

ARTICLES OF INCORPORATION

OF

VENTURE OUT AT INDIAN RIVER, INC., A CONDOMINIUM
(A Corporation Not for Profit)

We, the undersigned, hereby associate ourselves together for the purpose of becoming incorporated under the laws of the State of Florida as a corporation not for profit, and hereby propose the following Articles of Incorporation:

ARTICLE I.

The name of this corporation shall be VENTURE OUT AT INDIAN RIVER, INC.; A CONDOMINIUM. Its principal office shall be in the City of Atlanta, County of Fulton, State of Georgia.

ARTICLE II.

The purposes for which this corporation is organized are:

(a) To act as an "Association" as that term is defined in the Condominium Act (Chapter 711, Florida Statutes), and to act on behalf of its members collectively as their governing body with respect to the administration, maintenance, repair and replacement of a condominium to be known as VENTURE OUT AT INDIAN RIVER CONDOMINIUM, located in St. Lucie County, Florida, upon the lands described in the attached Annex "A", incorporated herein by reference.

(b) To perform all the duties and functions of an "Association" set forth in the Condominium Act, as now existing or as the law may henceforth provide, except as limited by these Articles and the Declaration of Condominium, and to have all the powers and duties reasonably necessary to operate the condominium, pursuant to the Declaration and as it may be amended from time to time, including but not limited to the following:

(1) To make and collect assessments against members to defray the costs, expenses and losses of the condominium.

(2) To use the proceeds of assessments in the exercise of its powers and duties.

(3) The maintenance, repair, replacement and operation of the condominium property.

(4) The purchase of insurance upon the condominium property and insurance for the protection of the Association and its members as unit owners.

(5) The reconstruction of improvements after casualty and to construct further improvements on the property.

(6) To approve or disapprove the transfer, mortgage, and ownership of units as may be provided by the Declaration of Condominium and the By-Laws.

(7) To enforce by legal means the provisions of the Condominium Act, the Declaration of Condominium, these Articles, the By-Laws of the Association and the rules and regulations for the use of the property in the condominium.

(8) To contract for the management of the condominium and to delegate to the manager all powers and duties of the Association except such as are specifically required by the Declaration of Condominium to have approval of the Board of Directors or the membership of the Association.

(9) To contract for the management or operation of portions of the common elements susceptible to separate management or operation, and to lease such portions.

(10) To employ personnel to perform the services required for proper operation of the condominium.

(c) To exercise all the common law and statutory powers of a corporation not for profit and not in conflict with the terms of these Articles.

ARTICLE III.

The members of this corporation, until the recording of the Declaration submitting the property described therein to condominium ownership, shall be subscribers. From and after that time, the members shall consist of all unit owners of VENTURE OUT AT INDIAN RIVER CONDOMINIUM in accordance with the respective percentages of ownership of the unit owners in the common elements of the property. The respective percentages of

ownership shall be determined in accordance with the provisions of the Declaration. Membership shall not be transferable, except as provided herein or in the Declaration. The membership of each unit owner shall terminate upon the sale, transfer or other disposition of his ownership interest in the property, accomplished in accordance with the provisions of the Declaration, and, thereupon, the membership shall automatically transfer to and be vested in the new owner succeeding to the ownership interest. This corporation may, but shall not be required to, issue certificates or other evidence of membership therein. All members of the corporation shall be subject to all the rules, regulations, constitutions and by-laws hereafter adopted by it, and the provisions of this Declaration.

ARTICLE IV.

This corporation shall have perpetual existence.

ARTICLE V.

The names and residences of the subscribers and incorporators of this corporation are as follows:

<u>NAME</u>	<u>ADDRESS</u>
W. W. Carr	Venture Out in America, Inc. 3445 Peachtree Road, N.E. Atlanta, Georgia 30326
T. N. Miller	Venture Out in America, Inc. 3445 Peachtree Road, N.E. Atlanta, Georgia 30326
David M. Spitzer	Venture Out in America, Inc. 3445 Peachtree Road, N.E. Atlanta, Georgia 30326

ARTICLE VI.

