BY-LAWS

OF

THE VILLAS AT SHADOW BAY CONDOMINIUM
PHASE VI ADDITION ASSOCIATION, INC.

A Florida Corporation not for profit

ARTICLE I

GENERAL

A. Name. The name of the Corporation shall be THE VILLAS AT SHADOW BAY CONDOMINIUM PHASE VI ADDITION ASSOCIATION, INC.

B. Principal Office. The principal office of the corporation shall be 435 Douglas Avenue, Altamonte Springs, Florida 32714, or may be such other place as may be subsequently designated, from time to time, by the Board of Directors.

C. Definition. As used herein, the term "Association" shall mean this corporation and the Association as defined in any Declaration of Condominium to which these By-Laws are attached (the "Declaration") and all other words as used herein shall have the same definitions as attributed to them in said Declaration. The Association has been organized for the purpose of administering (but not exclusively unless so provided in the Corporation's Articles of Incorporation) the Condominium created by the Declaration to which these By-Laws are attached.

ARTICLE II

DIRECTORS

A. Number and Term. The number of Directors who shall constitute the whole Board shall be not less than three (3). The initial Board shall consist of three (3) Directors. Until succeeded by Directors elected at the first annual meeting of members, Directors need not be members; thereafter, all Directors shall be members; provided, however, that no Director elected by the Developer as provided in the Declaration, these By-Laws or Chapter 718, Florida Statutes, shall be required to be a member of the Association. Within the limits above specified, the number of Directors shall be determined by the voting members at the annual meeting. The Directors shall be elected at the annual meeting of the members, and each Director shall be elected to serve for the term of one (1) year or until his successor shall be elected and shall qualify.

B. Vacancy and Replacement. 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, at a special meeting of Directors duly called for this purpose, shall choose a successor or successors, who shall hold office for the unexpired term in respect to which such vacancy occurred.

C. Removal. Directors may be removed with or without cause by an affirmative vote of a majority of the members. No Director, other than the initial Director or Directors elected by the Developer as set forth in Section A hereof, shall continue to serve on the Board if during his term of office his membership in the Association shall be terminated for any reason whatsoever.

D. Resignation. Any Director may resign his office at any time, such resignation to be made in writing, and to take effect from the time of its receipt by the Association, unless some future time be fixed in the resignation, and then from that date. The acceptance of a resignation shall not be required to make it effective.

E. First Board of Directors. The first Board of Directors shall consist of the persons so named in the Articles of Incorporation who shall hold office and exercise all powers of the Board of Directors until the first membership meeting, anything to the contrary notwithstanding; provided, any or all said Directors shall be subject to replacement in the event of resignation or death, as provided in Section C of this Article II.

F. Powers. The property and business of the Association shall be managed by the Board of Directors, who may exercise all corporate powers not specifically prohibited by statutes, the Articles of Incorporation or the Declaration. The powers of the Board of Directors shall specifically include, but not be limited to, the following items:

1. To make and collect assessments and establish the time within which payment of same are due.

2. To use and expend the assessments collected; to maintain, care for and preserve the units, Condominium Property and Association proerty, except those portions thereof which are required to be maintained, cared for and preserved by the unit owners.

3. To purchase the necessary equipment and tools required for the maintenance, care and preservation of the property, referred to in Sub-Section F.2 above.

4. To enter upon the units when necessary and with as little inconvenience to the owner as possible in connection with such maintenance, care and preservation.

5. To insure and keep insured said Condominium Property and Association Property in the manner set forth in the Declaration against loss from fire and/or other casualty, and the unit owners against public liability, and to purchase such other insurance as the Board of Directors may deem advisable.

6. To collect delinquent assessments by suit or otherwise, abate nuisances and enjoin or seek damages from the unit owners for violations of these By-Laws and the terms and conditions of the Declaration.

7. To employ and/or contract with, if deemed desirable, a maintenance service contractor and/or

a manager who shall maintain, service and/or manage the Condominium Property, Association Property and related facilities, and to delegate to such Contractor or manager such duties as may be necessary in connection with the operation or properties and facilities, to employ workmen, janitors and gardeners and to purchase supplies and equipment and to enter into contracts in connection with any of the foregoing items or for other services deemed desirable.

8. To make reasonable rules and regulations for the use and occupancy of the Condominium Property and the Association Property.

G. Meetings. Meetings of the Board of Directors shall be had as follows:

1. The first meeting of each Board newly-elected by the members shall be held immediately upon adjournment of the meeting at which they were 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 general members' meeting, and immediately after the adjournment of same.

2. The Board of Directors may establish a schedule of regular meetings to be held at such time and place as the Board of Directors may designate. Notice of such regular meeting shall, nevertheless, be given to each Director personally or by mail, telephone or telegraph at least two (2) days prior to the day named for the meeting. In addition, except in the case of emergency, notice must also be posted conspicuously on the condominium property at least 48 hours in advance of the meeting.

3. Special meetings of the Board of Directors may be called by the President on three (3) days' notice of each Director. Special meetings shall be called by the President or secretary in a like manner and on like notice on the written request of two (2) Direcors.

4. 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 the act 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 Articles of Incorporation or by these By-Laws. If a quorum shall not be present in any meeting of Directors, the Directors present thereat may adjourn the meeting, and may reconvene the meetingonly after notice of the reconvened meeting has been posted conspicuously on the condominium property at least 48 hours in advance of said reconvened meeting.

H. Order of Business. The order of business at all meetings of the Board of Directors shall be as follows:

1. Roll call.
2. Reading of minutes of last meeting.
3. Consideration of communications.
4. Resignations and elections.
5. Report of officers and employees.
6. Reports of committees.

