminole County, Florida; thence from a tangent bearing of N.58°14'38"W. run Northwesterly 68.53 feet along the arc of said curve through a central angle of 24°15'53" to the point of a reverse curve concave Southwesterly and having a radius of 230.00 feet; thence run Northwesterly 188.15 feet along the arc of said curve and private ingress egress easement through a central angle of 46°52'16" to a point on said curve; thence leaving said easement line from a tangent bearing of N.80°51'01"W. run N.08°52'35"E. 150.72 feet; thence N.89°56'00"E. 84.40 feet; thence N.00°04'00"W. 140.00 feet to the POINT OF BEGINNING.

Containing therein 1.9985 acres.

PHASE 7

Commence at the Northwest corner of the Northeast 1/4 of Section 24, Township 21 South, Range 29 East, Seminole County, Florida; thence N. 89°56'00" E. 1,237.65 feet along the North line of said Northeast 1/4 and also being the South line of Lake Orienta Hills Unit 2 as recorded in Plat Book 14, Page 77 and also Lake Orienta Hills Unit 1 as recorded in Plat Book 14, Page 71 of the Public Records of Seminole County, Florida to the Westerly right of way line of Maitland Avenue (County Road 427); thence S.00°05'45"E. 157.69 feet along said Westerly right of way line for a POINT OF BEGINNING; thence continue S.00°05'45"E. 281.40 feet along said Westerly right of way line to a point on the Northeast corner of a proposed private ingress/egress roadway easement thence leaving said Westerly right of way line Maitland Avenue run S.60°09'33"W. 40.31 feet along said proposed ingress/egress easement line to a point on the North line of an ingress/egress easement recorded in O.R. Book 1565, Page 340 of the Public Records of Seminole County, Florida; thence along said ingress/egress easement line through the following courses and distances: Thence S.89°54'15"W. 39.11 feet to the point of curvature of a curve concave Northeasterly and having a radius of 161.81 feet; thence Northwesterly 89.95 feet along the arc of said curve through a central angel of 31°51'07" to a point on said curve; thence leaving said Northerly easement line from a tangent bearing of N.58°14'38"W. run N.19°14'15"E. 119.32 feet; thence N.00°05'45"W. 164.44 feet; thence N.89°54'15"E. 120.00 feet to the POINT OF BEGINNING.

Containing therein 0.880 acres.

EXHIBIT "N"

OAK HARBOUR
PROPERTY OWNERS' MASTER ASSOCIATION, INC.
BYLAWS

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BYLAWS

OF

OAK HARBOUR PROPERTY OWNERS' MASTER ASSOCIATION, INC.
A Corporation Not for Profit Under the
Laws of the State of Florida

1.0 IDENTITY. These are the Bylaws of OAK HARBOUR PROPERTY OWNERS' MASTER ASSOCIATION, INC., called "Association" in these Bylaws, a corporation not for profit under the laws of the State of Florida, the Articles of Incorporation of which were filed in the office of the Secretary of State on _____, 1980.

1.1 Purpose. The Association has been organized for the purposes of:

a. Establishing, maintaining and operating a community organization for the mutual advantages to be derived therefrom.

b. Presenting a unified effort of the members in protecting the value of the property used by the members owning real property in the area known as Oak Harbour, Altamonte Springs, Florida.

c. Assuming financial responsibility for mutually incurred or common expenses which are for the betterment of the Association and its members.

d. Acting as the "Master Association" which shall be responsible for recreation areas, roads, and other property within Oak Harbour which are deeded to this Association, and are available for use by all of the residents of Oak Harbour, including owners of units in Oak Harbour, Sections One and Two, and other sections to be developed later.

In particular, the Association shall be responsible for the maintenance of the recreation areas, roads, and other areas which will be deeded to it by the South Atlantic Financial Corporation or its successors in interest, consisting both of existing areas, as stated in the Settlement Agreement adopted by Oak Harbour Association, Section One, Inc. and Oak Harbour Association, Section Two, Inc. on July 29, 1980, and areas to be developed and deeded over in the future.

