

BYLAWS
OF
PALM COAST COMMERCIAL & INDUSTRIAL CENTER
CONDOMINIUM ASSOCIATION, INC.
A FLORIDA NOT-FOR-PROFIT CORPORATION

ARTICLE I
MEMBERS

1.1 Membership. The members of the PALM COAST COMMERCIAL & INDUSTRIAL CENTER CONDOMINIUM ASSOCIATION, INC. (the "Association"), a corporation not for profit organized under Florida law, shall consist of the owners of condominium units ("Units") in PALM COAST COMMERCIAL & INDUSTRIAL CENTER CONDOMINIUM, located in Palm Coast, Flagler County, Florida, as described in the Declaration of Condominium recorded or to be recorded in the public records of Flagler County, Florida (the "Declaration"). The membership of each Owner shall terminate when he ceases to be an Owner of a Unit. Upon the sale, transfer or other disposition of his ownership interest in a Unit, membership in the Association shall automatically be transferred to the new Unit Owner. The Association may issue certificates evidencing membership.

1.2 Shares; Votes. Each member shall have an interest in the funds and assets of the Association as set out in the Declaration. Each Unit is assigned one vote, to be exercised as determined by the members who are the owners of that Unit. However, until the occurrence of certain events as described in Section 6.3 of the Declaration and as further described in Section 3.2 of these Bylaws, the developer of the Condominium shall have the right to elect a majority of the members of the Board.

ARTICLE II
MEETINGS OF MEMBERSHIP

2.1 Rules. The meetings of the membership shall be held in accordance with the provisions of the Declaration and, subject to the Declaration, in accordance with these By-Laws. Except where in conflict with the Declaration, Roberts Rules of Order (as amended) shall govern the conduct of all membership meetings.

2.2 Annual Meeting. The annual meeting of the Association membership shall be held at the offices of the Association or at such other place in the State of Florida as shall be designated by the Board or the President of the Association. The initial annual meeting shall be held on December 1, 2006 and thereafter the annual meeting shall be held at a place and time determined by the Board, which shall ordinarily be at least 11 months but no later than 13 months since the previous annual meeting.

2.3 Special Meetings. Unless specifically provided otherwise in these Bylaws or in the Declaration, meetings of the membership shall be held when directed by the President or the Board or when requested in writing by members holding a majority of the votes having the right to vote at such meeting. The call for the meeting shall be issued by the secretary.

2.4 Notice. Notice of all members' meetings, regular or special, shall be given by the President, Vice President or Secretary of the Association to each member unless waived in writing. Such notices, including an agenda, shall be mailed or delivered to each member not less than ten (10) days prior to the meeting, except in an emergency, in which case the Board shall give such notice as is reasonable under the circumstances.

In addition, except in an emergency, when such notice requirement shall be waived, written notice shall be posted at a conspicuous place on the Property not less than forty-eight (48) hours prior to any meeting.

If required by the Condominium Act, notice of the annual meeting, including an agenda, shall be given to each Unit Owner at least 14 continuous days prior to the annual meeting and shall be posted in a conspicuous place on the Property at least 14 days prior to the annual meeting.

2.5 Quorum. Voting at an Association meeting requires presence of 51% of the Members (in person or by proxy) to transact business. The Board may revise this percentage from time to time, but in no event shall the required percentage be less than 51%. If applicable law is changed to permit voting by telephone conference or any other fashion, such changes in the law shall automatically be incorporated into these Bylaws.

2.6 Proxies. The use of and form of proxies shall be as established in Florida Statutes Section 718.112(2)(b)2.

2.7 Waiver. Except for those matters required by the Condominium Act to be voted upon at a meeting, any Owner may waive notice of a meeting or consent to the holding of a meeting without notice or consent to action taken without a meeting, by execution of a waiver or consent in writing. Such waiver or consent may be executed prior to, at, or subsequent to the meeting or Association action to which the waiver or consent relates.

2.8 Action without Meeting. If permitted by the Board, and except for those matters required by the Condominium Act to be voted upon at a meeting, the membership may approve any matter by written ballot without a meeting. Ballots shall be mailed or hand delivered to all Members. To the extent not in conflict with the Condominium Act, the Board shall establish for each vote the amount of time to be permitted for voting, which shall be no less than 10 days nor more than 60 days, and all ballots returned within the permitted time shall be counted. The Board may also establish a minimum number of ballots which must be returned in order for the vote to be valid within the limits required for a quorum.

3.1 Initial Composition. The Board shall initially consist of three persons who shall be originally appointed by the Developer.