The affairs and business of this corporation shall be conducted by the Board of Directors of the Corporation, and a President, who shall be a Director, one or more Vice Presidents, a Secretary, a Treasurer, and such assistants to those officers as the Board of Directors may deem appropriate.

ARTICLE VII.

The names of the officers who are to serve until the first election are:

<u>NAME</u>	<u>OFFICE</u>
W. W. Carr	President
David M. Spitzer	Vice President
Tracy N. Miller	Vice President & Treasurer
James O. Burchett	Secretary

ARTICLE VIII.

The Board of Directors of the corporation shall consist of not less than three (3) nor more than nine (9) Directors. The first Board of Directors and their respective addresses are as follows:

<u>NAME</u>	<u>ADDRESS</u>
W. W. Carr	Venture Out in America, Inc. 3445 Peachtree Road, N.E. Atlanta, Georgia 30326
David M. Spitzer	Venture Out in America, Inc. 3445 Peachtree Road, N.E. Atlanta, Georgia 30326
Tracy N. Miller	Venture Out in America, Inc. 3445 Peachtree Road, N.E. Atlanta, Georgia 30326

ARTICLE IX.

The By-Laws of the corporation are to be made by the Board of Directors initially, and thereafter may be amended, altered, modified or rescinded by the action or approval of a majority of the unit owners, except the By-Laws affecting the rights or interests of the Developer of the Condominium property shall not be amended or modified without the written consent of the Developer. The manner of altering, modifying, amending or rescinding the By-Laws shall be provided for in the By-Laws.

ARTICLE X.

Amendments to the Articles of Incorporation shall be adopted by a two-thirds (2/3) vote of the Board of Directors at any duly constituted meeting, and proposed by the Board of Directors to the membership. A two-thirds (2/3) vote of all members present entitled to vote at a duly constituted meeting of the membership shall be necessary to amend the Articles of Incorporation. No amendment shall make any change in the qualifications for membership without approval in writing of all members and the joinder of all record owners of mortgages upon the condominium. No amendment shall be made that is in conflict with the Condominium Act of the State of Florida or the Declaration of Condominium.

ARTICLE XI.

(a) Directors shall be elected from among the unit owners. If a unit owner shall be a corporation, partnership, or trust, then an officer, agent, partner or beneficiary of such unit owner may qualify as a Director. If a Director shall cease to be a unit owner, he shall cease to be a Director. Directors shall be elected initially so that the terms of no more than one-third (1/3) of the Directors shall expire in any one year. Directors shall hold office until their successors have been elected and qualified. If the number of directors shall be increased, the terms of such additional directors shall be fixed so that the terms of at least one-third (1/3) of the persons on the Board shall expire annually. Vacancies on the Board of Directors caused by any reason, including the failure of a Director to continue to meet the qualifications for office, shall be filled by election by the members at the next annual meeting or at a special meeting called for such purpose.

(b) Officers of the Association shall be elected at each annual meeting of the Board of Directors and shall hold office at the pleasure of the Board. Any officer may be removed with or without cause at any meeting by the affirmative vote of the majority of the members of the Board of Directors and any vacancy in any office may be filled by the Board at any meeting thereof.

(c) The powers of the corporation shall be subject to and shall be exercised in accordance with the provisions of the Declaration of Condominium, these Articles of Incorporation, and the By-Laws.

BY-LAWS

OF

VENTURE OUT AT INDIAN RIVER, INC., A CONDOMINIUM

ARTICLE 1. IDENTITY

The following By-Laws shall govern the operation of the Condominium known as VENTURE OUT AT INDIAN RIVER, INC., a Condominium, described and named in the Declaration of Condominium, to which these By-Laws are attached; VENTURE OUT AT INDIAN RIVER, INC., a Condominium, being a Florida Corporation not for profit, organized and existing pursuant to Chapter 711, Florida Statutes, 1965, known as the Condominium Act. All of the words used herein shall have the same definitions contained in said Declaration unless the use thereof clearly otherwise requires.