1.2 Office. The office of the Association shall be 550 Maitland Avenue, Altamonte Springs, Florida.

1.3 Fiscal Year. The fiscal year of the Association shall be the calendar year or such other fiscal year as shall be adopted by the Board of Directors.

1.4 Corporate Seal. The seal of the corporation shall bear the name of the corporation, the word "Florida" and the words "Corporation Not for Profit", and the year of incorporation, an impression of which is as follows:

2.0 MEMBERSHIP.

2.1 Qualification. Membership in the Association shall consist of the following:

a. South Atlantic Financial Corporation, a Florida corporation, or its successors, so long as it owns real property within Oak Harbour.

b. Every person or entity who is a record owner of a fee or undivided fee interest in any condominium unit located in Oak Harbour, except:

1. Persons or entities holding such interest merely as security for the performance of any obligation.

2. A builder or developer who, in the normal course of business, purchases a parcel of land for the purpose of constructing dwellings upon it for resale, unless such builder or developer occupies or allows occupancy of the dwelling as a residence.

2.2 Appurtenant to Ownership. Membership in the Association shall be appurtenant to, and not separate from, ownership of a condominium unit located in Oak Harbour. Membership in the Association is mandatory for all persons owning condominium units in Oak Harbour both at the time of this incorporation and subsequent hereto.

2.3 Voting Rights. The members of the Association shall have no voting rights which can be exercised directly, except as provided in Section 6.4 hereof. All other questions to be decided by the Association shall be handled by a vote of the Board of Directors.

3.0 BOARD OF DIRECTORS.

3.1 Number. This corporation shall have three (3) directors initially. The number of directors may be increased or decreased from time to time, by the Bylaws, but shall not be less than three (3) nor more than twelve (12).

3.2 Chosen by South Atlantic Financial Corporation. One member of the Board shall be selected and announced at the annual meeting of this Association by South Atlantic Financial Corporation, and any vacancy caused by the removal or withdrawal of such director shall be filled by South Atlantic Financial Corporation. Until the development of Oak Harbour is complete, South Atlantic Financial Corporation shall have a meaningful voice (through its one Director required to be placed on the Board of Directors until the development is complete) on the Board of Directors of this Association and the Board of Directors of this Association shall not take any action which would impair or impede South Atlantic Financial Corporation's development of the lands it owns within Oak Harbour. The remaining Directors shall be selected pursuant to Section 3.3 immediately below.

3.3 Chosen by Condominium Associations. The board of directors of each condominium association, elected pursuant to the sections' respective declarations of condominium, shall select and announce at the annual meeting of this Association its Director (or Directors) to be a member of the Board of Directors of this Association. Each condominium section shall be entitled to select one (1) Director for every sixty (60) units which it contains, with the additional requirement that each section be represented by at least one (1) Director. In other words, sections containing less than one hundred twenty (120) units shall each be represented by one (1) Director, sections containing at least one hundred twenty (120) and less than one hundred eighty (180) units shall be represented by two (2) Directors, and so on.

3.4 Qualifications and Term. Except for the one (1) Director selected by South Atlantic Financial Corporation, each Director must be a member of the board of directors of his respective condominium association, and his term of office as a Director of this Association shall be concurrent with his term as a condominium association director.

3.5 Voting. Each Director shall have one vote on all matters to be decided by the Board of Directors.

The vote required for approval of any capital expenditure in excess of TEN THOUSAND AND NO/100 DOLLARS ($10,000.00) shall be two-thirds (2/3) of all of the members of the Board of Directors.

3.6 Vacancies. If a vacancy (except for the one (1) Director chosen by South Atlantic Financial Corporation) occurs during the year, the board of directors of the condominium association governing the section in which such former Director resided shall fill such vacancy with a person residing in the same section. In the event a member of this Association's Board of Directors is removed from his respective condominium association's board of directors, such removal shall automatically effect his removal from this Board of Directors.

3.7 Organizational Activities. Directors shall take office thirty (30) days following the annual meeting, and shall use such period to prepare a budget for the coming year and hold organizational meetings. In the interim, the existing Board shall govern the operations of the Association.