3.2 Election By Owners. Developer.

1. When unit owners other than the developer own 75 percent or more of the units in a condominium that will be operated ultimately by an association, the unit owners other than the developer shall be entitled to elect no less than one-third of the members of the board of administration of the association. Unit owners other than the developer are entitled to elect not less than a majority of the members of the board of administration of an association:

- a. Three years after 75 percent of the units that will be operated ultimately by the association have been conveyed to purchasers;
- b. One year after 90 percent of the units that will be operated ultimately by the association have been conveyed to purchasers;
- c. When all the units that will be operated ultimately by the association have been completed, some of them have been conveyed to purchasers and none of the others are being offered for sale by the developer in the ordinary course of business;
- d. When some of the units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the developer in the ordinary course of business; or
- e. Seven years after recordation of the declaration of condominium; or, in the case of an association which may ultimately operate more than one condominium, 7 years after recordation of the declaration for the first condominium it operates; or, in the case of an association operating a phase condominium created pursuant to 5.718.403, 7 years after recordation of the declaration creating the initial phase, whichever occurs first.

3.3 First Election. Within seventy five (75) days after the Owners other than the Developer become entitled to elect a member of the Board, the Association shall call a meeting of the Owners to elect a member of the Board. Notice shall be given not less than sixty (60) days before the meeting. The meeting may be called and notice given by any Owner if the Association fails to do so. At the meeting, such Owners shall elect the director which they are then entitled to elect, who shall replace one named by the Developer and who shall serve until the next regularly scheduled annual meeting of the Association, when a successor shall be elected as provided in the Bylaws.

3.4 Number of Directors. The Board shall consist of at least three directors. If approved by majority vote of the Members at the time of election of directors, the number of directors may be increased; otherwise, there shall be three directors.

3.5 Term. Directors shall hold office for a term of two years. A director may be elected to a one-year term to permit staggered terms. Directors may be elected for successive terms.

3.6 Qualifications. Directors are not required to be Members.

3.7 Voting Procedure. Each Member shall have one vote for each seat to be filled. No cumulative voting shall be permitted. The candidates receiving the highest number of votes shall be declared elected.

3.8 Removal. Removal may be effected pursuant to the provisions of §718.112(2)(G) F.S. and Rule(s) 61 B-23.0026 through 61 13-23.0028 Florida Administrative Code.

3.9 Vacancy. Any vacancy occurring in the Board may be filled by a majority vote of the remaining Board members, except that a vacancy resulting from removal of a director by the members shall be filled by a vote of the membership. Members shall also vote to fill a vacancy if there are not sufficient remaining Board members to constitute a quorum.

3.10 Meetings. An annual meeting of the Board shall be held immediately following the annual meeting of the membership and at the same place. Special meetings of the Board shall be held upon call by the President or a majority of the Board on not less than forty-eight (48) hours notice in writing to each director, unless the Board determines an emergency to exist, in which event the Board shall give such notice as is reasonable under the circumstances. All meetings of the Board shall be open to all members and, except in an emergency as provided above, notices of all meetings shall be posted in a conspicuous place on the Property at least 48 hours prior to the meeting. Notwithstanding the foregoing, posting and mailing of 14 days notice of a meeting to consider non-emergency special assessments or amendments to rules regarding unit use as more particularly described in Florida Statutes Section 718.112(2)(c) is required.

3.11 Waiver. Any director may waive notice of a meeting or consent to the holding of a meeting without notice or consent to any action of the Board without a meeting. Such waiver or consent may be executed prior to, at, or subsequent to the meeting or Board action to which the waiver or consent relates.

3.12 Quorum. Voting at a Board meeting requires presence of at least one-half of the directors, in person or telephone conference. If applicable law is changed to permit voting by proxy or any other fashion, such changes in the law shall automatically be incorporated into these Bylaws. If applicable law is changed to permit it, any action required to be taken by vote of the Board may be taken in the absence of a meeting (or in the absence of a quorum at a meeting) by obtaining the written approval of a majority of the Board.

3.13 Compensation. Directors shall receive no compensation for their services unless expressly provided for in resolutions duly adopted by the Owners.

3.14 Powers and Duties. The Board shall have the following powers and duties:

- (a) To elect the officers of the Association as hereinafter provided;
- (b) To administer the affairs of the Association and the Property and formulate policies for such purposes;
- (c) To adopt administrative rules and regulations governing the administration, management, operation and use of the Property and to amend such rules and regulations from time to time;
- (d) To provide for the maintenance, repair and replacement of those parts of the Property stated in the Declaration to be maintained by the Association;

- (e) To provide for the designation, hiring and removal of employees and other personnel or service companies, including a property manager, to engage or contract for the services of others, to make purchases for the maintenance, repair, replacement, administration, management and operation of the Property and to delegate any such powers to the employees or agents of the Association;
- (f) To estimate the amount of the annual budget, to provide the manner of assessing and collecting from the Owners their respective shares of such estimated expenses as hereinafter provided and to assess any supplemental assessment as the Board shall deem necessary;
- (g) Unless otherwise provided herein or in the Declaration, to comply with the instructions of a majority of the Owners as expressed in a resolution duly adopted at any annual or special meeting of the Owners; and
- (h) To exercise all other powers and duties of the Board provided for in the Declaration, the Articles or the Condominium Act.

