

BY-LAWS
OF
EDGEWATER VILLAGE HOMEOWNERS, INC.
(A Florida Corporation Not for Profit)

ARTICLE I

NAME, LOCATION AND PRINCIPAL OFFICE

These are the By-Laws of the EDGEWATER VILLAGE HOMEOWNERS, INC., hereinafter referred to as the "Corporation". The principal office of the Corporation shall be located at 2538 Davis Circle, Sebring, Florida 33870.

ARTICLE II

DEFINITIONS

The following words when used in these By-Laws shall, unless the context otherwise prohibits, have the meanings set forth below:

A. "Corporation" shall mean and refer to EDGEWATER VILLAGE HOMEOWNERS, INC., a Florida corporation not for profit.

B. "Declaration" shall mean and refer to the Declaration of Covenants and Restrictions applicable to the properties, recorded among the Public Records of Highlands, County, Florida, in official Record Book 968 at page 835, as amended from time to time.

C. "The Properties" shall mean and refer to all those areas of land described in and subject to the Declaration.

D. "Common Areas" shall mean and refer to those areas of land not covered by structures, common services to the homesites (such as electric, water, etc.), common recreational facilities, including any facility serving more than one homesite or located outside the interior of said homesite, being a part of or attached to the land, the legal description of which forms a part of the Declaration defined above.

E. "Residential Community" shall mean and refer to the separate units, common ground, landscaping, parking area, and other facilities described in the Declaration.

F. "Homesite" shall mean and refer to each of the 62 single family residential lots covered by the Declaration.

G. "Owner" shall mean and refer to the record owner of fee simple title to any homesite. Every owner shall be treated for all purposes as a single owner for each homesite held, irrespective of whether such ownership is joint, in common, or tenancy by the entirety. Where such ownership is joint, in common, or tenancy by the entirety, majority vote of such owners shall be necessary to cast any vote to which such owners are entitled.

H. "Member" shall mean and refer to an owner of the homesite and a member of this Corporation.

ARTICLE III

PURPOSE

This corporation is formed to own, operate, manage and control the Common Areas as a homeowners' association for the benefit of its members as herein defined.

ARTICLE IV

APPLICABILITY

All present and future members, lessees, tenants, their families, guests, licensees, agents, employees and any other person or persons that shall be permitted to use any part of the Common Areas shall be subject to these by-laws and to the rules and regulations issued by the Corporation to govern the conduct of its members.

ARTICLE V

USE OF FACILITIES AND ONE FAMILY OCCUPANCY

The Common Areas shall be limited to the use of the members and their guests. In the event that a member shall lease or permit another to occupy his home, however, the lessee or occupant shall, at the option of the member, be permitted to enjoy the use of the common areas in lieu of and subject to the same restrictions and limitations as said member. Any member, lessee or occupant entitled to the use of the Corporation facilities may extend such privilege to members of his family residing in his household.

ARTICLE VI

MEMBERSHIP AND VOTING RIGHTS

Each owner, as defined herein, shall be a member of the Corporation and shall be entitled to one vote.

ARTICLE VII

QUORUMS, PROXIES AND WAIVERS

Section 1. Quorum. A Quorum shall constitute a total of 32 members in person or represented by written proxy. If, however, such quorum shall not be present or represented at any meeting of the Corporation, the members entitled to vote thereat, present in person or represented by written proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting originally called.

Section 2. Vote Required to Transact Business. When a quorum is present at any meeting, a majority vote of the members present in person or represented by written proxy shall decide any question brought before such meeting and such vote shall be binding upon all members, unless the question is one upon which, by express provision of the Statute, Declaration, Certificate of Incorporation or by these By-Laws, a different vote is required, in which case such express provisions shall govern and control the decision of such question.

Section 3. Right to Vote. Members shall be entitled to vote either in person or by absentee ballot at any meeting of the Corporation.