3.8 Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegraph, at least three (3) days prior to the date named for such meeting. A notice of the meeting shall be

posted conspicuously at Oak Harbour at least forty-eight (48) hours in advance.

3.9 Special Meetings. Special meetings of the Directors may be called by the President and must be called by the Secretary at the written request of One-half (1/2) of the Directors. Not less than three (3) days' notice of the meeting shall be given personally or by mail, telephone, or telegraph, which notice shall state the time, place and purpose of the meeting. A notice of the meeting shall be posted conspicuously at Oak Harbour at least forty-eight (48) hours in advance, except in an emergency. Notice of any meeting where assessments against members are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments. Meetings of the Board shall be open to all members of the Association.

3.10 Waiver of Notice. Any Director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice.

3.11 Quorum. A quorum at Directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except when approval by a greater number of directors is required by the Articles of Incorporation or these Bylaws.

3.12 Adjourned Meetings. 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 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.

3.13 Joinder in Meeting by Approval of Minutes. The joinder of a Director in the action of a meeting by signing and concurring in the minutes of that meeting shall constitute the presence of such Director for the purpose of determining a quorum.

3.14 Presiding Officer. The presiding officer of Directors' meetings shall be the Chairman of the Board if such an officer has been elected, and if none, the President shall preside. In the absence of the presiding officer, the Directors present shall designate one of their number to preside.

3.15 Order of Business. The suggested order of business, which may be changed by the Directors, at Directors' meetings shall be:

a. Calling of roll.
b. Proof of due notice of meeting.
c. Reading and disposal of any unapproved minutes.
d. Reports of officers and committees.
e. Election of officers.
f. Unfinished business.
g. New business.
h. Adjournment.

3.16 Directors' Fees. There shall be no Directors' fees or salaries paid for holding the office of Director.

3.17 Minutes. The minutes of all meetings of the Board shall be kept in a book available for inspection by members of the Association, their authorized representatives, and Directors at any reasonable time, signed as correct by the Chairman and

Secretary. The Association shall retain these minutes for a period of not less than seven (7) years.

4.0 POWERS AND DUTIES OF THE BOARD OF DIRECTORS. The Board of Directors shall have the powers and duties necessary for the administration of the Association, and may do all such acts and things as are not by law, by applicable Declarations of Condominium, or by these Bylaws directed to be exercised and done by other parties. These powers shall specifically include, but shall not be limited to the following:

a. To exercise all powers specifically set forth in these Bylaws and all powers incidental thereto.

b. To make assessments, collect assessments, and use and expend the assessments to carry out the purposes and powers of the Association.

c. To employ, dismiss and control the personnel necessary for the maintenance and operation of the properties under its control, including the right and power to employ attorneys, accountants, contractors and other professionals as the need arises.

d. To make and amend rules and regulations respecting the operation and use of such properties.

e. To contract for the management of such properties and to designate to such contractor all of the power and duties of the Association.

f. To now or hereafter acquire and enter into agreements of every nature, whereby the Association acquires leaseholds, memberships and other possessory or use interests in lands or facilities.

g. To further improve the property, real and personal, and to purchase realty and items of furniture, furnishings, fixtures and equipment.

h. To 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 of the business and affairs of the Association. Such committee shall consist of at least three (3) members of the Association, at least one of whom shall be a Director. 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 the Board when such is specifically required.

i. To purchase any real property upon the approval of two-thirds (2/3) of the members of the Board of Directors.

5.0 OFFICERS.

5.1 Titles. The executive officers of the Association shall be a President, who shall be a Director, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected annually by the Board of Directors and who may be peremptorily removed by a

majority vote of the Directors at any meeting. Any person may hold two or more offices except that the President shall not also be the Secretary or an Assistant Secretary. The Board of Directors from time to time may appoint Assistant Secretaries and Assistant Treasurers, and such other officers as the Board deems necessary and may designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

5.2 President. The President shall be the chief executive officer of the Association. He shall have all the powers and duties usually vested in the office of president of an association. He shall sign all written contracts and 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.

5.3 Vice President. The Vice President, in the absence or disability of the President, shall 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 shall be prescribed by the Directors.