ARTICLE IV OFFICERS

4.1 Election. Subject to the provisions of the Declaration and Articles, at each annual meeting of the Board, the Board shall elect from the membership of the Association the following officers of the Association:

- (a) A President, who shall be a director, shall preside over the meetings of the Board and of the Association and shall be the chief executive officer of the Association. In the recess of the Board, the President shall have general control and management of the business and affairs of the Association;
- (b) One or more Vice Presidents, who shall in the absence or disability of the President, perform the duties and exercise the powers of the President;
- (c) A Secretary, who shall keep the minutes of all meetings of the Board and of the membership and who shall perform all the duties generally incident to the office of Secretary;
- (d) A Treasurer, who shall cause to be kept the financial records and books of account of the Association; and
- (e) Such additional officers as the Board shall see fit to elect. An individual may hold more than one position.

4.2 Powers. The officers shall have the general powers usually vested in such officers of a not-for-profit corporation, provided that the Board may delegate any specific powers to any other officer or impose such limitations or restrictions upon the powers of any officer as the Board may deem necessary.

4.3 Term. Each officer shall hold office for the term of one year and until his successor shall have been elected and qualified.

4.4 Vacancy. Vacancies in any office shall be filled by the Board. Any officer may be removed at any time, with or without cause, by the affirmative vote of a majority of the whole Board.

4.5 Compensation. Officers shall receive no compensation for their services, unless expressly provided for in a resolution duly adopted by the Owners.

ARTICLE V RECORDS

5.1 Accounting. The Board shall maintain accounting records according to generally accepted accounting practices, which records shall be open to inspection by Owners at reasonable times and upon reasonable notice. These accounting records shall include a record of receipts and expenditures and a separate account for each Owner showing the assessments charged to and paid by such Owner. Within sixty (60) days after the end of each fiscal year, the Board shall cause to be furnished to each Owner a statement for such year showing the receipts and expenditures and such other information as the Board may deem desirable or which may be required by the Condominium Act. Upon reasonable notice to the Board, any owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from him.

5.2 Meetings. The Board shall keep a record of all meetings, both of the Board and of the Association. For each action taken, the record shall state the vote and a description of the action approved, and, where applicable, the reasons why the action was considered necessary and a summary of the information on which the decision was based. The record shall be available for inspection by any Member at reasonable times and upon reasonable notice.

ARTICLE VI HEARINGS; FINES

6.1 Imposition of Fines. Generally. The Association may levy reasonable fines against a unit for the failure of the owner of the unit, or its occupant, licensee, or invitee, to comply with any provision of the Declaration, the Association Bylaws or reasonable rules of the Association. No fine will become a lien against a unit. No fine may exceed that permitted by the Condominium Act.

6.2 Applicability of Provisions. No fine may be levied except after giving reasonable notice and opportunity for a hearing to the unit owner and, if applicable its licensee or invitee. Whenever the Declaration or the Condominium Act requires that an owner be given the opportunity for a hearing before imposition of a fine or other penalty or restriction, this Article shall apply.

6.3 Notice. The party against whom the fine or other penalty is to be imposed shall be afforded an opportunity for hearing after reasonable notice of not less than fourteen (14) days. The notice shall include:

(a) A statement of the date, time and place of the hearing,

(b) A statement of the provisions of the Declaration, Bylaws or rules which have allegedly been violated, and

(c) A short and plain statement of the matters asserted by the Association.

6.4 Hearing. The hearing must be held before a committee of other unit owners. At the hearing, the party against whom the fine or other penalty is to be imposed shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge and respond to any material considered by the Association. If the committee does not agree with the fine, the fine may not be levied.

ARTICLE VII AMENDMENT

The Bylaws may be altered, amended, modified or repealed by (a) a majority of the Directors if ratified by a majority of those members present at any duly called meeting of the members of the Association, or (b) assent in writing of two-thirds of the members. Any such modification shall be effective upon recording in the public records of Flagler County.

ARTICLE VIII WRITTEN INQUIRIES

The Board shall comply with the provisions of Florida Statutes Section 718.112(2)(a)2 regarding written inquiries.

ARTICLE IX COMMON ELEMENTS-LIMITED POWER TO CONVEY

The Board shall comply with the provisions of Florida Statutes Section 718.112(2)(m) regarding conveyances to condemning authority.

ARTICLE X CERTIFICATES OF COMPLIANCE

The Board shall comply with the provisions of Florida Statutes Section 718.112(2)(1) regarding certificates of compliance.

ARTICLE XI ADOPTION OF ANNUAL BUDGET

The Board shall comply with the provisions of Florida Statutes Section 718.112(2)(f) regarding the adoption of an annual budget.