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

Section 2., As used herein, the word "Corporation", shall be the equivalent of the "Association", as defined in the Declaration to which these By-Laws are attached.

ARTICLE 11. MEMBERSHIP AND VOTING PROVISIONS

Section 1. The Corporation shall not issue stock or certificates.

Section 2. Membership in the Corporation shall be limited to Owners of Units, as identified in the Declaration. Transfer of Unit

ownership, whether voluntary or by operation of law shall terminate membership in the Corporation, said membership will become vested in the transferee. If Unit ownership is vested in more than one person, then all of the persons so owning said Unit shall be members eligible to hold office, attend meetings, etc., but as hereinafter indicated, the vote of a Unit shall be cast by the Voting Member. If Unit ownership is vested in a corporation, said corporation may designate an individual officer or employee of the corporation as its Voting Member. Any application for the transfer of membership, or for a conveyance of an interest in, or to encumber or lease a Condominium Parcel, where the approval of the Board is required, by these By-Laws and the Declaration to which they are attached, shall be accompanied by an application fee in an amount to be set by the Board to cover the cost of contacting references given by the applicant, and such other costs of investigation and administration that may be incurred by the Board in connection with such transfer.

Section 3. Voting

(a) Owner(s) of Units shall be entitled to one vote for each Unit owned. The vote of a Unit shall not be divisible. Whenever hereafter "Owners Votes" or Owners' total votes are referred to it shall mean votes of voting members.

ELECTIONS TO BE BY SECRET BALLOT. ELECTION COMMITTEE TO APPROVE METHOD FOR SAME.

(b) A majority of Owners' total votes shall decide any question except as provided otherwise herein or in the Declaration.

Section 4. Quorum. Unless otherwise provided in these By-Laws the presence in person or by proxy of a majority of the Owners' total votes shall constitute a quorum. The term "majority" of Owners' total votes shall mean 51% of the total votes.

Section 5. Proxies. Votes may be cast in person or by proxy. All Proxies shall be in writing and signed by the person entitled to vote (as set forth below in Section 6), and shall be filed with the Secretary prior to the meeting in which they are to be used, and shall be valid only for the particular meeting designated therein. Where a Unit is owned jointly by a husband and wife, and if they have not designated one of them as a voting member, a proxy must be signed by both husband and wife when a third person is designated on such proxy.

Section 6. Designation of Voting Member

If a Unit is owned by one person, his right to vote shall be established by the record title to the Unit. If a Unit is owned by more than one person, the person entitled to cast the vote for the Unit shall be designated in a Certificate signed by all of the record Owners of the Unit and filed with the Secretary. If a Unit is owned by a Corporation, the officer or employee thereof entitled to cast the vote of the Unit for the corporation shall be designated in a Certificate for this purpose, signed by the President or Vice President and attested to by the Secretary or Assistant Secretary of the Corporation, and filed with the Secretary of the Association ("Secretary"). If such a

certificate is not on file with the Secretary for a Unit owned by more than one person or by a Corporation, or if the Association is unable to contact an Owner at his address on the Association records for a period in excess of three months, the vote of the Unit concerned shall not be considered in determining the requirement for a quorum, or for any purpose requiring the approval of a person entitled to cast the vote for the Unit, except if said unit is owned by a husband and wife. Such Certificates shall be valid until revoked, or until superseded by a subsequent Certificate, or until a change in ownership of the Unit concerned. If a Unit is jointly owned by a husband and wife, the following three provisions are applicable thereto:

(a) They may, but they shall not be required to, designate a Voting Member.