7. Unfinished business.
8. Original resolutions and new business.
9. Adjournment.

I. Annual Statement. The Board will present, not less often than at the annual meeting, and when called for by a vote of the members, at any special meeting of the members, a full and clear statement of the business and condition of the Association.

ARTICLE III

OFFICERS

A. Executive Officers. The executive officers of the Associaiton shall be President, Vice President, Secretary and Treasurer, all of whom shall be elected annually by the Board of Directors. If the Board so determines, there may be more than one (1) Vice President.

B. Appointive Officers. The Board of Directors may appoint such other officers and agents as it may deem necessary, who shall hold office in the sole discretion of the Board of Directors and who shall have such authority and perform such duties as from time to time may be prescribed by the Board of Directors.

C. Election. The Board of Directors at its first meeting after each annual meeting of general members shall elect a President, a Vice President, a Secretary and a Treasurer, none of whom need be a member of the Board of Directors or a member of the Association.

D. Term. The officers of the Association shall hold office until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Directors may be removed for cause, at any time by the affirmative vote of a majority of the whole Board of Directors.

E. The President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the unit owners and of the Board of Directors; He shall have executive powers and general supervision over the affairs of the Association and other officers. He shall sign all written contracts to perform all of the duties incident to this office and which may be delegated to him from time to time by the Board of Directors.

F. The Vice President. The Vice President shall perform all of the duties of the President in his absence, and such other duties as may be required of him from time to time by the Board of Directors.

G. The Secretary. The Secretary shall issue notices of all Board of Directors' meetings and all meetings of the members; shall attend and keep the minutes of such meetings; and, shall have charge of all of the Association's books, records and papers, except those kept by the Treasurer. The Assistant Secretary, if any, shall perform those duties of the Secretary when the Secretary is absent.

H. The Treasurer.

1. The Treasurer shall have custody of the Association's funds and securities, except the funds payable to the Manager as provided in the Management Agreement attached to the Declaration or any other applicable Management Agreement and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association, and shall deposit all monies and other valuable effects in the name of and to the credit of the Association in such depositories as may be designated form time to time by the Board of Directors. The books shall reflect an account for each unit in the manner required by law.

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

3. The Treasurer shall collect the assessments and shall promptly report the status of collections and of all delinquencies to the Board of Directors.

4. The Treasurer shall give status reports to potential transferees on which reports the transferees may rely.

5. The Assistant Treasurer, if any, shall perform the duties of the Treasurer when the Treasurer is absent.

I. Vacancies. If the office of the President, Vice President, Secretary or Treasurer becomes vacant by reason of death, resignation, disqualification or otherwise, the Board of Directors, by a majority vote of the whole Board of Directors, may choose a successor or successors who shall hold office for the unexpired term.

J. Resignation. Any Officer may resign his office at any time, such resignation to be made in writing, and to take effect from the time of its receipt by the Association, unless some future time be fixed in the resignation, and then from that date. The acceptance of a resignation shall not be required to make it effective.

ARTICLE IV

MEMBERSHIP AND VOTING RIGHTS

Every Owner of a Unit which is subject to assessment shall be a member of the Association. An Owner of more than one (1) Unit shall be entitled to one (1) membership for each Unit owned by him. Membership shall be appurtenant to and may not be separated from ownership of any Unit which is subject to assessment, but shall be automatically transferred by conveyance of that Unit. The Declarant shall also be a member so long as it owns one or more Units or Parcels.

A. Generally. There shall be no stock certificates issued by this Association. There shall be no more than twenty four (24) voting members of the Association.

B. Transfer of Membership. Transfer of membership shall be made only on the books of the Association, and notice of acceptance of such transferee as a member of the Association shall be given in writing to such transferee by the President and Secretary of the Association. Transferor, in such instance, shall automatically no longer be a member of the Association. Membership in the Association may be transferred only as an incident to the transfer of a Condominium parcel, and shall be subject to the procedures set forth in the Declaration.

C. Voting; Certificates; Voting Member. The members of this Association shall be entitled to cast one (1) vote for each Condominium unit owned by them. The person entitled to cast the vote for the Condominium unit shall be designated by a certificate signed by all of the record owners of the Condominium unit and filed with the Secretary of the Association. If a Condominium unit is at any time owned by a corporation, the person entitled to cast the vote for the Condominium unit shall be designated by a certificate signed by the President or Vice President of the corporation and filed with the Secretary of the Association. If a Condominium unit is owned by the Developer ("Developer"), as defined in the Declaration, the certificate designating the voting member for such unit may be executed by any President or Vice President of Developer. If Developer owns more than one (1) unit in the Condominium, the Developer may designate more than one (1) of those units it owns in one (1) certificate designating the voting member for such units. The person named and designated in such voting certificate as the person who shall cast the vote for such Condominium unit shall be referred to as the "Voting Member". Any such voting certificate must be filed with the Secretary prior to the commencement of any meeting at which the vote represented by such certificate, including any proxy therefor, is to be cast or used to calculate a quorum. Each such certificate shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the Condominium unit represented by such certificate. A certificate designating the person entitled to cast the vote of a Condominium unit may be revoked by any owner of the unit represented by such certificate. If such a certificate is not on file, or if such has been revoked, the vote of such owner and such unit shall not be considered in determining the requirement for a quorum or for any other purpose.

ARTICLE V

MEETINGS OF MEMBERSHIP

A. Place. All meetings of the members of the Association shall be held at the property of the Association or such other place as may be stated in the notice.

B. Annual Meeting. Members shall meet at least once in each calendar year, and such meeting shall be the annual meeting. The first annual meeting shall be

held within one (1) year after the first certificate of occupancy is issued on a unit in a Condominium which this Association operates. Regular annual meetings which are subsequent to the first meeting shall be held on the first day of February of each succeeding year, if not a legal holiday, and if a legal holiday, then on the next secular day following.