5.4 Secretary. The Secretary shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the giving and serving of all notices to the members and Directors and other notices required by law. He shall have custody of the seal of the Association and affix it to instruments requiring a seal when duly signed. He shall keep the records of the 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 Directors or the President. The Assistant Secretary shall perform the duties of the Secretary when the Secretary is absent.

5.5 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 of the Association.

b. He shall disburse the funds of the Association as may be ordered by the Board of Directors in accordance with these Bylaws, 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, an account of all of his transactions as Treasurer and of the financial conditions 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;

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.

6.0 FISCAL MANAGEMENT. The provisions for fiscal management of the Association set forth in the Articles of Incorporation shall be supplemented by the following provisions:

6.1 Accounts. The receipts and expenditures of the Association shall be credited and charged to accounts which the Association deems appropriate, all of which expenditures shall be expenses of the Association. The accounts shall include all reserves and current expenses, which shall include all expenditures within the year for which the budget is made, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to the reserves, additional improvements or operations. The balances in accounts for current expenses at the end of each year shall be applied to reduce the assessments for the succeeding year after eliminating deficits from prior years, or shall be added to reserve accounts.

6.2 Budget. The Board of Directors shall adopt a budget for each fiscal year that shall include the estimated expenses of the Association, the proposed assessments that are to be collected from members by assessments, and the estimated funds required to defray the Association's expenses and to provide and maintain funds for the foregoing accounts and reserves according to good accounting practices. Included in the budget shall be reserves for deferred maintenance, replacement, and improvements.

6.3 Assessment Procedure. Assessments against the members for their shares of the items of the budget shall be made for the calendar year or fiscal year, as the case may be. Each condominium association shall be notified of the assessments to be made against the members residing in their respective sections, at least ten (10) days prior to the date that the condominium associations finalize their respective budgets. The assessment for this Association shall be included in the assessment made by each condominium association, and not made as a separate additional assessment. In the event the total assessment is later reduced for any reason, such reduction shall not affect the amount to be paid to this Association. The condominium associations are acting as collection agents for the assessments of this Association and shall remit same to this Association promptly upon receipt thereof.

6.4 Special Meeting. In the event a budget adopted by the Board of Directors requires an assessment against the members in any year exceeding one hundred fifteen percent (115%) of the assessment for the preceding year, the Board, upon written application of ten percent (10%) of the members to the Board, shall call a special meeting of the members within thirty (30) days, upon not less than ten (10) days' written notice to each member. At the special meeeting, members shall consider and enact a budget by a majority of members. The Board may propose a budget to the members at a meeting of the members or in writing, and if the budget or proposed budget is approved by the members at the meeting or by a majority of all members in writing, the budget shall be adopted. The voting pursuant to this Secton shall be the only direct voting right vested in the members. In determining whether assessments exceed one hundred fifteen percent (115%) of similar assessments in prior years, any authorized provisions for reasonable reserves for repair or replacement of the condominium property, anticipated expenses by the Association which are not anticipated to be incurred on a regular or annual basis, or assessments for betterments to the condominium property shall be excluded from the computation.

6.5 Underpayments. In the event a member fails to pay all or a portion of his assessment when due, the first monies received by his condominium association shall be deemed to be the portion which is to be remitted to the Association.

6.6 Lien for Unpaid Assessments. The Association shall have a lien on the property of a condominium association which fails to pay its amount required by Section 6.3 and the condominium units of each member of such condominium association together with interest thereon at the highest rate allowed by law, together with a lien on all tangible personal property located within said condominium units. Such lien shall be subordinate to prior bona fide liens of record. Reasonable attorneys' fees incurred by this Association incident to the collection of such assessment or the enforcement of such lien, together with all sums advanced and paid by this Association for taxes and payments on account of superior mortgages, liens or encumbrances which may be required to be advanced by this Association in order to preserve and protect its lien, shall be payable by the member and secured by such lien. The Board of Directors may take such action as it deems necessary to collect assessments by personal action or by enforcing and foreclosing said lien, and may settle and compromise the same, if deemed in its best interests. This Association shall be entitled to bid at any sale held pursuant to a suit to foreclose an assessment lien, and to apply as a cash credit against its bid, all sums due, as provided herein, covered by the lien enforced. In case of such foreclosure, the members of such condominium association shall be required to pay reasonable rental for their units and the plaintiff in such foreclosure shall be entitled to the appointment of a receiver to collect same from the member. Suit to recover a money judgment for unpaid assessments may be maintained without waiving the lien securing the same. Language preserving the right to the above-described lien shall be inserted into the Declarations of Condominium for all condominium sections in Oak Harbour.