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

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

ARTICLE 11-A MEETINGS OF THE MEMBERSHIP

Section 1. Place. All meetings of Corporation membership shall be held at the Condominium Property ("Property"), or at such other place and time as shall be designated by the Board and stated in the Notice of meeting.

Section 2. Notices. It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the time and place thereof to each Owner of record, at least five (5) days, but not more than fifteen (15) days prior to such meeting. Notice of any special meeting shall state the purpose thereof. All notices shall be mailed to or served at the address of the Owner as it appears on the books of the Corporation.

Section 3. Order of Business. The order of business at annual members' meetings shall be:

- (a) Election of Chairman of the meeting.
- (b) Calling of the roll and certifying of proxies.
- (c) Proof of notice of meeting or waiver of notice.
- (d) Reading and disposal of any unapproved minutes.
- (e) Reports of officers.
- (f) Reports of committees.

- (g) Election of inspectors of election.
- (h) Election of Directors.
- (i) Unfinished Business.
- (j) New Business.
- (k) Adjournment.

Section 4. Annual Meeting. Annual Meeting shall be held on the last Wednesday of January at the Park, Venture Out at Indian River, for the purpose of electing Directors, and transacting other business authorized to be transacted by the members; provided, however, that if that day is a legal holiday, the meeting shall be held at the same hour on the next secular day following. At the annual meeting, the members shall elect by a plurality vote (cumulative voting prohibited), a Board and transact such other business as may properly be brought before the meeting.

Section 5. Special Meeting. Special Meetings of the members for any purpose or purposes, unless otherwise prescribed by statute or by the Articles of Incorporation, may be called by the President, and shall be called by the President or Secretary at the request, in writing of a majority of the Board of Directors or at the request in writing of Voting Members representing a majority of the Owners' total votes, which request shall state the purpose or purposes of the proposed meeting. Business transacted at all special meetings shall be confined to subjects stated in the notice thereof.

Section 6. Waiver and Consent. Whenever the vote of members at a meeting is required or permitted by any provision of the Statutes, the Articles of Incorporation, the Declaration, or of these By-Laws, to be taken in connection with any action of the corporation, the meeting and vote of members may be dispensed with if all the members who would have been entitled to vote upon the action if such meeting were held, shall consent in writing to such action being taken.

Section 7. Adjourned Meeting. If any meeting of the members cannot be organized because of a quorum of Voting Members is not present, either in person or by proxy, the meeting may be adjourned from time to time until a quorum is present.

Section 8. Proviso. Provided, however, that until Cessation of Sales there shall be no business meeting of members of the Association unless there is a meeting called by the first Board of Directors of the Association. Such a meeting may be called for the purpose of entering into a management agreement with the Developer in order to provide continuity of management.

ARTICLE 111. DIRECTORS

Section 1. The Board of Directors shall consist of three members prior to Cessation of Development and nine members thereafter. At the first corporate meeting all nine Directors shall be elected, three for terms of one year, three of two-year terms, and three for three-year terms. Thereafter, at each annual meeting of the membership, the directorships of those whose terms have expired shall be elected from the voting members for a period of three years; it being the intent that there shall be three Directors elected at each annual membership meeting for a period of three years. Each member of the Board of Directors, other than the initial Board, shall be either the Owner of a Unit or an Owner of an interest therein.

Section 2. First Board of Directors

(a) The first Board of Directors, who shall serve until their successors have been elected and qualified (see Article 11, Section 8), shall consist of the following:

W. W. Carr (a/k/a/W. Wayne Carr)
T. N. Miller (a/k/a/ Tracy N. Miller)
David M. Spitzer

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

Section 3. Removal of Directors. At any time after the first meeting of the membership, any one or more of the Directors may be removed with or without cause by the affirmative vote of the Voting Members casting not less than two-thirds of the total votes present at said meeting, and a successor may then and there be elected to fill the vacancy thus created. Should the membership fail to elect said successor, the Board of Directors may fill the vacancy in the manner provided in Section 4 below.