Section 4. Proxies and Absentee Voting. All proxies shall be in writing and shall be filed with the Secretary prior to the meeting at which the same are to be used. A notation of such proxies shall be made in the minutes of the meeting. No proxy may be more than 90 days old. No proxy may be used for election of Directors. Absentee ballots for voting for Directors may be requested from the Secretary. Completed ballots must be returned to the Secretary by the indicated date prior to the election date.

Section 5. Waiver and Consent. Whenever the vote of the membership at a meeting is required or permitted by statute or by any provision of the Declaration, Certificate of Incorporation or of these By-Laws to be taken in connection with any action of the Corporation, the meeting and vote of the membership may be dispensed with if all 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 6. Place of Meeting. Meetings shall be held within Village limits unless prevented by an act of God.

Section 7. Annual Meetings. The annual meeting of the membership of the Corporation shall be held on the Third Tuesday in

March of each year. At such meetings there shall be elected by ballot of the membership a Board of Directors in accordance with the requirements of Article VIII of these By-Laws. The election shall be conducted by an Election Committee Chairperson appointed by the Board of Directors. The members may also transact such other business as may properly come before the meeting.

Section 8. Special Meetings. It shall be the duty of the President to call a special meeting of the Corporation, if so directed by the Board of Directors, or upon the presentation to the Secretary of a petition signed by a minimum of 17 members.

Section 9. Notice of Meetings. It shall be the duty of the Secretary to mail or deliver a notice of each annual or special meeting of members stating the purpose thereof as well as the time and place where it is to be held, to each member, at least ten, but not more than thirty days, prior to such meeting. The mailing or delivering of a notice in the manner provided by these By-Laws shall be considered a notice served. Regularly scheduled or special meetings of the Board of Directors shall be posted on the clubhouse bulletin board, with an agenda, at least 48 hours prior to such meeting, except in the event of an emergency.

Section 10. Order of Business. The order of business of all meetings shall be as follows:

- A. Roll call
- B. Proof of notice of meeting or waiver of notice
- C. Reading of Minutes of preceding meeting
- D. Reports of officers and committee chairpersons
- E. Election of Directors (If there is an election)
- F. Unfinished business
- G. New business

Section 11. Rules of Order. All meetings shall be conducted in accordance with Roberts Rules of Order as Revised.

ARTICLES VIII

BOARD OF DIRECTORS

Section 1. Number and Term. The number of Directors which shall constitute the whole Board shall be seven directors. At the Annual Meeting the members shall vote for and elect sufficient Directors to serve three year terms, which terms shall be staggered so that two or three Directors will be elected each year. (See Section 3. of this Article). All Directors must be members of the Corporation.

Section 2. Voting. In any election of directors each homesite is entitled to one vote for each Director's position to be filled. There shall be no cumulative voting.

Section 3. Vacancy and Replacement. If the office of any director 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, at a special meeting of directors duly called for this purpose, shall choose a successor who shall hold office for the unexpired term in respect to which such vacancy occurred and until his successor is duly elected and qualified.

Section 4. Removal. Directors may be recalled and removed from office with cause by secret ballot of a majority (32) of the members.

Section 5. Powers. The property and business of the Corporation shall be managed by its Board of Directors, which may exercise all such powers of the Corporation and do all such lawful acts and things as are not by Statute, Declaration, Certification of Incorporation, or by these By-Law, directed or required to be exercised or done by the members or owners personally. These powers shall specifically include, but not be limited to the following items:

A. To determine and levy an annual or monthly assessment (Corporation Assessment) to cover the cost of operating and maintaining the Common Areas, and the expenses pursuant to the Declaration, payable in advance. The Board of Directors may increase or decrease the assessment, or vote a special assessment in excess of that amount, if required to meet any additional necessary expenses. Any special assessment increase over ten percent of budget requires approval by two-thirds of the homeowners.

B. To collect, use and expend the assessments collected to maintain, care for and preserve the Common Areas, and other expenses pursuant to the Declaration.

C. To make repairs, restore or alter any of the Common Areas pursuant to the Declaration and Protective Covenants.

D. To open bank accounts on behalf of the Corporation and to designate President, Treasurer and one other Board member as signatories of such bank account. All signatories shall be bonded for a reasonable amount, the premium thereof to be at the Corporation's expense. Two of the approved signatories are required to sign each check issued by the Corporation.

E. to insure and keep insured the Common Areas and equipment.

F. To collect delinquent assessments by suit or otherwise, to abate nuisances and to enjoin or seek damages from

members for violations of the house rules or rules and regulations and covenants herein referred to.

G. To make reasonable rules and regulations and to amend the same from time to time. Such rules and regulations and amendments thereto shall be binding upon the members when the Board has approved them in writing and delivered a copy of such rules and regulations and all amendments to each member. Such rules and regulations may, without limiting the foregoing, include reasonable limitations on the use of the Common Areas by guests of the members as required by Florida Statute 617;304.

H. To employ workmen, maintenance and repair personnel, gardeners, pool maintenance personnel, and bookkeepers, and to purchase supplies and equipment, and to enter into contracts.

I. To bring and defend actions by or against any member, pertinent to the operation of the Corporation.

J. To observe, effect, and enforce all of the covenants, restrictions, and provisions of the Declaration so as to ensure that the Properties shall be used, maintained, and improved in such manner as will protect, preserve, and enhance the integrity, value and high quality of the Properties.

K. The president may appoint standing and special committees subject to approval by the Board of Directors.

L. To approve extraneous budget expenses in excess of \$500.

Section 6. Compensation. Directors and officers, as such, shall receive no compensation for their services.

Section 7. Meetings.

A. The first meeting of each Board newly elected by the members shall be held immediately upon adjournment of the meeting at which they are elected, provided a quorum shall then be present, or as soon thereafter as may be practicable. The annual meeting of the Board of Directors shall be held at the same place as the annual meeting of the corporation members and immediately after the adjournment of same, at which time the duties, places and times of regularly scheduled meetings of the Board shall be set.

B. Regularly scheduled and special meetings of the Board shall be posted on the clubhouse bulletin board, with an agenda, at least 48 hours prior to such meeting except in the event of an emergency.

C. Special meetings of the Board shall be called by the

President or Secretary on the written request of at least two Directors.

D. At all meetings of the Board, a majority of the Directors shall be necessary and sufficient to constitute a quorum for the transaction of business, and an action of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by Statute or by the Declaration or by these By-Laws. If a quorum shall not be present at any meeting of the Directors, the Directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting until a quorum shall be present. Directors must be personally present to cast a vote.

E. Before or at 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 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 8. Annual Statement. The Board of Directors shall furnish to all members and shall present annually (at the annual meeting) and when called for by a vote of the members of any special meeting of the members, a full and clear statement of the business conditions and affairs of the Corporation, including a balance sheet and profit and loss statement regarding any taxable income attributable to the members and a notice of the holding of the annual meeting of corporation members.

ARTICLE IX

OFFICERS

Section 1. Elective Officers. The officers of the Corporation shall be chosen by the Board of Directors and shall be a president, a vice-president, a secretary and a treasurer.

Section 2. Election. The Board of Directors, at its first meeting after each annual meeting of the corporation members, shall elect a president, a vice-president, a secretary and treasurer. The Board may also elect such other officers as the Board may deem appropriate.

Section 3. Term. The officers shall hold office for the term of which they are elected and appointed and until their successors are chosen and qualified in their stead. Any officer elected or appointed by the Board of Directors may be removed with cause, at any time, by the affirmative vote of a majority of the Board of Directors. If the office of any officer becomes vacant for any

reason, the vacancy shall be filled by the Board of Directors.

Section 4. The President. The President shall be the chief executive officer of the Corporation; he shall preside at all meetings of the corporation members and the Board of Directors, shall be an ex-officio member of all standing committees, shall have general and active management of the daily business of the Corporation, shall see that all orders and resolutions of the Board are carried into effect, and shall have such other powers and duties as are usually vested in the office of the president of the corporation organized under Chapter 617. Florida Statutes.

Section 5. The Vice-President. During the absence or disability of the president, the vice-president shall have all the powers and functions of the president. In addition, he shall perform such other duties as the Board shall prescribe, or by the president, under whose supervision he shall be.

Section 6. The Secretary. The Secretary shall attend all sessions of the Board and all meetings of corporation members and record all votes and the minutes of all proceedings in a book to be kept for that purpose. He shall give or cause to be given notice of all meetings of corporation members and regular and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or by the President, under whose supervision he shall be.

Section 7. The Treasurer. The Treasurer shall be responsible for the funds of the Corporation and shall keep full and accurate accounts of receipts and disbursements, and shall perform such other duties as may be prescribed by the Board of Directors or by the President, under whose supervision he shall be.

Section 8. Combined Offices. Two or more offices may be held by the same person, but in no event shall the office of the President and Secretary be held by the same person.

Section 9. Agreements, etc. All agreements and other instruments shall be executed by the President or such other person as may be designated by the Board of Directors.

ARTICLE X

NOTICES

Section 1. Definition. Whenever under the provisions of the Declaration or of these By-Laws notice is required to be given to the Board of Directors or to any Director or corporation member, it shall not be construed to mean personal notice; but such notice may be given in writing, by mail, by depositing the same in a post

office or letter box in a post-paid sealed wrapper, addressed to the Board of Directors, such Director or member at such address as appeared on the books of the Corporation.

Section 2. Service of Notice - Waiver. When any notice is required to be given under the provisions of the Declaration or of these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE XI

ASSESSMENTS AND FINANCES

Section 1. Creation of the Lien and Personal Obligation of Assessments. The creation of the lien and personal obligation of assessments is governed by the Declaration.

Section 2. Purposes of Assessments. The purpose of assessments is specified in the Declaration.

Section 3. Basis of Assessments. The basis of assessments is specified in the Declaration.

Section 4. Effect of non-payment of Assessments; Remedies of the Corporation. The effect of non-payment of assessments and the remedies of the Corporation shall be as specified in the Declaration.

Section 5. Subordination of Lien to Mortgages. The lien of the assessments provided for herein shall be subordinated pursuant to the provisions of the Declaration.

Section 6. Checks. All checks or demands for money and notes of the Corporation shall be signed as provided for in ARTICLE VIII, Section 5.d.

Section 7. Other Accounts. The Board shall maintain any other accounts as it shall deem necessary to carry out its purpose.

ARTICLE XII

INSURANCE

The Board of Directors shall maintain public liability insurance, to the extent obtainable, covering each member of the Board of Directors and corporation members against liability for any negligent act of commission or omission attributable to them which occurs in the performance of their duties. To the extent obtainable, the Board of Directors shall also be required to obtain the following insurance: (a) fire insurance with extended coverage,

water damage, vandalism and malicious mischief endorsements insuring the facilities on the common areas or such other properties as the Board deems necessary, in an amount equal to their full replacement values; and (b) workmen's compensation insurance. All insurance premiums for such coverage shall be paid for by the corporation.

ARTICLE XIII

AMENDMENTS

These By-Laws may be altered, amended or added to at any duly called meeting of the Board of Directors provided: (a) that the notice of the meeting shall contain a full statement of the proposed amendment, and (b) that the amendment shall be approved by vote of a majority of the members (32) by secret ballot or roll call. No amendment, however, shall affect or impair the validity or priority of the members' interests and the interests of holders of a mortgage encumbering a member's homesite.

ARTICLES XIV

SELLING, LEASING AND GIFTS OF HOMESITES

Section 1. Selling Leasing Homesite. Any homesite may be conveyed or leased by a member subject to all of the restrictions under the Declaration provided that the lease shall be kept paid six months in advance and that evidence of this payment be furnished to the Corporation at all times appropriate to the payment. No member shall convey, mortgage, pledge, hypothecate, sell or lease his homesite unless and until all unpaid corporation expenses assessed against the homesite shall have been paid as directed by the Board of Directors. Such unpaid corporation expenses, however, may be paid out of the proceeds from the sale of a homesite or by the grantee. Any sale or lease of a homesite or unit in violation of this section shall be void. Upon the written request of a member or his mortgagee, the Board or its designee shall furnish a written statement of the unpaid charges due from such member which shall be inclusive evidence of the payment of amounts assessed prior to the date of the statement but unlisted thereon. A reasonable charge may be made by the Board for the issuance of such statements.

The provisions of this section shall not apply to the acquisition of a homesite by a mortgagee who shall acquire title to such homesite by a foreclosure or by deed in lieu of foreclosure. In such event, the unpaid assessments against the home which were assessed and became due prior to the acquisition of title to such home by such mortgagee shall be deemed waived by the Corporation as a common expense. Such provisions shall, however, apply to any assessments which are assessed and become due after the acquisition

of title to such homesite by the mortgagee and to any purchaser from such mortgagee.

Whenever the term "Homesite" is referred to in this section, it shall include the lot, the member's interest in the Corporation and the member's interest in any homesite acquired by the Corporation.

Section 2. Gifts, etc. Any member may convey or transfer his homesite by gift during his lifetime or devise his homesite by will, or pass the same by intestacy without restriction.

ARTICLE XV

GENERAL PROVISIONS

Section 1. Fiscal Year. The fiscal year of the Corporation shall be fixed by resolution of the Board of Directors.

Section 2. Seal. The Corporation seal shall have inscribed thereon the name of the Corporation and the year of its incorporation under the laws of the State of Florida. The seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced.

Section 3. Architectural Control. No building, fence, wall or other structure or change in landscaping shall be commenced, erected or maintained upon the properties, nor shall any exterior addition to or change or alteration thereto be made until the plans and specifications showing the nature, kind, shape, height, materials, color and locations of the same shall have been submitted to and approved in writing as to harmony of external

design and location in relation to surrounding structures and topography by the Board of Directors of the Corporation.

Section 4. Examination of Books and Records. Each member or their representatives shall be entitled to a reasonable examination of the books and records of the Corporation at any time upon reasonable notice to its Board of Directors. The Declaration, Certificate of Incorporation and the By-Laws of the Corporation shall be available for inspection by any member at the principal office of the Corporation.

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

Section 5. Severability. Should any of the covenants, terms or provisions herein imposed be void or become unenforceable at law

or in equity, the remaining provisions of these By-Laws shall nevertheless be and remain in full force and effect.

Section 6. Gender. The use of the masculine gender in these By-Laws shall be deemed to refer to the feminine or neuter gender, and the singular shall include the plural (and vice-versa), whenever the context so required.

IN WITNESS WHEREOF, The parties hereto have executed these By-Laws this _____ day of _____, 1994.

EDGEWATER VILLAGE HOMEOWNERS, INC.

corporate seal

By _____
DURAND FISHER
Its: President

Attest:

LAURA ANDERSON
Its: Secretary

STATE OF FLORIDA
COUNTY OF HIGHLANDS

The foregoing instrument was acknowledged before me this _____ day of _____, 1994 by DURAND FISHER, the President of EDGEWATER VILLAGE HOMEOWNERS, INC., a Florida corporation not-for-profit, and attested to by LAURA ANDERSON, as its Secretary, on behalf of the corporation. I further certify that DURAND FISHER and LAURA ANDERSON (-) who produced for identification or () who are personally known to me.

My commission expires:

NOTARY PUBLIC

printed name