

B Y L A W S

OF

HARBOR BEACH PROPERTY HOMEOWNERS ASSOCIATION, INC.

ARTICLE I - IDENTITY

The name of the corporation is HARBOR BEACH PROPERTY HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as "Association", a corporation not for profit organized under the laws of the State of Florida. The Association has been organized for the purpose of administering the Common Areas of HARBOR BEACH, a development located upon the following land in Broward County, Florida; described in Exhibit "A", attached hereto, and for the purposes of administering the Common Areas of such other housing developments as may be annexed into the said HARBOR BEACH PROPERTY HOMEOWNERS ASSOCIATION, INC. The principal office of the corporation shall be located at: Address of President, but the meeting of members and directors may be held at such places within the State of Florida as may be designated by the Board of Directors.

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.

ARTICLE II - DEFINITIONS

- SECTION 1 - "Association" shall mean and refer to HARBOR BEACH HOMEOWNERS ASSOCIATION, INC., its successors and assigns.
- SECTION 2 - "Property" and "Properties" shall mean and refer to that certain real property described in the HARBOR BEACH PROPERTY HOMEOWNERS ASSOCIATION, INC., Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.
- SECTION 3 - "Common Area" shall mean all real and personal property contained within the Property, with the exception of the Lots, owned, leased or maintained by the Association for the common use and enjoyment of the Owners.
- SECTION 4 - "Lot" shall mean and refer to any portion of the Property, described by metes and bounds, improved or intended to be improved by the Declarant with a single family residence and conveyed or intended to be conveyed by Declarant by warranty deed to individual purchasers.
- SECTION 5 - "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.
- SECTION 6 - "Declaration" will mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the properties recorded in the Public Records of Broward County, Florida.
- SECTION 7 - "Member" shall mean and refer to those entitled to membership as provided in the Articles.
- SECTION 8 - "Articles" shall refer to the Articles of Incorporation of HARBOR BEACH PROPERTY HOMEOWNERS ASSOCIATION, INC.
- SECTION 9 - "Declarant" shall refer to subdivider.

ARTICLE III - MEETING OF MEMBERS

SECTION 1 - ANNUAL MEETINGS - The annual meeting of the Members shall be held on the 2nd Wednesday in the month of January in each year, at such time and place as might be determined by the Board of Directors. If the day for an annual meeting is a legal holiday, the meeting will be held on the first business day following which is not a legal holiday, Friday, Saturday, or Sunday.

SECTION 2 - SPECIAL MEETING - Special meetings of the Members may be called at any time by the President or by the Board of Directors of the Association ("Board") or upon written request of the Members who are entitled to vote.

SECTION 3 - NOTICE OF MEETINGS - Written notices of each meeting of the Members shall be given by, or at the discretion of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and in the case of a special meeting, the purpose of the meeting.

SECTION 4 - QUORUM - At any meeting of Members, the Owners of Units ~~shall be~~^{RS} entitled to cast one tenth (1/10th) of the combined votes of membership shall constitute a quorum for any action except as otherwise provided for in the Articles, the Declaration or Bylaws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or represented.

SECTION 5 - VOTING - At any meeting of Members, the Owners of Units shall be entitled to cast such votes to which they might be entitled as defined in the Articles of Incorporation of the Association.

* SECTION 6 - PROXIES - At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Unit.

SECTION 7 - ORDER OF BUSINESS - The order of business at annual meetings, and as far as practical at other meetings, shall be:

- Calling of the role and certifying of proxies;
- Proof of notice of meeting;
- Reading of Minutes;
- Report of Officers;
- Report of Committees;
- Appointment of Chairman of Inspection of Election;
- Election of Directors;
- Unfinished Business;
- New Business;
- Adjournment.

ARTICLE IV - DIRECTORS

SECTION 1 - SELECTION; NUMBER; TERM - The affairs of this Association shall be managed by a Board from three (3) to nine(9) Directors, who shall be members of the Association. The initial Board of Directors shall be comprised of seven members. The names and addresses of the persons who shall serve as Directors until the selection of their successors are:

NAME:

ADDRESS:

Jim Walker	2451 Del Lago Drive, Fort Lauderdale, FL 33316
Bruce Bartos	1311 W. Lake Drive, Fort Lauderdale, FL 33316
Joseph Balocco	1424 E. Lake Drive, Fort Lauderdale, FL 33316
Annabelle McCarthy	1600 Seabreeze Boulevard, Fort Lauderdale, FL 33316
Phil Baumgartner	P.O. Box 22378, Fort Lauderdale, FL 33335
Kacy Jones	1516 S. Ocean Drive, Fort Lauderdale, FL 33316
W. Thomas Harmon	2522 Mercedes Drive, Fort Lauderdale, FL 33316

The initial Board herein designated shall serve until the first annual membership meeting. At each meeting thereafter, the members shall elect the Directors for a term of one (1) year. Any vacancy on the Board shall be filled for the unexpired term of the vacated office by the remaining Directors; provided, however, that Declarant shall, so long as it is the Owner of any Units in the project and continues to hold said Units for sale in the ordinary course of business, be entitled to designate one (1) member to serve on the Board of Directors, which member may not be removed from the Board except by the Declarant, and should said member resign from the Board, he will be replaced by the Declarant.