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

Section 5. Disqualification and Resignation of Directors. Any Director may resign at any time by sending a written notice of such resignation to the office of the Corporation delivered to the Secretary. Unless otherwise specified therein, such resignation shall take effect

upon receipt thereof by the Secretary. More than three (3) consecutive absences from regular meetings of the Board, unless excused by resolution of the Board, shall automatically constitute a resignation effective when such resignation is accepted by the Board. In the event a Director ceases to be an Owner, or in the event of corporate ownership ceases to be an officer or employee of said corporation, then the Directorship shall immediately and automatically terminate. No member shall continue to serve on the Board should he be more than 30 days delinquent in the payment of an Assessment and said delinquency shall automatically constitute a resignation effective when such resignation is accepted by the Board.

Section 6. Regular Meetings. The Board may establish a schedule of regular meetings to be held at such time and place as the Board may designate. Notice of such regular meetings shall nevertheless be given to each Director personally or by mail, telephone or telegraph, at least five (5) days prior to the day named for such meeting.

Section 7. 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-third of the votes of the Board. No less than five 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.

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

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

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

Section 11. Powers and Duties.

The Board, and prior to Cessation of Development the Developer, shall have the powers and duties necessary for the administration of the

affairs of the Corporation and may do all such acts and things as are not by law or by the Declaration or by these By-Laws directed to be exercised and done by the Owners. These powers shall specifically include, without limitation, the following:

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

(b) To make assessments, collect said assessments, and use and expend the assessments to carry out the purposes and powers of the Corporation.

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

(d) To make and amend regulations respecting the operation and use of the Common Elements and Condominium Property and the use and maintenance of the Condominium therein.

(e) To contract for the management of the Condominium and to designate to such manager all of the powers and duties of the Association except those which may be required by the Declaration of Condominium to have approval of the Board or membership of the Association.

(f) Designate one or more committees which, to the extent provided in the resolution designating such committees, shall have the powers of the Board of Directors in the management of the business and affairs of the Corporation. Such committee to consist of a least three (3) members of the Corporation, 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 and said committee shall keep regular minutes of their proceedings and report the same to the Board as required.

(g) To use and disburse the proceeds of assessment and operation of the Condominium Property.

(h) The maintenance, repair, replacement and operation of the Condominium Property.

(i) The reconstruction of improvements after casualty and the further improvement of the property.

(j) To enforce by legal means the provisions of the Condominium documents, the Articles of Incorporation, the By-Laws of the Association, and the regulations for the use of the property in the Condominium.

(k) To pay taxes and assessments which are liens against any part of the Condominium other than individual Units and the appurtenances thereto, and to assess the same against the Units subject to such liens.

(l) To pay all the cost of all power, water, sewer and other utility services rendered to the Condominium and not billed to owners of individual Units.

The foregoing powers shall be exercised by the Board of Directors or its manager or employees subject only to approval by Unit Owners when such is specifically required.

ARTICLE IV. OFFICERS

Section 1. Elective Officers. The principal officers of the Corporation shall be a President, a Vice-President, a Secretary and a Treasurer, all of whom shall be elected by the Board. One person may not hold more than one of the aforesaid offices, except one person may be both Vice-President and Treasurer. The President and Vice-President shall be members of the Board.

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

Section 3. Appointive Officers. The Board may appoint an Assistant Secretary and an Assistant Treasurer and such other officers as the Board deems necessary.

Section 4. Term. The officers of the Corporation shall hold office until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board may be removed at any time, with or without cause, by the Board, provided however, that no officer shall be removed except by the affirmative vote for removal by a majority of the whole Board (e.g., if the Board is composed of nine persons, then five of said Directors must vote for removal). If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board.