C. Special Meetings. 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 ten (10%) percent of the voting members. Such request shall state the purpose or purposes of the proposed meeting. Business transacted at all special meetings shall be confined to the subjects stated in the notice thereof of the special meetings.

D. Right to Vote; Proxies. At any meeting of the members, every voting member having the right to vote shall be entirled to vote in person or by proxy. Such proxy shall only be valid for such meeting, or subsequent adjourned meetings thereof provided that such adjourned meetings are held within ninety (90) days of the date of the original meeting. All proxies shall be in writing and signed by the voting member.

E. Vote Required to Transact Business. When a quorum is present at any meeting, the majority vote of the voting members present at such meeting, in person or represented by written proxy, shall decide any questions brought before the meeting, unless the question is one upon which, by express provision of the Florida Statutes, the Declaration, the Articles of Incorporation, or of these By-Laws, a different vote is required, in which case such express provision shall govern and control the decision of such question.

F. Statutory Reference Whenever in Chapter 718, Florida Statutes, the term "member", "members", "unit owner", "unit owners", "owner", "owners", or similar term is used with reference to percentages or fractions necessary for a quorum or for voting upon, passing or defeating any particular issue or matter, such term shall be and be construed to mean voting member as defined in these By-Laws, unless otherwise specifically provided to the contrary inn express language by Chapter 718, Florida Statutes or current ruling case law on point, or the Declaration.

G. Quorum. Forty percent (40%) of the total number of duly qualified voting members of the Association present in person or represented by written proxy, shall be requisite to and shall constitute a quorum at all meetings of the members for the transaction of business, except as otherwise provided by the Florida Statutes, the Declaration, the Articles of Incorporation or by the By-Laws. If, however, such quorum shall not be present or represented at any meeting of the members, the voting members 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

10 members

FL St 30%

shall be presented or represented, any business may be transacted which might have been transacted at the meeting originally called.

H. Waiver and Consent. Whenever the vote of members at a meeting is required or permitted by any provision of the Florida Statutes, the Articles of Incorporation, the Declaration, or these By-Laws to be taken in connection with any action of the Association, the meeting and vote of members may be dispensed with if not less than seventy-five (75%) percent of the voting members who would have been entitled to vote upon the action of such meeting if such meeting were held, shall consent in writing to such action being taken.

I. Order of Business. The order of business at all meetings of the Members shall be as follows:

1. Roll call.
2. Reading of minutes of last meeting.
3. Consideration of communications.
4. Resignations and elections.
5. Report of officers and employees.
6. Reports of committees.
7. Unfinished business.
8. Original resolutions and new business.
9. Adjournment.

J. Membership List. At least ten (10) days before every annual meeting of the members, a complete list of members entitled to vote at said meeting, arranged numerically or alpha-numerically by units, shall be produced and kept for said ten (10) days at the office of the Association, and such list shall be open to examination by any member throughout such time.

ARTICLE VI

NOTICES

A. Service. Whenever, under the provisions of the Florida Statutes, the Articles of Incorporation, the Declaration or of these By-Laws, notice is required to be given to any Director or member, it shall not be construed to mean personal notice; but such notice may be given in writing by first class mail; by sealed wrapper addressed to the person to whom notice is to be given at their address as it appears on the books of the Association. Except in the case of emergency special meetings, notice shall also be posted at a conspicuous place on the Condominium Property at least fourteen (14) days in advance of any annual or special meeting of the members of the Association.

B. Waiver. Whenever any notice is required to be given under the provisions of the Florida Statutes, the Declaration, the Aritcles of Incorporation or 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 sufficient.

C. Time. Except in the case of emergency special meetings, notices of all annual and special meetings of members of the Association shall be given at least fourteen (14) days in advance of the meeting.

ARTICLE VII

FINANCES

A. Fiscal Year. The fiscal year shall be the calendar year. The Board of Directors is expressly authorized to change this fiscal year at any time for the convenience of the Association.

B. Checks, Etc. All checks or demands for money and notes of the Association shall be signed by any two (2) of the following officers: President, Vice President, Secretary or Treasurer, or by such officer or officers, or such other person or persons as the Board of Directors may from time to time designate.

ARTICLE VIII

SEAL

The seal of the Association shall have inscribed thereon the name of the Association, the year of its organization, and the words "State of Florida" and "corporation not for profit". Said seal may be used by causing it or a facsimile thereof to be impressed, affixed, printed, drawn, or otherwise produced.

ARTICLE IX

ASSESSMENTS

A. Determination of Assessments:

1. Generally. The Board of Directors shall fix and determine from time to time the sum or sums necessary and adequate for the common expenses of the Condominium. Common expenses shall include expenses for the operation, maintenance, repair or replacement of the common elements and the limited common elements, Association Property, costs of carrying out the powers and duties of the Association, all insurance premiums and expenses relating thereto, including fire insurance and extended coverage, and any other expenses designated as common expenses from time to time by the Declaration to be a common expense. The Board of Directors is specifically empowerred on behalf of the Association to make and collect assessments, to lease, maintain, repair and replace the common elements and limited common elements of the Condominium and Association Property, and to establish reserves or assessments for the betterment of the common elements shall be assessed against the unit owners in the proportions or percentages of sharing common expenses, as provided in the Declaration. Said assessments shall be payable monthly, in advance, and shall be due on the first day of each month, in advance, unless otherwise ordered by the Board of Directors. Special assessments, should such be required by the Board of Directors, shall be levied in the same manner as hereinabove provided for regular assessments and shall be payable in the manner determined by the Board of Directors. The foregoing powers and duties of the Association have been or may be delegated to the Management Firm, as provided in the Management Agreement attached to the Declaration to which these By-Laws are attached, or any other applicable Management Agreement.