6.7 Liability of Institutional Mortgagee. Where the mortgagees of an institutional mortgage of record, or other purchaser of a Unit, obtains title to a Unit as a result of foreclosure of the institutional first mortgage, or where an institutional first mortgage of record accepts a deed to said Unit in lieu of foreclosure, such acquirer of title, its successors and assigns, shall be liable for the share of Common Expenses or assessments by the Association pertaining to such Unit, or chargeable to the former Unit Owner, which became due prior to acquisition of title as a result of the foreclosure or the acceptance of such deed in lieu of foreclosure only to the extent that the share is secured by a claim of lien for assessments that is recorded prior to the recording of the foreclosed mortgage. To the extent it is not so secured, such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses, collectible from all of the Unit Owners, including such acquirer, in their respective shares.

Where the Mortgagee of an institutional mortgage of record obtains title to a Unit as the result of foreclosure of the institutional first mortgage or where an institutional first mortgagee of record accepts a deed to said Unit in lieu of foreclosure, such institution shall also be liable for its share of Common Expenses from the date it obtains title.

For the purposes of this Section 6.7, an institutional mortgagee shall be a bank, savings and loan association, insurance company or union pension fund authorized to do business in the State of Florida, a Real Estate Investment Trust as that entity is defined and qualifies under the Internal Revenue Code and which has filed a Declaration of Trust pursuant to Chapter 609, Florida Statutes, or any agency of the United States government.

6.8 Basis for Assessment. The expenses to be incurred by the Association which are funded by assessments of members are for the benefit of all residents of Oak Harbour, and are to be shared on a pro rata basis irrespective of the particular section in which a member resides. The basis for assessment shall be weighed

and computed in such a manner so that the following ratio will prevail:

a. The 1-bedroom units will be used as the basis of each proration, and the base shall be 1;

b. Studio units shall be 100% of the base;

c. 2-bedroom units shall be 125% of the base;

d. 3-bedroom units shall be 150% of the base;

e. 4-bedroom units shall be 175% of the base.

No assessments shall be made against South Atlantic Financial Corporation.

6.9 Depository. The depository of the Association shall be such bank or banks as shall be designated from time to time by the Directors and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by such persons as are authorized by the Board of Directors. Reserve funds shall be segregated from the rest of the funds held by the Association, and shall not be utilized for current expenses.

6.10 Annual Audit and Financial Report. An audit of the accounts of the Association shall be made annually by a bookkeeper or accountant selected by the Board of Directors, and a copy of the audit report shall be made available to each member not later than four (4) months following the year for which the audit is made.

6.11 Bonds. Fidelity bonds may be required by the Board of Directors for all officers and Directors who control or disburse Association funds. The amount of such bonds shall be determined by the Directors 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. The premiums on such bonds shall be paid by the Association.

6.12 Commingling. All sums collected by the Association from assessments may be commingled in a single fund or divided into more than one fund, as determined by the Board of Directors of the Association.

6.13 Application of Payments. All assessment payments by a member shall be applied as to interest, delinquencies, costs and attorneys' fees, other charges, expenses and advances, the proportionate share of the expenses of the Association as provided herein, and general or special assessments, in such manner and amounts as the Board of Directors determines in its sole discretion.

7.0 PARLIAMENTARY RULES. Robert's Rules of Order (latest edition) shall govern the conduct of Association meetings when not in conflict with the Articles of Incorporation or these Bylaws.

8.0 AMENDMENTS. These Bylaws may be amended in the following manner:

8.1 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.

8.2 Resolution. A resolution adopting a proposed amendment may be proposed by the Board of Directors of the Association. Directors not present in person or by proxy at the meeting consid-