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

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

Section 7. The Secretary. He shall issue notices of all Board meetings and all meetings of the Unit Owners; he shall attend and keep the minutes of the same; he shall have charge of all of the corporation's books, records and papers except those kept by the Treasurer. He shall have custody of the seal of the Association. The Assistant Secretary shall perform the duties of the Secretary when the Secretary is absent or incapacitated.

Section 8. The Treasurer.

(a) He shall have custody of the Corporation funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all monies and other valuable effects in the name of and to the credit of the Corporation in such depositories as may be designated from time to time by the Board. The books shall reflect an account for each unit in the manner required by the Condominium Act.

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

(c) He shall collect the assessments and shall promptly report the status of collections and of all delinquencies to the Board.

(d) He shall give reports on the status of Unit assessments to potential transferees, on which reports the transferees may reply.

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

ARTICLE V. FISCAL MANAGEMENT

Section 1. Depositories. The funds of the Corporation shall be deposited in such banks and depositories as may be determined by the Board from time to time, upon resolutions approved by the Board, and shall be withdrawn only upon checks and demands for money signed by such officer or officers of the Corporation as may be designated by the Board. Obligations of the Corporation shall be signed by at least two officers.

Section 2. Fidelity Bonds. The Treasurer and all officers who are authorized to sign checks, and all officers and employees of the Association and any contractor handling or responsible for Association funds, shall at the discretion of the Board, be bonded in such amount as may be determined by the Board. The premiums on such bonds shall be paid by the Association. The bond shall be in an amount sufficient to equal the monies an individual handles or has control via a signatory or a bank account or other depository account.

Section 3., Fiscal Year. The fiscal year for the Corporation shall begin on the first day of October of each year; provided, however, that the Board is expressly authorized to change to a different fiscal year in accordance with the provisions and regulations from time to time prescribed by the Internal Revenue Code of the United States of America, at such time as the Board deems is advisable.

Section 4. Determination of Assessments.

(a) The Board of Directors of the Corporation shall fix and determine from time to time, the sum or sums necessary and adequate for the common expenses of the Condominium Property.

Common expenses shall include expenses for the operation, maintenance, repair or replacement of the Common Elements and the Common Co-Use Areas, costs of carrying out the power and duties of the Corporation, all insurance premiums and bonds and expenses relating thereto, including fire insurance and extended coverage, and any other expenses designated as Common Expenses from time to time, by the Board of the Corporation. The Board of Directors is specifically empowered on behalf of the corporation, to make and collect assessments, and to maintain, repair and replace the Common Elements and the Common Co-Use Areas of the Condominium. The Board will include in the assessments the Corporation's share of the maintenance costs of any recreational areas to which the Owners have an easement for use and any money owed by the Unit Owners to the Developer under the terms on the condominium documents. Funds for the payment of Common Expenses shall be assessed against the Owners in the proportion of percentages of sharing Common Expenses as provided in the Declaration. Said assessments shall be payable as ordered by the Board. Special assessments, should such be required by the Board, shall be levied in the same manner as hereinbefore provided for regular assessments, and shall be payable in the manner determined by the Board.

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

Section 5. Application of Payments and Co-Mingling of Funds

All sums collected by the Association from assessments may be co-mingled in a single fund, or divided into more than one fund, as determined by the Board. All assessment payments by an Owner shall be applied as to interest, delinquencies, costs and attorney's fees, other charges, expenses or advances, as provided herein and in the Declaration, and general or special assessments in such manner as the Board determines in its sole discretion.

Section 6. Annual Audit. Subsequent to the Cessation of Development, an audit of accounts of the Association shall be made annually by a Certified Public Accountant, and a copy of the Report shall be available for inspection by the members in the office of the Association, not later than three months after the end of the year for which the report is made.

Section 7. Acceleration of Assessment Installment upon Default.

If an Owner shall be in default in the payment of an installment upon any assessment, the Board may accelerate the remaining monthly installments for the fiscal year upon notice thereof to the Owner and, thereupon, the unpaid balance of the assessment shall become due upon the date stated in the Notice, but not less than fifteen (15) days after the delivery of or mailing of said notice to the Unit Owner. No Unit shall be eligible for voluntary transfer until and unless all assessments, dues, and other such payments due including payments due the Association have been made.