SECTION 2 - REMOVAL - Any Director, except the original Directors, or the Director appointed by Declarant in accordance with the above Section, may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a Directors, his successor shall be selected by the remaining Directors of the Board and shall serve for the unexpired terms of this predecessor.

SECTION 3 - COMPENSATION - No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

SECTION 4 - ACTION WITHOUT MEETING - The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all Directors. Any action so approved shall have the same effect as through taken at a meeting of Directors.

ARTICLE V - NOMINATION AND ELECTION OF DIRECTORS

SECTION 1 - NOMINATION - Nomination for election to the Board shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board, and two (2) or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

SECTION 2 - ELECTION - Election to the Board shall be by secret written ballot. At such election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI - MEETING OF DIRECTORS

SECTION 1 - REGULAR MEETINGS - Regular meetings of the Board shall be held at such time and place as shall be fixed from time to time by a majority of the Board. Notice of said meeting shall be given to each Director, personally or by

mail, telephone or telegraph, at least five (5) days prior to each meeting, but nothing contained herein shall be deemed to disallow any Director's waiver of said notice. Should said meeting fall upon a legal holiday, then the meeting shall be held at the same time on the next day which is not a legal holiday. This Section shall not be construed as to require regular meetings of the Board of Directors.

SECTION 2 - SPECIAL MEETINGS - Special meetings of the Board shall be held when called by the President of the Association, or by any two (2) Directors, after not less than three (3) days' notice to each Director.

SECTION 3 - ORGANIZATIONAL MEETING - The organizational meeting of a newly elected Board of Directors shall be held within ten (10) days of their election at such time and place as shall be fixed by the Directors at the meeting at which they are elected, and no further notice of the organizational meeting shall be necessary.

SECTION 4 - QUORUM - A majority of the number of Directors shall constitute a quorum for the transaxtion of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

SECTION 5 - WAIVER OF NOTICE - Any Director may waive notice of a meeting before or after the meeting, and shall be deemed equivalent to the giving of notice.

SECTION 6 - JOINDER IN 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.

SECTION 7 - PRESIDING OFFICER - The presiding Officer of the Director's meeting 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 shall designate one of their members to preside.

SECTION 8 - ORDER OF BUSINESS - The order of business at Directors' meetings shall be:

- Calling of role;
- Proof of notice of meeting;
- Reading of minutes;
- Report of Officers and Committee;
- Election of Officers;
- Unfinished Business;
- New Business;
- Adjournment.

ARTICLE VII POWER AND DUTIES OF THE BOARD OF DIRECTORS

SECTION 1 - POWERS - The Board shall have the power to: (a) adopt and publish rules and regulations governing the use of the Common Area and facilities and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof; (b) suspend the voting rights of a Member and his right to use recreational facilities during any period in which such member shall be in default in the payment of an assessment levied by the Association. Such rights may also be suspended, after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations; (c) exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions of these Bylaws, Articles or the Declaration; (d) declare

* the office of a member of the Board to be vacant in the event such member shall be absent from three (3) consecutive meetings of the Board of Directors, provided, however, that concurrence in the minutes of the meeting as provided for herein shall constitute presence at said meeting; (e) employ such employees as they deem necessary and prescribe their duties; and (f) exercise such other powers as given by Florida Statutes and no in conflict therewith.

SECTION 2 - DUTIES - It shall be the duty of the Board to:

(a) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at an annual meeting of the Members;

(b) Supervise all officers, agents and employees of the Association, and determine that their duties are properly performed;

(c) As more fully provided in the Declaration, to:

* (1) Fix the amount of the annual assessment against each Unit at least thirty (30) days in advance of each annual assessment period;

(2) Send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

* (3) Foreclose the lien against any Unit for which assessments are not paid within thirty (30) days after due date and/or bring an action at law against the owner personally obligated to pay the same;

(d) Issue, or cause an appropriate office to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) Procure and maintain adequate liability and hazard insurance on property owned by the Association;

* (f) Cause all Officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) Cause the Common Area to be maintained; enforce restrictive covenants.

ARTICLE VIII - OFFICERS AND THEIR DUTIES

SECTION 1 - ENUMERATION OF OFFICERS - The officers of this Association shall be a President and Vice-President, who shall at all times be members of the Board, a Secretary and Treasurer, and such other officers as the Board may from time to time, by resolution, create.

SECTION 2 - ELECTION OF OFFICERS - The election of Officers shall take place at the first meeting of the Board following each annual meeting of the members.

SECTION 3 - TERM - The Officers of the Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise be disqualified to serve.

SECTION 4 - SPECIAL APPOINTMENTS - The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board may, from time to time, determine.