2. Notice; Payment. When the Board of Directors has determined the amount of any assessment, the Treasurer of the Association shall mail or present to each unit owner a statement of said unit owner's assessment. All assessments shall be payable to the Treasurer of the Association and, upon request, said Treasurer shall give a receipt for each payment made to him.

3. Effect of Management Agreement. The Board of Directors has delegated the ministerial duties of collecting assessments to the Management Firm, as long as the Management Agreement remains in effect, and as provided in the Management Agreement. The Board of Directors retains the exclusive duty to make assessments as to the following:

(a) Special assessments.

(b) Acquisition of units, as provided in these By-Laws and pursuant to the Declaration to which these By-Laws are attached, subject to the written approval of such parties as are specified therein.

B. 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 (1) fund as determined by the Management Firm, as long as the Management Agreement remains in effect, and thereafter, by the Board of Directors of the Association. All assessment payments by a unit owner shall be applied first as to interest, delinquencies, costs and attorney's fees, other charges, expenses and advances, as provided herein and in the Declaration, and then to general or special assessments, in such manner and amounts as the Board of Directors determines. The Management Firm may co-mingle the Association's funds with the funds of others for whom it is acting as Manager, provided proper accountings are kept.

C. Acceleration of Assessment Installments Upon Default. If a unit owner shall be in default in the payment of an installment upon any assessment, the Board of Directors may accelerate the remaining monthly installments for the fiscal year not to exceed three (3) months, upon notice thereof to the unit 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 delivery of or the mailing of such Notice to the unit owner.

D. Audit. During the term of the Management Agreement, the Management Firm shall render to the Association a statement for each fiscal year in the manner and time set forth in the Management Agreement. The Management Firm shall perform a continual internal audit of the Association's financial records for the purpose of verifying the same but no independent or external audit shall be required of it. During the term of the Management Agreement, the Association may conduct an external review of an independent auditor acceptable to the Management Firm at such reasonable

time as the Management Firm shall agree to, provided, however, said request for inspection is not made more than once in any calendar month and provided that the cost and expense of same is borne by the Association. Upon the termination of the Management Agreement, an audit of the accounts of the Association shall be made annually. Such review shall be prepared by such Certified Public Accountant as the Board of Directors determines and a copy of said report shall be available to the members of the Association in the office of said Association and with the Treasurer of the Association. Such report shall be available not later than three (3) months after the end of the year for which the report is made. The provisions of a Management Agreement applicable thereto shall supersede the foregoing. The consent of the Management Firm as to an independent auditor who may be employed to conduct an external audit, as hereinabove set forth in this Section, shall not be unreasonably withheld.

E. Budget. The annual budget shall be prepared by the Board of Directors with the assistance of the Management Firm, as long as the Management Agreement remains in effect, and by the Board of Directors thereafter. The proposed annual budget of common expenses shall be mailed to the unit owners not less than thirty (30) days prior to the meeting at which the budget will be considered, together with a notice of that meeting. At such times as the budget shall be prepared and adopted by the Board of Directors as provided in these By:-Laws, then the unit owners shall be given wirtten notice of the time and place at which such meeting of the Board of Directors to consider the budget shall be held, and such meeting shall be open to the unit owners. If a budget is adopted by the Board of Directors which requires assessments against the unit owners in any fiscal or calendar year, exceeding one hundred fifteen (115%) percent of such assessments for the preceeding year, upon written application of ten (10%) percent of the unit owners, a special meeting of the unit owners shall be held upon not less than ten (10) days written notice to each unit owner, but within thirty (30) days of the delivery of such application to the Board of Directors or any member thereof, at which special meeting unit owners may consider and enact a revision of the budget or recall any and all members of the Board of Directors and elect their successors. The revision of the budget or the recall of any and all members of the Board of Directors shall require a vote of not less than a majority of the whole number of votes of all unit owners. The Board of Directors may, in any event, propose a budget to the unit owners at a meeting of members or by writing, and if such budget or proposed budget be approved by the unit owners at the meeting or by a majority of their whole number by writing, such budget shall not thereafter by re-examined by the unit owners in the manner hereinabove set forth nor shall the Board of Directors be recalled under the terms of this Section. In determining whether assessments exceed one hundred fifteen (115%) percent of similar assessments in prior years, there

shall be excluded from the computation any provision for reasonable reserves made by the Board of Directors in respect of repair or replacement of the Condominium Property or in respect of anticipated expenses by the Condominium Association which are not anticipated to be incurred on a regular or annual basis; and there shall be excluded from such computation, assessment for betterments to the Condominium Property, so long as these By-Laws so provide or allow the establishment of reserves or assessments for betterments to be imposed by the Board of Directors. However, so long as the Developer, as defined in the Declaration, is in control of the Board of Directors, the Board shall not impose an assessment for any year greater than one hundred fifteen (115%) percent of the prior fiscal or calendar year's assessment without approval of the majority of the unit owners.

F. Special assessment limitations. Pursuant to the authority granted to them by the Declaration, the Articles of Incorporation and these By-Laws, the Board of Directors has the power and authority to make, levy and collect special asessments for specified purposes; provided, however, that if any special assessments shall total in the aggregate Five Thousand Dollars ($5,000.00) for a single purpose or a series of related purposes, then such assessment must be approved by the members of the Association at a special meeting called for that purpose. Any assessment requiring the approval of the voting members of the Association must be approved by a majority of a quorum of voting members present in person or by proxy at such meeting.