ARTICLE VI. SUBSTANTIAL ADDITIONS OR ALTERATIONS

There shall be no substantial additions or alterations to the Common Elements or Common Co-Use Areas unless the same are authorized by the Board and ratified by the affirmative vote of the members casting not less than 60 % of the total votes of the owners present, voted in person, by absentee ballot, or by proxy at any regular or special meeting of the Owners called for that purpose. The Condominium may be increased to include other Units, Common Elements, Common Co-Use Areas, and Easements. This may have the effect of either increasing or decreasing the size of a Parcel but shall in no event affect the individual units.

ARTICLE VII. COMPLIANCE AND DEFAULT

Section 1. Violations. In the event of a violation (other than the nonpayment of an assessment) by an Owner of any of the provisions of the Declaration or these By-Laws, or of the applicable portions of the Condominium Act, the Association, by direction of its Board, may notify the Owner by Written notice of said breach, transmitted by mail, and if such violation shall continue for a period of thirty (30) days from the date of the notice, the Association, through its Board shall have the right to treat such violation as an intentional, inexcusable and material breach of the Declaration, of the By-Laws or of the pertinent provisions of the Condominium Act, and may then, as its option, have the following elections:

(1) An action at law to recover for its damage on behalf of itself or on behalf of the other Owners; (2) an action in equity to enforce performance on the part of the Unit Owner; or (3) an action in equity for such equitable relief as may be necessary under the circumstances, including injunctive relief. Upon a finding by the court that the violation complained of is willful and deliberate, the owner so violating shall reimburse the party bringing such action for reasonable attorney's fees incurred. Failure on the part of the Association to maintain such an action at law or in equity within thirty (30) days from date of a written request, signed by an Owner, sent to the Board, shall authorize any Owner to bring an action in equity or suit at law on account of the violation, in the manner provided for by the Condominium Act. Any violations which are deemed by the Board to be a hazard to public health, may be corrected immediately as an emergency matter by the Association, and the cost thereof shall be charged to the Owner as a specific item which shall be a lien against such Unit with the same force and effect as if the charge were a part of the Common Expense. (4) In the event an Owner posts any sign in violation of these By-Laws, the Declaration or any other agreement contained in the Condominium Documents then the Association or the Developer may in addition to its other remedies provided herein remove and store such sign and charge a service charge, for such removal and storage and include such charges in that Owner's assessment, or destroy said sign all without liability to the Unit Owner or the Owner of such sign.

Section 2. Negligence or Carelessness of Unit Owner, etc.

All Owners shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, or by that of any member of his family, or his or their guests, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association, if any. Such liability shall include any increase in insurance rates occasioned by use, misuse, occupancy or abandonment of any Unit or its appurtenances. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance companies of rights of subrogation. The expense for any maintenance, repair, or replacement, as

provided in this section, shall be charged to said Owner as a specific item which shall be a lien against said Unit with the same force and effect as if the charge were a part of Common Expense. }

Section 3. Costs and Attorney's Fees. In any proceeding arising because of an alleged default by an Owner, the prevailing party shall be entitled to recover the costs of the proceeding and reasonable attorney's fees.

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

Section 5. No Election of Remedies. All rights, remedies and privileges granted to any party pursuant to any terms, provisions, covenants or conditions of the condominium documents, shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be granted to such other party by Condominium documents, or at law, or in equity.