SECTION 5 - RESIGNATION AND REMOVAL - Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any

later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 6 - VACANCIES - A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

SECTION 7 - MULTIPLE OFFICERS - The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

SECTION 8 - COMPENSATION - Compensation of all officers and employees of the Association shall be fixed by the Directors, but this provision shall not be deemed to require that compensation be paid to said officers.

SECTION 9 - DUTIES - The duties of the officers are as follows:

President - The President shall preside at all meetings of the Board, shall see that orders and resolutions of the Board are carried out, shall sign all leases, mortgages, deed and other written instruments and shall co-sign all promissory notes and shall have the power to sign all checks.

Vice-President - The Vice-President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary - The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members, keep the corporate seal of the Association and affix it to all papers requiring such seal, service notice of meetings of the Board and of the Members, keep appropriate current records showing the Members of the Association together with their addresses and perform such other duties as required by the Board.

Treasurer - The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association, disburse such funds as directly by resolution of the Board, sign all checks other than those signed by the President, sign all promissory notes of the Association, keep proper books of account, cause an annual audit of the Association's books to be made by a public accountant at the completion of each fiscal year, prepare an annual budget and statement of income and expenditures to be presented to the membership at its regular annual meeting and deliver a copy of each to the Members.

ARTICLE IX - COMMITTEES

The Board shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these Bylaws. In addition, the Board shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE X - BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles and these Bylaws shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at a reasonable cost.

ARTICLE XI - ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the Unit against which the assessment is made. Any assessments which are not paid when due and payable shall be delinquent. If the assessment is not paid within fifteen (15) days after the due date, a late fee of \$ shall be charged. If the assessment is not paid within thirty (30) days after the

the due date, the assessment shall bear interest from the date of delinquency at the rate of Ten (10%) Percent per annum. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Unit. Interest, costs and reasonable attorneys' fees incurred in any such actions shall be added to the amount of such assessment. No Member may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Unit.

ARTICLE XII - AMENDMENTS

SECTION 1 - These Bylaws may be amended at a regular or special meeting of the Members by a vote of a majority of a quorum of members present in person or by proxy, except as may be elsewhere provided in these Bylaws, or the Articles of Incorporation or the Declaration.

SECTION 2 - In the case of any conflict between the Articles and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

SECTION 3 - Provided further, however, that so long as the Declarant owns any Units which are being held for sale in the ordinary course of business, no amendment may:

- A) Interfere with the Declarant's efforts to sell those Units owned by it;
- B) Remove the Declarant's right to appoint at least one (1) member to the Board of Directors;
- C) Assess the Declarant for capital improvements without his prior written consent;
- D) Revoke Declarant's right to be excused from payments of regular assessments by virtue of his guaranteeing deficits, and providing services as elsewhere set forth in the Declaration and Articles of Incorporation.

ARTICLE XIII - PARLIAMENTARY RULES

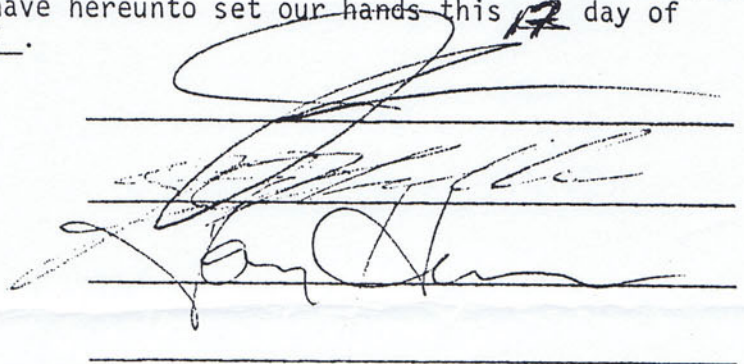
Robert's Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Declaration, Articles of Incorporation or these Bylaws.

ARTICLE XIV - FISCAL YEAR

The fiscal year of the Association shall begin on the first day of January and end on the thirty first day of December of every year, except that the first year shall begin on the date of incorporation. The Board, in its discretion, may adopt or change to a different fiscal year.

IN WITNESS WHEREOF, we, being all of the directors of HARBOR BEACH PROPERTY HOMEOWNERS ASSOCIATION, INC. have hereunto set our hands this 17 day of

February, 1981.

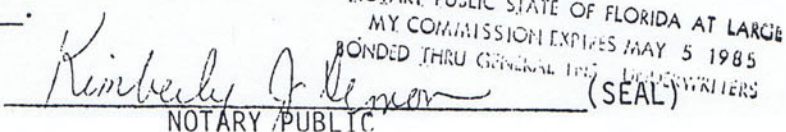


STATE OF FLORIDA)
COUNTY OF BROWARD) SS

BEFORE ME, the undersigned authority, personally appeared
to me known to be the persons who signed the foregoing instrument and severally acknowledged the execution thereto to be their free act and deed for the uses and purposes therein mentioned.

WITNESS MY hand and official seal in the county and state aforesaid, this 17 day of February, 1981.

My Commission Expires:


Kimberly J. DeMora (SEAL)
NOTARY PUBLIC