ARTICLE X

MISCELLANEOUS RULES

In addition to the other provisions of these By-Laws, the following rules and regulations, together with such additional rules and regulations as may hereafter be adopted by the Board of Directors, shall govern the use of the Condominium units and the conduct of all occupants thereof:

1. Condominium units shall be used only for residential purposes.

2. Owners or their guests, invitees, servants or lessees shall not use or permit the use of their premises in any manner which would be disturbing or be a nuisance to other owners, or in such a way as to be injurious to the reputation of the property.

3. Use of the Condominium units shall be consistent with existing laws, these rules and regulations and so long as such use does not constitute a nuisance.

4. Condominium units may not be used for business use, or for any commercial use whatsoever; provided, however, Developer, as defined in the

Declaration shall have the continuing rights as long as it owns one (1) or more units to:

(a) transact any business necessary to consummate sales or rentals of units or portions thereof, including but not limited to the right to continue construction of the Condominium and any subsequent Condominiums developed by Developer, maintain models, have signs, use the common elements and show units; and

(b) to maintain sales offices, signs and all items pertaining to sales, which items shall not be considered common elements and shall remain the property of the Developer.

5. Common elements shall not be obstructed, lettered, defaced or misused in any manner.

6. No structural changes or alterations shall be made in any unit, except upon approval of the Board of Directors.

ARTICLE XI

DEFAULT

A. Foreclosure of Lien; Damages Claim. In the event an owner of a Condominium Parcel does not pay any sum, charge or assessment required to be paid to the Association within thirty (30) days from the due date, the Association, acting on its own behalf or through its Board of Directors or Management Firm acting on behalf of the Association, may foreclose the lien encumbering the Condominium parcel created by non-payment of the required money in the same fashion as mortgage liens are foreclosed. The Association shall be entitled to the appointment of a Receiver if it so requests. The Association shall have the right to bid on the Condominium parcel at a foreclosure sale and to acquire, hold, mortgage and convey the same. In lieu of foreclosing its lien, the Association may, through its Board of Directors, or Management Firm Association, bring suit to recover a money judgment for sums, charges or assessments required to be paid to the Association, without waiving its lien securing same. In any action either to foreclose its lien or to recover a money judgment brought by or on behalf of the Association against a Condominium parcel owner, the prevailing party shall be entitled to recover court costs and attorney's fees.

B. Loss of Membership. If an action of foreclosure is brought against the owner of a Condominium parcel for the non-payment of money due to the Association, and as a result thereof the interest of the said owner in and to the Condominium parcel is sold, then, at the same time of such sale, the Condominium parcel owner's membership shall be cancelled and membership shall be issued to the purchaser at the foreclosure sale.

C. Reimbursement Upon Sale. If the Association becomes the owner of a Condominium parcel by reason of foreclosure, it shall offer said unit for sale and at such time as a sale is consummated, it shall deduct from the proceeds all sums of money due it for monthly assessments and charges, all costs incurred in the bringing of the foreclosure suit, including reasonable attorney's fees, and any and all expenses incurred in the re-sale of the Condominium parcel, which shall include, but not be limited to, advertising expenses, real estate brokerage fees and expenses necessary for the repairing and refurnishing of the Condominium parcel in question. All monies remaining after deducting the foregoing items of expenses shall be returned to the former owner of the Condominium parcel in question.

D. Violations and Other Defaults. In the event of violation of the provisions of the Declaration, Articles of Incorporation or these By-Laws, as the same are now or may hereafter be constituted, the Association, on its own behalf, may bring appropriate action to enjoin such violation or to enforce the provisions of the documents just hereinabove enumerated, or sue for damages, or take all such courses of action at the same time, or for such other legal remedy it may deem appropriate.

E. Attorney's Fees. In the event of such legal action brought against a Condominium owner, the losing defendant shall pay to the plaintiff reasonable attorney's fees and court costs, including reasonable attorney's fees and court costs incurred on appeal.

F. Equitable Remedies. Each owner of a Condominium parcel, for himself, his heirs, successors and assigns, agrees to the foregoing provisions relating to default and abatement of nuisance, regardless of the harshness of the remedy available to the Association, and regardless of the availability of the other equally adequate legal procedures. It is the intent of all owners of Condominium parcels to give to the Association a method and procedure which will enable it at all times to operate on a businesslike basis, to collect those monies due and owing it from owners of Condominium parcels and to preserve each other unit owner's right to enjoy his Condominium unit free from unreasonable restraint and nuisance.

G. Surrender. In the event of the legal termination of a membership and of the occupancy rights thereunder through any procedure set forth in this Article, the member or any other person or persons in possession by or through the right of the member, shall promptly quit and surrender the owned unit to the Association in good repair, ordinary wear and tear and damage by fire or other casualty excepted, and the Association shall have the right to enter and to possess the owned unit. The member, otherwise, hereby waives any and all notice and demand for possession, if such be required by the laws of the County in which the

Condominium is located, the State of Florida and the United States of America.

ARTICLE XII

REGISTERS

The Secretary of the Association shall maintain a register in the corporate office showing the names and addresses of members.

ARTICLE XIII

PARLIAMENTARY RULES

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

ARTICLE XIV

RULES AND REGULATIONS

The Board of Directors shall have the exclusive authority to adopt, and from time to time amend, modify or rescind the Rules and Regulations governing the details of the operation, use, maintenance, management and control of the units, the Condominium Property, Association Property and any facilities or services available to the unit owners. A copy of the Rules and Regulations adopted from time to time as herein provided shall from time to time be posted in a conspicuous place and a copy thereof shall also be furnished each unit owner.

ARTICLE XV

AMENDMENT OF BY-LAWS

The By-Laws of the Association may be altered, amended or repealed, unless specifically prohibited herein, at any regular or special meeting of the members by a seventy-five (75%) percent vote of all duly qualified voting members of the Association, unless a contrary vote is required pursuant to the Articles of Incorporation, and provided that notice of said membership meeting has been given in accordance with these By-Laws. No modification or amendment to the By-Laws shall be valid unless set forth or annexed to a duly recorded amendment to the Declaration.

ARTICLE XVI

CONSTRUCTION

A. Generally. Wherever the masculine singular form of the pronoun is used in these By-Laws, it shall be construed to mean the masculine, feminine or neuter, singular or plural, whenever the context so requires. Should any Article, Section, sentence, phrase or word of these By-Laws be deemed to be invalid, void or be 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.

B. Conflict. In the event of any conflict between the Rules and Regulations adopted, or from time to time amended or modified, and the Declaration, the Articles, these By-Laws or the Condominium Act, the latter shall prevail. If any unreconciled interpretation of these By-Laws and the Declaration, the provisions of the Declaration shall prevail.

THE BOARD OF DIRECTORS OF THE VILLAS AT SHADOW BAY CONDOMINIUM PHASE VI ADDITION ASSOCIATION, INC.

By: _____
DIRECTOR

By: _____
DIRECTOR

By: _____
DIRECTOR

THE VILLAS AT SHADOW BAY CONDOMINIUM
PHASE VI ADDITION ASSOCIATION, INC.
INITIAL RULES AND REGULATIONS

The Rules and Regulations hereinafter enumerated as to the Condominium Property, shall be deemed in effect until amended, modified or rescinded by the Board of Directors of the Association, and shall apply to and be binding upon all unit owners and occupants. The unit owners shall, at all times, obey such Rules and Regulations and shall use their best efforts to see that they are faithfully observed by their families, guests, invitees, permitted lessees and persons over whom they exercise control and supervision. The initial Rules and Regulations are as follows:

1. BUILDING APPEARANCE AND MAINTENANCE

a. All sidewalks, walkways, hallways, stairwells and entrances which are part of the common elements must not be obstructed or used for any purpose other than ingress and egress. No personal property may be left or stored in any such areas, either on a temporary or permanent basis. Unit owners may store their personal property only within their respective units.

b. No clothing, bedding, linens, curtains, laundry or other articles shall be dried, aired or hung in any outdoor area, including the balcony or patios, where such may be seen from outside the unit.

c. Nothing may be shaken or hung from doors, windows, balconies or patios, or any of the common elements, nor shall any personal property, other than plants or patio furniture, be stored or kept in any patio area which can be seen from outside the unit.

d. None of the common elements shall be decorated or furnished by any unit owner or person without the prior written approval of the Board of Directors of the Association.

e. All garbage or trash shall be properly placed in plastic bags and placed in appropriate dumpsters to be picked up by Dump-All, Inc.

f. All unit owners shall keep and maintain the interior of their respective units in good condition and repair, and shall promptly pay for all utilities which are separately metered to the unit.

g. No unit owner shall make or permit any disturbing noises by himself, his family, or other occupants of his unit nor do or permit anything to be done by such persons that will unreasonably or unnecessarily interfere with the rights, comforts or convenience of other unit owners. No unit owner shall play or permit to be played any musical instrument, or operate or permit to be operated, a phonograph, television, radio or sound amplifier in his unit, in such a manner as to disturb or annoy other occupants of the Condominium. All parties shall lower the volume as to the foregoing from 10:00 P.M. to 9:00 A.M. each day.

h. No sign, advertisement, notice or other lettering shall be exhibited, displayed, inscribed, painted or affixed, in or upon any part of the common elements or any part of a unit which is visible from the exterior of the building by any unit owner or occupant without written permission of the Board of Directors of the Association. This provision, however, shall not apply to the Developer.

i. No inflammable, combustible, or explosive fluid, chemical or substance, shall be kept in any unit or limited common element except such as are required for normal household use.

j. Unit owners and persons in the building with their consent, permission or approval, express or implied, shall not at any time or for any reason whatsoever enter upon or attempt to enter upon the roof or the utility or telephone rooms of the building, if any. Such areas shall be restricted to those persons specifically authorized by the Association or management agent in connection with maintenance, repair or operation of the building.

2. PARKING

All automobile parking spaces shall be used solely and exclusively for that purpose. Parking shall be generally open. No unit owner or other person shall keep, park, store or leave boats, trailers, campers, recreation vehicles, inoperable motor vehicles or the like in any parking spaces or on the Condominium Property at any time, without the written permission of the Board of Directors of the Association.

3. OCCUPANTS OF UNITS

Each unit is restricted to residential use by the owners, or permitted lessees thereof, their immediate families and guests. No unit shall be occupied by more than two persons for each bedroom in the unit.

4. MANAGEMENT AND ASSESSMENTS

a. No unit owner or occupant shall direct, supervise, or in any manner attempt to assert any control over the employees of the Association or of any management agent employed by the Association. Complaints regarding the service of the condominium shall be made in writing to the management agent, as long as the Management Agreement remains in effect, and thereafter, to the Board of Directors of the Association.

b. Payment of assessments and maintenance fees shall be made at the office of the management agent, as designated from time to time. Payments made in the form of checks shall be made to the order of such party as the management agent shall designate.

5. ALTERATION OF CONDOMINIUM

Unit owners are specifically cautioned that their right to make any addition, change, alteration, or decoration to the exterior appearance of any portion of the buildings or other Condominium Property is subject to the provisions of the Declaration of Condominium.

6. NOTICE AS TO MORTGAGE

Each unit owner shall notify the Secretary of the Association in writing within five (5) days of the date a mortgage or other lien is placed of record encumbering his unit, such notice shall state the name and address of the mortgagee or other lien holder, and representative to receive notice in case of casualty loss. In the event the name, address or representative shall change, the unit owner shall give written notice to the Association's secretary advising of the change within five (5) days thereof. The Association shall be entitled to rely on the information received pursuant hereto, and shall have no obligation to make independent inquiry.

7. DECLARATION CONTROLS

In the event of any inconsistency or conflict between these Rules and Regulations, or any amendments thereof or additions thereto, and the Declaration, the Declaration shall control.

8. VIOLATIONS

In the event a unit owner or occupant of the unit is in violation of the Rules and Regulations from time to time adopted by the Board of Directors of the Association, and after notification by the Board of Directors, continues to violate such Rules and Regulations, such unit owner shall pay for the costs and expenses, including reasonable attorney's fees and court costs of legal proceedings brought to enforce the violated Rules and Regulations; provided that the party seeking to enforce the Rules and Regulations has been successful in the litigation.

9. ADDITIONAL RULES AND REGULATIONS

The Board of Directors of the Association reserves the right to make additional Rules and Regulations as may be required from time to time, and to amend, modify and rescind the present Rules and Regulations, all without the consent of the Association members. Such amendments or modifications shall be as binding as all other Rules and Regulations previously adopted.

VILLAS OF SHADOW BAY
PHASE VI ADDITION
A CONDOMINIUM

LEGAL DESCRIPTION

BEGINNING at the Northeast Corner of Lot 11, THE VILLAS AT SHADOW BAY, according to the plat thereof as recorded in Plat Book 4, Page 124, of the Public Records of Osceola County, Florida, thence run S.89°10'54"E. 560.73 feet to the Northwest Corner of Lot 124, SHADOW BAY UNIT FOUR, according to the plat thereof as recorded in Plat Book 4, Page 152, of the Public Records of Osceola County, Florida; thence run S.00°49'06"W. 100.00 feet to the Southwest COrner of said Lot 124; thence run N.89°10'54"W. 559.97 feet; thence run N.00°34'24"E. 180.00 feet to the Point of Beginning.

SURVEYOR'S CERTIFICATE

The undersigned, being a Registered Land Surveyor authorized to practice in the State of Florida, pursuant to Section 71.104(4)(E), Florida Statutes, hereby certifies that he has made a survey of the above described property and that the plat hereto attached labeled sheet 2 of 2 is a correct representation of the same. I further certify that this exhibit " ", together with the provisions of the declaration of condominium, is an accurate representation of the proposed improvements, and that the identification, location, and dimensions of the units, common elements, and limited common elements can be located from same.

R. Blair Kitner

R. BLAIR KITNER - P.L.S. No. 3382
P. O. Box 823 - Sanford, Florida 32772
Date: 10 January 1989

SURVEY NOTES:

1) This drawing on sheet 2 of 2 was prepared based on the plans prepared by Commonwealth Engineering Associates.
2) All improvements shown hereon are proposed and not a representation of "as built" conditions.
3) BLOG ___ designates the building number.

VILLAS OF SHADOW BAY
PHASE VI ADDITION
A CONDOMINIUM

LEGAL DESCRIPTION

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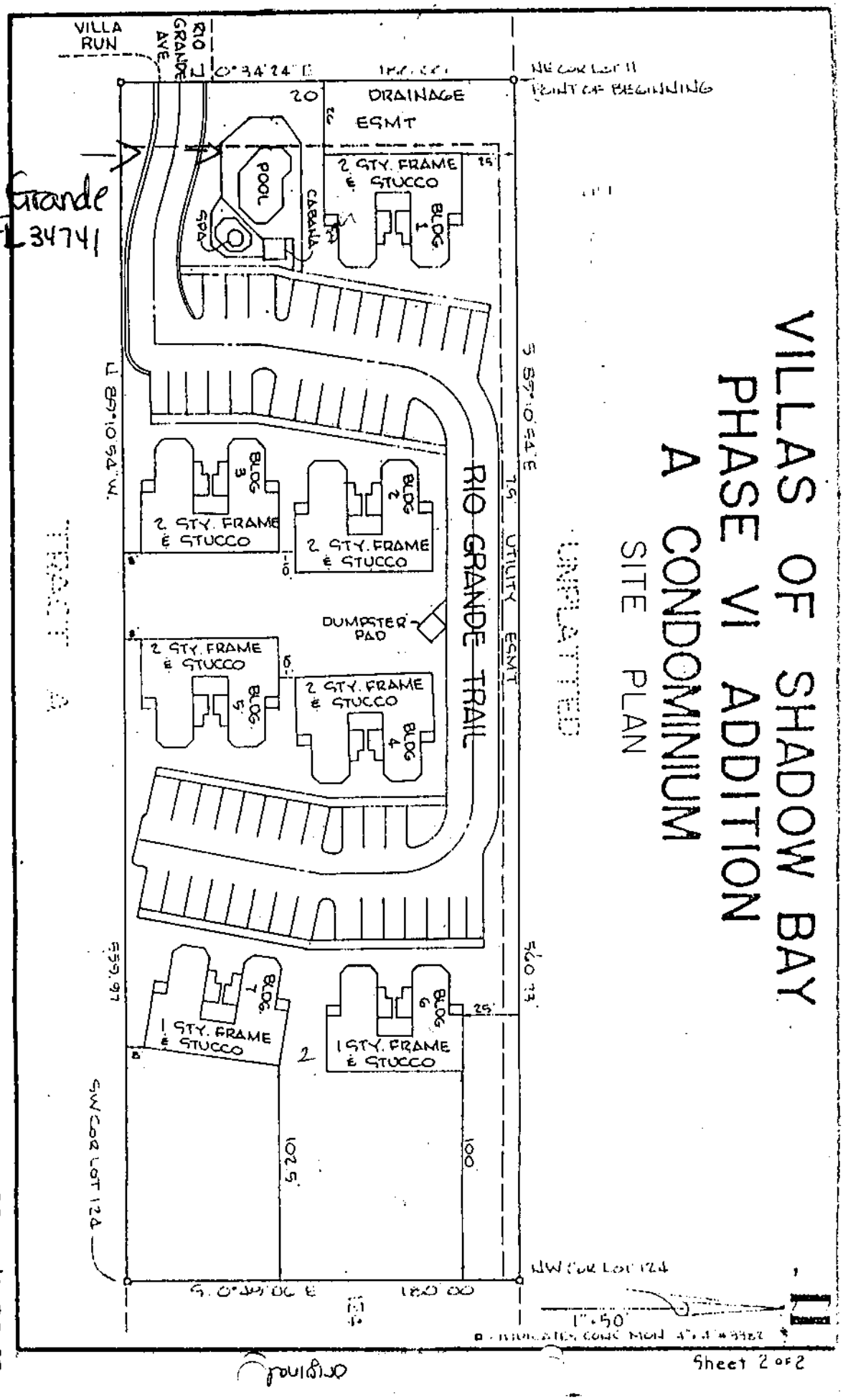
R. Blair Kitner

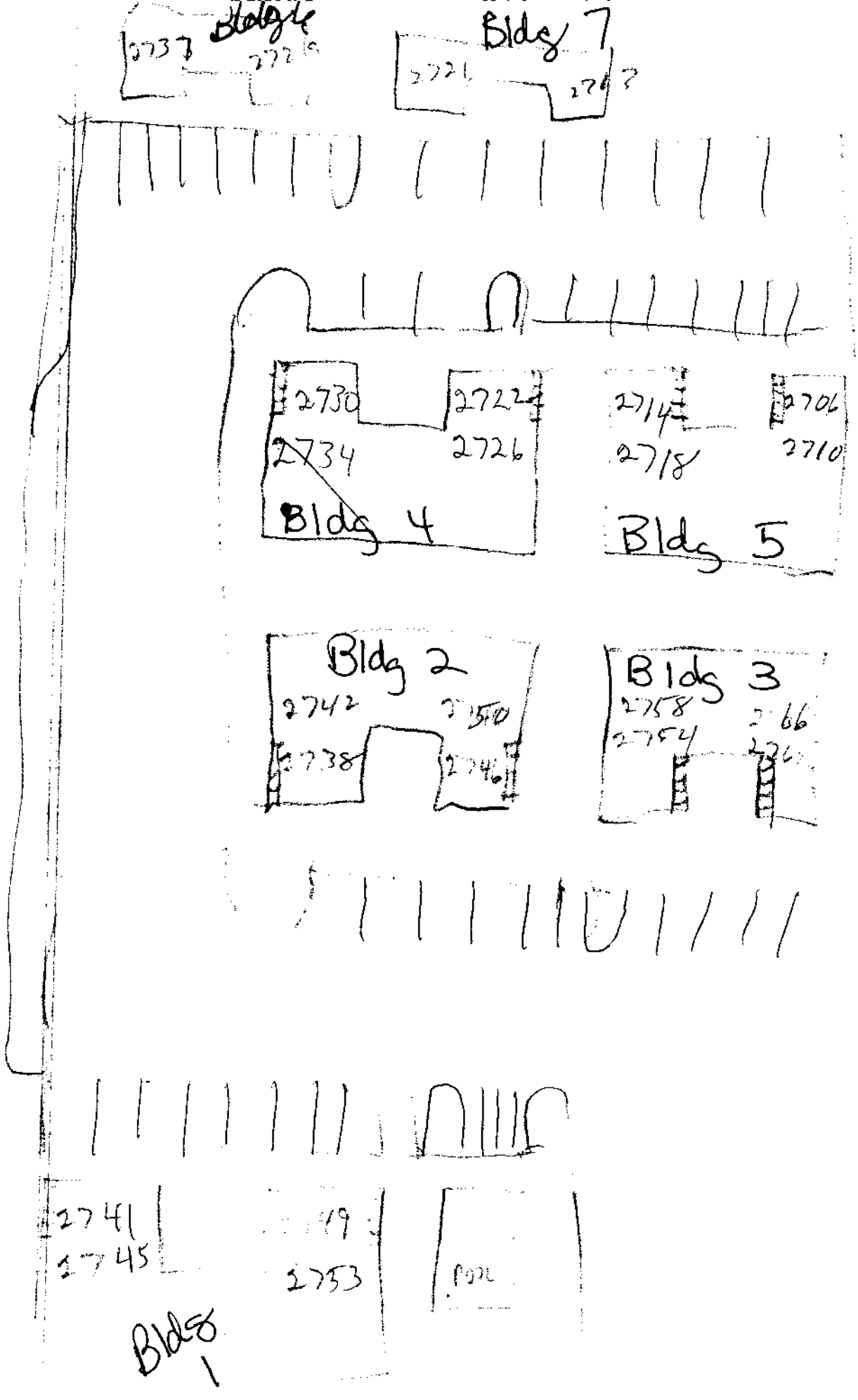
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SURVEY NOTES:

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2) All improvements shown hereon are proposed and not a representation of "as built" conditions.
3) BLDG ___ designates the building number.

2735 Rio Grande
Kissimmee FL 34741




Bldg 7
2730
2734
2722
2726
Bldg 4
2714
2718
2706
2710
Bldg 5
Bldg 2
2742
2738
2746
Bldg 3
2758
2754
2766
2741
2745
2749
2753
Bldg 1

VILLAS OF SHADOW BAY
PHASE VI ADDITION
A CONDOMINIUM
SITE PLAN