ARTICLE VIII. ACQUISITION OF UNITS

Acquisition on Foreclosure. At any foreclosure sale of a Unit the Board may, with the authorization and approval by the affirmative vote of Voting Members casting not less than 75% the total votes of the Owners, wherein said matter is voted upon, acquire in the name of the Corporation or its designee, a Parcel being foreclosed. The term "foreclosure" as used in this section shall mean and include any foreclosure of any lien, including a lien for assessments. The power of the Board to acquire a Parcel at any foreclosure sale shall never be interpreted as any requirement or obligation on the part of the Board or of the Corporation, to do so at any such sale, the provisions hereof being permissive in nature and for the purpose of setting forth the power in the Board to do so should the requisite approval of the Voting Members be obtained.

ARTICLE IX. AMENDMENTS TO THE BY-LAWS

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

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

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

(3) If the Amendment has not been approved by the unanimous vote of the Board, then the Amendment shall be approved by the affirmative vote of the Voting Members casting not less than Sixty Percent (60%) of the total votes of the Owners voted in person, by absentee ballot, or by proxy.

(4) Said Amendment shall be recorded and certified as required by the Condominium Act. These By-Laws may not be amended without a prior resolution requesting said Amendment from the Board.

ARTICLE X. NOTICES

Whatever notices are required to be sent hereunder shall be delivered or sent in accordance with the applicable provisions for notices, as set forth in the Declaration to which these By-Laws are attached.

ARTICLE XI. INDEMNIFICATION

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

ARTICLE XII. LIABILITY SURVIVES TERMINATION OF MEMBERSHIP

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

Association may have against such former Owner and member arising out of or in any way connected with such ownership and membership, and the covenants and obligations incident thereto.

ARTICLE XIII. LIMITATION OF LIABILITY

Notwithstanding the duty of the Association to maintain and repair parts of the Condominium property, the Association shall not be liable for injury or damage caused by the elements, or by other Owners or persons.

ARTICLE XIV. PARLIAMENTARY RULES

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

ARTICLE XV. LIENS

Section 1. Protection of Property. All liens against a Unit, other than for permitted mortgages, taxes, or special assessments, shall be satisfied or otherwise removed within 30 days of the date the lien attached. All taxes and special assessments upon a Unit shall be paid before becoming delinquent, as provided in the Condominium documents, or By-Laws, whichever is sooner.

Section 2. Notice of Lien. An Owner shall give notice to the Association of every lien upon his Unit, other than for taxes and special assessments, within five (5) days after the attaching of the lien.

Section 3. Notice of Suit. Unit Owners shall give notice to the Association of every suit or other proceedings which will or may affect title to his Unit or any other part of the property, such notice to be given within five (5) days after the Owner received notices thereof.

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

Section 5. Permitted Mortgage Register. The Association shall maintain a register of all permitted mortgages and at the request of a mortgagee, the Association shall forward copies of all notices for unpaid assessments or violations served upon an Owner to said mortgagee.

ARTICLE XVI. RULES AND REGULATIONS

Section 1. As to Common Elements, Common Co-Use Areas and Easements Appurtenant. The Board may from time to time adopt or amend previously adopted administrative rules and regulations governing the details of the operation, use, maintenance, management and control of the Common Elements, Common Co-Use Areas and Easements Appurtenant of the Condominium and any facilities or services made available to the Owners. The Board shall from time to time post in a conspicuous place on the Condominium property, a copy of the Rules and Regulations adopted from time to time by the Board.

Section 2. As to Condominium Units. The Board of Directors may from time to time adopt or amend previously adopted rules and regulations governing and restricting the use and maintenance of the Unit(s), provided, however, that copies of such rules and regulations are furnished to each Owner prior to the time the same becomes effective and where applicable or desirable, copies thereof shall be posted in a conspicuous place on the Condominium property.

Section 3. Building Rules and Regulations. The building rules and regulations hereinafter enumerated shall be deemed in effect until amended by the Board and shall apply to and be binding upon all Owners. The Owners shall at all times obey said rules and regulations and shall use their best efforts to see that they are faithfully observed by their families, guests, invitees, servants, lessees and persons over whom they exercise control and supervision. Said building rules and regulations are as follows: