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, EXHIBIT "E" TO
DECLARATION OF CONDOMINIUM
FOR HORIZON SOUTH, A CONDOMINIUM

BY-LAWS OF HORIZON SOUTH CONDOMINIUM ASSOCIATION, INC.

-DC-49-

BY-LAWS

HORIZON SOUTH CONDOMINIUM ASSOCIATION, INC.

ARTICLE I

GENERAL

Section 1. The Name: The name of the Association shall be HORIZON SOUTH CONDOMINIUM ASSOCIATION, INC., hereinafter referred to as the "Association".

Section 2. Principal Office: The initial principal office of the Association shall be at 150 S.E. Third Avenue, Miami, Florida, or at such other place as may be subsequently designated by the Board of Directors.

Section 3. Identity: These By-Laws have been established to govern the affairs of the Association pursuant to the Florida Condominium Act, Chapter 718, Florida Statutes, 1977, as amended, and thereby for the further purpose of administering, operating, and managing Horizon South, a Condominium (the "Condominium").

Section 4. Definition: As used herein, the term "Corporation" shall be the equivalent of "Association", and all other words as used herein shall have the same definitions as attributed to them in the Declaration of Condominium of Horizon South, a Condominium.

ARTICLE II

DIRECTORS

Section 1. Term: 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 duly elected and have qualified, or until his earlier resignation, removal from office or death.

Section 2. Number and Representation: The number of directors which shall constitute the Board of Directors (the "Board") shall ~~not be~~ less than three (3) nor more than seven (7), the number to be determined, from time to time, by the members. Each director, except for those directors named in the Articles of Incorporation of the Association, shall be a member of the Association.

Section 3. Election: Members of the Board of Directors shall be elected in accordance with the following provisions:

A. Directors shall be elected solely by the members of the Condominium.

B. The directors who are named in the Articles of Incorporation for the Association shall serve until:

i. A meeting of the members of the Association other than the Declarant shall be held when unit owners other than the Declarant own fifteen percent (15%) of the condominium units that will be operated ultimately by the Association, as evidenced

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by the conveyance of such number of units to unit owners other than the Declarant, for the sole purpose of electing not less than one-third (1/3) of the members of the Board of Directors;

ii. A meeting of the members of the Association other than the Declarant shall be held: three (3) years after the closing of fifty percent (50%) of the condominium units which will be operated ultimately by the Association, as evidenced by the conveyance of such number of units to unit owners other than the Declarant; or three (3) months after the closing of ninety percent (90%) of the condominium units which will be operated ultimately by the Association, as evidenced by the conveyance of such number of units to the unit owners other than the Declarant; or when all units which will be operated ultimately by the Association have been completed, some of them have been sold, and none of the others are being offered for sale by the Declarant in the ordinary course of business; or when some of the units which will be operated ultimately by the Association have been sold, and none of the others are being constructed or offered for sale by the Declarant in the ordinary course of business, whichever shall first occur, for the sole purpose of electing not less than a majority of the members of the Board of Directors.

iii. The meetings of members of the Association other than the Declarant as described in subsections i and ii above, shall be held within sixty (60) days after unit owners other than the Declarant are entitled to elect members of the Board of Directors as aforesaid, and the Association shall call and give notice of said meeting not less than thirty (30) days nor more than forty (40) days prior to the date of said meeting. Any unit owner shall be entitled to call and give notice of said meeting as aforesaid in the event the Association fails to do so.

iv. Notwithstanding anything to the contrary contained herein, so long as Declarant holds four (4) condominium units in the Condominium for sale in the ordinary course of business, Declarant shall be entitled to elect at least one member of the Board of Directors.

Section 4. First Board of Directors: The First or Initial Board of Directors shall consist of R.A. Krause, Thomas Beier and Gerard E. Faber, who shall hold office and reasonably exercise control of the Association as provided herein. The foregoing named directors and all other directors the Declarant is entitled to elect shall be referred to herein as "Declarant Controlled Directors". The Declarant shall have the right at any time by written notice furnished to the secretary of the Association to remove any Declarant Controlled Director and to appoint or elect Declarant Controlled Directors to vacancies on the Board of Directors which are to be filled by Declarant Controlled Directors, whether such vacancies have occurred by removal, resignation, death, disqualification, or otherwise, of the prior director or because of the establishment of a new directorship on the Board of Directors.

Section 5. Removal: Directors, other than Declarant Controlled Directors, may be recalled and removed from office with or without cause by an affirmative vote or agreement in writing of a majority of the members. A special meeting of the members of the Association to recall a member or members of the Board may be called by ten percent (10%) of the members of the Association giving notice of the meeting as required for a meeting of unit owners and the notice shall state the purpose of the meeting. No director 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, except for the first or initial Board of Directors.

Section 6. Vacancies: If the office of any director other than Declarant Controlled Directors, becomes vacant by reason of death, resignation, disqualification or otherwise, the remaining directors, by a majority vote of the whole Board of Directors as provided for in these By-Laws, may choose a successor or successors who shall hold office for the unexpired term.

Section 7. 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 time be fixed in the resignation, and then from that date. The acceptance of a resignation shall not be required to make it effective.

Section 8. Powers: The property and business of the corporation shall be managed by the Board of Directors, which may exercise all corporate powers not specifically prohibited by statute, the Articles of Incorporation, or the Declaration to which these By-Laws are attached. The powers of the Board of Directors shall specifically include, but not be limited to, the following items:

A. In general, to maintain, manage and operate the condominium property, and to make and collect assessments and establish the time within which payment of same are due and to determine the annual budget as provided in the Declaration;

B. To use and expend the assessments collected, to maintain, care for, and preserve the units and condominium property, except those portions thereof which are required to be maintained, cared for, and preserved by the unit owners;

C. To purchase the necessary equipment and tools required in the maintenance, care, and preservation referred to above;

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

E. To insure and keep insured said condominium 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;

F. 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; to employ, contract with, retain and pay attorneys and accountants in connection with the business of the corporation.

G. To employ and/or contract with, if deemed desirable, a maintenance service contractor and/or maintenance manager who shall maintain, service and/or manage the building and related facilities, and to delegate to such contractor or manager such powers as may be necessary in connection with the operation of the buildings. To employ workmen, janitors, maintenance men and gardeners, and to purchase supplies and equipment, to enter into contracts in connection with any of the foregoing items or for other services deemed desirable, and generally, to have the powers of an apartment house manager in connection with the matters hereinbefore set forth;

H. To make reasonable rules and regulations for the occupancy of the condominium parcels, and for the use of other condominium property and any property owned or subject to regulation by the Association;

I. To acquire and enter into agreements whereby it acquires leaseholds, memberships, and other possessory or use interests in lands or facilities, whether or not contiguous to the lands of the condominium, intended to provide for the enjoyment, recreation, or other use and benefit of the unit owners, and to declare expenses in connection therewith to be common expenses; all in such form and in such manner as may be deemed by the Board of Directors to be in the best interests of the corporation, and the participation in the acquisition of any interest in lands or facilities for the foregoing purposes may be direct or indirect, meaning, without limiting the generality of the foregoing, by direct ownership of land or acquisition of stock in a corporation owning land;

J. To act on behalf of and represent unit owners, members, and the Association with respect to their rights and obligations under the Recreation Agreement as such are described in the Declaration of Condominium.

K. To act in such other matters as provided in the Declaration of Condominium and the Condominium Act.

Section 9. Meetings:

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

B. The directors may, by resolution duly adopted, establish regular monthly, quarter-annual, or semi-annual meetings. If such resolution is adopted, no notice to directors of such regular meetings of the Board of Directors shall be required. Special meetings of the Board may be called by the President on five (5) days written notice to each director. Special meetings shall be called by the Secretary and President in a like manner and on like notice on the written request of two (2) directors. Notwithstanding the foregoing, no notice to directors of a Board of Directors meeting shall be required if the directors meet by unanimous written consent. Meetings of the Board of Directors shall be open to all unit owners and notices of meetings shall be posted conspicuously on the condominium property at least forty-eight (48) hours in advance of such meeting, except in an emergency. Notice of any meeting where assessments against unit owners are to be considered shall specifically contain a statement that assessments will be considered and the nature of any such assessment. Any director shall be entitled to waive notice of a meeting either prior to, at or after said meeting by written instrument of waiver furnished to the secretary of the Association, which shall be placed within the minutes.

C. 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 at any meeting of directors, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

D. Minutes of all meetings of the Board of Directors shall be kept in a businesslike manner and shall be available for inspection by all unit owners, or their authorized representatives, and Board members at all reasonable times. The Association shall retain these minutes for a period of not less than seven (7) years.

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

- A. Roll Call;
- B. Reading of minutes of last meeting;
- C. Consideration of communications;
- D. Resignations and elections;
- E. Reports of officers and employees;
- F. Reports of committees;
- G. Unfinished business;
- H. Original resolutions and new business;
- I. Adjournment.

Section 11. Annual Statement: Subsequent to the first election of directors, the Board shall present, not less often than at the annual meeting, a full and clear statement of the business and condition, and a summary of the accounting records, of the Association.

Section 12. Annual Budget: The Board of Directors of the Association shall establish an annual budget, in advance, for each fiscal year, which shall correspond to the calendar year, as provided in the Declaration of Condominium. Not less than thirty (30) days prior to the meeting at which the annual budget will be considered by the Board of Directors, a copy of such annual budget proposed for adoption together with a written notice of the time and place for the meeting at which the adoption of such budget shall be considered, shall be mailed to each unit owner at their place of residence in the Condominium. The meeting of the Board of Directors during which said annual budget shall be considered shall be open to the attendance of all unit owners. If the annual budget as adopted by the Board of Directors requires assessment against the unit owners for any fiscal year or calendar year of the budget, as the case may be, exceeding that amount specified in Section 718.112(f), Florida Statutes, as amended from time to time, then, upon written application of ten percent (10%) of the unit owners to the Board, the Board shall call a special meeting of unit owners to be held and notices given therefore in accordance with the provisions of said statute. At the special meeting of unit owners, the unit owners shall consider and adopt the budget; provided, however, the adoption of said budget at such special meeting shall require a vote of not less than seventy-five percent (75%) of the entire membership of the Association. Notwithstanding the foregoing, the Board of Directors may elect to propose the annual budget to the unit owners at a meeting of members or by written notification of said proposal to each of the unit owners and if such proposed annual budget shall be approved by the unit owners at such meeting, or by a majority of the entire membership in writing, such budget shall be adopted and shall not thereafter be subject to a re-examination by the unit owners as aforescribed. In determining whether assessments exceed the amount specified in Section 718.112(f), Florida Statutes, as amended from time to time, 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 also be excluded from such computation assessments and reserves for betterments to the condominium property as may be imposed by the Board of Directors.

Notwithstanding the foregoing, as long as the Declarant is in control of the Board, the Board shall not impose an assessment for any year greater than the amount specified in Section 718.112(f), Florida Statutes, as amended from time to time, without the approval of a majority of all members of the Association.

The proposed annual budget shall be detailed and shall show the amounts budgeted by account and expense classification, including, if applicable, but not limited to, those expenses listed in Section 718.504(20), Florida Statutes (1977), as amended.

In addition to annual operating expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance. These accounts shall include, but not be limited to, roof replacement, building painting, and pavement resurfacing. The amount to be reserved shall be computed by means of a formula which is based upon estimated life and estimated replacement cost of each reserve item.

ARTICLE III

OFFICERS

Section 1. Executive Officers: The executive officers of the corporation shall be a President, one or more Vice-Presidents, a Secretary, a Treasurer and such Assistant Secretaries and Assistant Treasurers as determined by the Board of Directors all of said officers shall be elected annually by the Board of Directors. Any two of said offices may be united in one person, except that the President shall not also be the Secretary or an Assistant Secretary of the corporation.

Section 2. Appointive Officers: The Board of Directors may appoint such other officers and agents as they may deem necessary, who shall hold office at the pleasure of the Board of Directors and have such authority and perform such duties as from time to time may be prescribed by said Board.

Section 3. Election: The Board of Directors at its first meeting after each annual meeting of general members shall elect all officers, none of whom, excepting the President, need be a member of the Board.

Section 4. Term: The officers of the corporation shall hold office until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Directors may be removed, for cause, at any time by the affirmative vote of a majority of the whole Board of Directors.

Section 5. The President:

A. The President shall be the chief executive officer of the corporation; he shall preside at all meetings of the members and Directors; shall be an ex-officio member of all standing committees; shall have general and active management of the business of the corporation; and shall see that all orders and resolutions of the Board are carried into effect;

B. He shall execute bonds, mortgages, and other contracts requiring a seal, under the seal of the corporation, except where the same are required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Board of Directors to other officers or agents of the corporation.

Section 6. The Secretary:

A. The Secretary shall keep the minutes of the member meetings and of the Board of Directors meetings in one or more books provided for that purpose; and all such minutes shall be

available for inspection by the unit owners and Board members at such reasonable times as determined by the Board of Directors;

B. He shall see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law;

C. He shall be custodian of the corporate records and of the seal of the corporation and shall see that the seal of the corporation is affixed to all documents, the execution of which on behalf of the corporation under its seal is duly authorized in accordance with the provisions of these By-Laws;

D. He shall keep a register of the post office address of each member as it is furnished.

E. In general, he shall perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 7. The Vice President: The Vice President shall be vested with all the powers and required to perform all the duties of the President in his absence; and such other duties as may be prescribed by the Board of Directors.

Section 8. The Treasurer:

A. He shall maintain, according to good accounting practices, full and accurate accounts of receipts, expenditures and disbursements in books belonging to the corporation and he shall also keep an account for each unit owner which shall designate the name and address of the unit owner, the amount of each assessment, the dates on and amounts in which the assessments come due, the amounts paid upon the account and the balance due. Said accounts shall be available for inspection by unit owners or their authorized representatives at such reasonable times as determined by the Board of Directors, and written summaries of same shall be supplied, at least annually, to unit owners or their authorized representatives.

B. He shall deposit all monies and other valuable effects in the name of and to the credit of the corporation, in such depositories as may be designated by the Board of Directors, the Articles of Incorporation, and these By-Laws.

C. He shall disburse the funds of the corporation as ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and Directors, at the regular meetings of the Board, or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the corporation;

D. He may be required to give the corporation a bond with one or more sureties, in a sum determined to be satisfactory to the Board, for the faithful performance of the duties of his office, and the restoration to the corporation, in case of his death, resignation or removal from office, of all books, papers, vouchers, money or other property of whatever kind in his possession belonging to the corporation.

Section 9. Indemnification: Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a director or officer of the Association, or any settlement thereof, whether

or not he is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of wilful malfeasance or misfeasance in the performance of his duties. In the event of a settlement the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interests of the Association. The foregoing rights of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

Section 10. Vacancies: If the office of the President, Vice President, Secretary, Treasurer, or other officers, becomes vacant by reason of death, resignation, disqualification or otherwise, the remaining Directors, by a majority vote of the whole Board of Directors provided for in these By-Laws, may choose a successor or successors who shall hold office for the unexpired term.

Section 11. 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 corporation, unless some 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

Section 1. There shall be no stock certificates issued by this corporation. Membership in the corporation shall be limited to the owners of the various condominium units, who shall automatically become a member of said corporation, and said membership shall be an incident of ownership and not separately transferable.

Section 2. Transfers of membership shall be made only on the books of the corporation, and notice of acceptance of such transferee as a member of the corporation shall be given in writing to such transferee by the President and Secretary of the corporation. The transferor, in such instance, shall automatically cease to be a member of the corporation. Membership in the corporation may be transferred only as an incident to the transfer of the transferor's condominium unit and his undivided interest in the common elements of the condominium, such transfers shall be subject to the procedures set forth in the Declaration.

Section 3. Each member shall be entitled to one (1) vote for each unit which he, she, or its owns in the management of the corporation and, as to the election of directors, shall likewise be entitled to one vote for each unit which he, she, or it owns. No unit owner will be entitled to vote who is not current with his obligations to the Association.

Section 4. In the event that the owner of a condominium parcel is not a natural person, the subject entity shall designate a natural person who shall be entitled to occupy the condominium unit, and such natural person shall be a member of the corporation, subject to the procedures set forth in the Declaration and these By-Laws.

Section 5. If a unit is owned by one person, his right to vote shall be established by the record title to his unit. If a unit is owned by more than one person, the person entitled to cast the vote for the unit shall be designated by a certificate signed by all of the record owners of the unit and filed with the secretary of the Association. If a unit is owned by a corporation,

or other entity, the person entitled to cast the vote for the unit shall be designated by a certificate of appointment signed in the case of a corporation by the president or vice president and attested by the secretary or assistant secretary of the corporation and for such other entities, by a duly authorized representative thereof, and filed with the secretary of the Association. Such certificate shall be valid until revoked, superceded by a subsequent certificate, or there is a change in the ownership of the unit concerned. A certificate designating the person entitled to cast the vote of a unit may be revoked by any owner thereof.

ARTICLE V

MEETINGS OF MEMBERSHIP

Section 1. Place: All meetings of the corporate membership shall be held at the office of the corporation, or such other place as may be stated in the notice.

Section 2. Annual Meeting: Regular annual meetings shall be held on the second Thursday of September of each succeeding year at 8:00 P.M., E.S.T., at the office of the Association or such other place as may be stated in the notice, if not a legal holiday; and if a legal holiday, then on the next secular day following.

Section 3. Membership List: At least fourteen (14) days before every election of directors, a complete list of members entitled to vote at said election, arranged numerically by units, shall be prepared by the secretary. Such list shall be produced and kept for said fourteen (14) days and throughout the election at the office of the corporation and shall be open to examination by any member throughout such time.

Section 4. 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, after the First Election of Directors at the request, in writing, of one-third (1/3) of the members. Such request shall state the purpose or purposes of the proposed meeting. Business transacted at all special meetings shall be confined to the objects stated in the notice thereof.

Section 5. Notices: Written notice of all meetings including annual meetings shall be given to each unit owner not less than fourteen (14) days prior to such meeting and shall be posted in a conspicuous place on the condominium property. The written notice shall state the time, place and object thereof, and shall be served upon or mailed to each member entitled to vote thereat, at such address as appears on the books of the corporation. Notwithstanding the foregoing, notice of such meeting may be waived by any unit owner, if delivered prior to, at or subsequent to, such meeting to the secretary of the Association in writing.

Section 6. Quorum: Fifty-one percent (51%) of the total number of members of the corporation 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 statute, by the Articles of Incorporation, or by these By-Laws. If, however, such quorum shall not be present or represented at any meeting of the members, the members entitled to vote thereat, present in person or represented by written proxy, shall have power to adjourn the meeting from time to time without notice other than announcement at the time, until a quorum shall be present or represented. At such adjourned meeting at which a

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

Section 7. Vote Required to Transact Business: When a quorum is present at any meeting, the vote of a majority of the members present in person or represented by a written proxy shall decide any question brought before the meeting, unless the question is one upon which, by express provisions of the Florida Statutes, by the Declaration, the Articles of Incorporation, or these By-Laws, a different vote is required, in which case such express provision shall govern and control the decision of such question.

Section 8. Right to Vote: At any meeting of the members, every member having the right to vote shall be entitled to vote in person or by proxy. Any proxy given shall be effective only for the specific meeting for which it was originally given and any lawfully adjourned meetings thereof. In no event shall any proxy be valid for a period longer than ninety (90) days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the unit owner executing it.

Section 9. Waiver and Consent: Whenever the vote of members is required or permitted by any provision of the statutes or the Articles of Incorporation or of these By-Laws to be taken at a meeting in connection with any action of the corporation, the meeting and vote of the members may be dispensed with if all the members who would have been entitled to vote upon the action at such meeting if such meeting were held shall consent in writing to such action being taken.

Section 10. Order of Business: The order of business at annual meetings of members, and as far as practical at all other members' meetings, shall be:

- A. Calling of the roll and certifying of proxies;
- B. Proof of Notice of Meeting or Waiver of Notice;
- C. Reading and disposal of any unapproved minutes;
- D. Reports of Officers;
- E. Reports of Committees;
- F. Election of Directors;
- G. Unfinished Business;
- H. New Business;
- I. Adjournment.

Section 11. Parliamentary Rules: Roberts Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Condominium Act, Declaration of Condominium or these By-Laws.

ARTICLE VI

NOTICES

Section 1. Definition: Whenever under the provisions of the statutes or of the Articles of Incorporation 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 mail, by depositing the same in a post office or letter box in a post-paid, sealed wrapper, addressed as appears on the books of the corporation.

Section 2. Service of Notice - Waiver: Whenever any notice is required to be given under the provisions of the statutes or of the Articles of Incorporation or of these By-Laws, a waiver

thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE VII

FINANCES

Section 1. Fiscal Year: The fiscal year shall begin the first day of January in each year. The Board of Directors is expressly authorized to change this fiscal year at any time for the convenience of the corporation.

Section 2. Accounts: The funds and expenditures of the Association shall be apportioned, collected, credited, and charged in accordance with and pursuant to the Declaration of Condominium.

Section 3. Assessment of Unit Owners: Assessments against the Condominium Unit Owners for their share of the items set out in the budget shall be due in 12 equal monthly payments, one of which shall come due on the first day of each month of the year for which the assessments are made. If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior assessment and monthly payments thereon shall be due upon the first day of each month until changed by an amended assessment. In the event the annual assessment proves to be insufficient, the budget and assessments therefor may be amended at any time by the Board of Directors. The unpaid assessment for the remaining portion of the calendar year for which the amended assessment is made shall be due on the first day of the month next succeeding the month in which such amended assessment is made or as otherwise provided by the Board of Directors. Until the first annual assessment shall be determined by the Board of Directors of the Association, assessments shall be as set forth in the initial operating budget for the Condominium.

Section 4. Assessment of Declarant: During such time as the Declarant holds units in the condominium for sale in the ordinary course of business, the Association shall take none of the following actions without the approval, in writing, of the Declarant:

A. Assessment of the Declarant as a unit owner for capital improvements;

B. Any action by the Association that would be detrimental to the sale of units by the Declarant.

Section 5. Acceleration of Assessment Installments on 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 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 the delivery or the mailing of such notice to the unit owner.

Section 6. Termination: The termination of ownership in the Condominium shall not relieve or release any such former owner or member from any liability or obligations incurred under or in any way connected with the Condominium during the period of such ownership and membership, or impair any rights or remedies which the Association may have against such former owner and member arising out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto.

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Section 7. Depository: The depository of the Association will be such banks and/or savings and loan associations as shall be designated from time to time by the Board of Directors and in which the monies of the Association shall be deposited. Withdrawals of monies from such accounts shall be only by checks signed by such persons as are authorized by the Board of Directors.

Section 8. Fidelity Bonds: Fidelity bonds shall be required by the Board of Directors from all persons handling or responsible for Association funds. The amount of such bonds shall be determined by the Board of Directors. The premiums on such bonds shall be paid by the Association.

Section 9. Initial Working Capital Contributions: The initial working capital contributions, if any, made by the Declarant's immediate grantees to the Association, may be used by the Association for any of its purposes, including current expenses, and the same need not be segregated or reserved.

ARTICLE VIII

SEAL

The seal of the corporation shall have inscribed thereon the name of the corporation, the year of its organization, and the words "Non Profit". Said seal may be used by causing it or a facsimile thereof to be impressed, affixed, reproduced or otherwise.

ARTICLE IX

RULES AND REGULATIONS

Section 1. As to Common Areas: The Board of Directors may from time to time adopt or amend previously adopted administrative rules and regulations governing the details of the operation, use, maintenance, management and control of the common elements of the condominium, property owned by the Association or subject to regulation by the Association, and any facilities or services made available to the unit owners. The Board of Directors shall from time to time post in a conspicuous place on the condominium property a copy of the rules and regulations adopted from time to time by the Board of Directors. The unit owners shall at all times obey said rules and regulations and shall use their best efforts to see that they are faithfully observed by their families, guests, invitees, servants, lessees and persons over whom they exercise control or supervision.

Section 2. As to Condominium Units: The Board of Directors may from time to time adopt or amend previously adopted rules and regulations governing and restricting the use and maintenance of the condominium unit(s), provided, however, that copies of such rules and regulations are furnished to each unit owner prior to the time the same become effective, and where applicable or desirable, copies thereof shall be posted in a conspicuous place on the condominium property. The unit owners shall at all times obey said rules and regulations and shall use their best efforts to see that they are faithfully observed by their families, guests invitees, servants, lessees and persons over whom they exercise control or supervision.

ARTICLE X

DEFAULT

A. In the event an owner of a condominium parcel does not pay any sums, charges, or assessments required to be paid to the corporation within thirty (30) days from the due date, the corporation, acting on its own behalf or through its Board of Directors or manager acting on behalf of the corporation, may

foreclose the lien encumbering the condominium parcel created by nonpayment of the required monies in the same fashion as mortgage liens are foreclosed. The corporation shall be entitled to the appointment of a Receiver if it so requests. The corporation shall have the right to bid-in the condominium unit at a foreclosure sale and to acquire, hold, mortgage and convey the same. In lieu of foreclosing its lien, the corporation may, through its Board of Directors or manager acting in behalf of the corporation or in its own behalf, bring suit to recover a money judgment for any sums, charges or assessments required to be paid to the corporation 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 corporation against a condominium parcel owner, the defendants shall pay the costs thereof, together with a reasonable attorney's fee.

If an action or foreclosure is brought against the owner of a condominium parcel for the non-payment of monies due the corporation and, as a result thereof, the interest of the said owner in and to the condominium parcel is sold, then at the time of such sale, the condominium unit owner's membership shall be cancelled and membership shall be issued to the purchaser at the foreclosure sale.

If the corporation becomes the owner of a condominium unit by reason of a foreclosure, it shall offer said unit for sale and at such time as a sale is consummated it shall deduct from such 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 unit, which shall include but not be limited to advertising expenses, real estate brokerage fees and expenses necessary for the repairing and refurbishing of the condominium unit in question. All monies remaining after deducting the foregoing items of expenses shall be returned to the former owner of the condominium unit in question.

B. In the event of violation of a provision of the Declaration of Condominium, Articles of Incorporation or restrictions and By-Laws, as the same are now or may hereafter be constituted, the corporation, on its own behalf or by and through the Board of Directors or manager, may bring appropriate action to enjoin such violations 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 as it or they may deem appropriate. In the event of such legal action brought against a condominium unit owner, the defendant shall pay the plaintiff's reasonable attorney's fee and court costs.

Each owner of a condominium unit, 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 utilized by the corporation and regardless of the availability of other equally adequate legal procedures. It is the intent of all owners of a condominium unit to give to the corporation 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 units and to preserve each unit owner's right to enjoy his condominium unit free from unreasonable restraint and nuisance.

C. Negligence or Carelessness of an Owner. Each owner shall be liable for the expenses of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, or by the negligence of any member of his family, his or their guests, employees, agents, licensees, or lessees. Such liability shall be limited to the extent that such expense is not met by the proceeds of insurance carried by the corporation. Such liability shall include any increase in insurance rates occasioned by use,

misuse, occupancy or abandonment of any unit or its appurtenances. Nothing contained herein, however, shall be construed as modifying any waiver by an insurance company as to its right of subrogation. The cost of any maintenance, repair or replacement performed pursuant to this section shall be charged to said owner as a specific item, which shall, until paid in full, be a lien against his unit with the same force and effect as if the charges were a part of the common expenses.

D. No Waiver of Rights. The failure of the corporation or an owner to enforce any right, provision, covenant or condition which may be granted by the condominium documents shall not constitute a waiver of the right of the corporation or owner to enforce such right, provision, covenant or condition in the future.

E. Election of Remedies. All rights, remedies, and privileges granted to the corporation or an owner pursuant to any terms, provisions, covenants or conditions of the condominium documents shall be deemed to be cumulative, and the exercise of any one or more shall neither be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other additional rights, remedies, or privileges as may be granted by the condominium documents.

F. Generally. 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 utilized by the corporation and regardless of the availability of other equally adequate legal procedures. It is the intent of all owners of a condominium parcel to give to the corporation 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's right to enjoy his condominium unit free from unreasonable restraint and nuisance.

ARTICLE XI

REGISTERS

Section 1. The secretary of the corporation shall maintain a register in the corporation office showing the names and addresses of members.

Section 2. Any application for the transfer of a membership or for a conveyance of an interest in a condominium unit or a lease of a condominium unit shall be accompanied by a credit reporting fee in the amount of Fifty (\$50.00) Dollars, or such other fee as may be provided by the Florida Condominium Act, as amended from time to time.

Section 3. The corporation shall maintain a suitable register for the recording of pledged or mortgaged condominium units. Any pledgee or mortgagee of a condominium unit may, but is not obligated to, notify the corporation in writing of the pledge or mortgage. In the event notice of default is given any member, under an applicable provision of the By-Laws, the Articles of Incorporation, or the Declaration, a copy of such notice shall be mailed to the registered pledgee or mortgagee.

ARTICLE XII

SURRENDER

In the event of the legal termination of a membership and of the occupancy rights thereunder, 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 corporation in good repair, ordinary wear and tear and damage by fire and other casualty excepted, and the corporation shall have the right to re-enter and to repossess the owned unit. The member, for himself and any successor in interest, by operation of law or otherwise, hereby waives any and all notice and demand for possession if such be required by the laws of Bay County, State of Florida, or the United States of America.

ARTICLE XIII

JOINT OWNERSHIP

A membership may be owned by more than one owner, provided that membership shall be held in the same manner as title to the unit. In the event ownership is in more than one person, all of the owners of such membership shall be entitled collectively to only one (1) vote or ballot in the management of the affairs of the corporation in accordance with the Declaration of Condominium, and the vote may not be divided between plural owners of a single membership.

ARTICLE XIV

AMENDMENT OF BY-LAWS

These By-Laws may be amended in the manner set forth in the Declaration of Condominium for Horizon South, a Condominium, as filed in the Public Records of Bay County, Florida.

Proviso. Provided, however, that no amendment shall discriminate against any unit owner nor against any class or group of units unless the unit owners so affected shall consent. No amendment shall be made that is in conflict with the Articles of Incorporation or the Declaration of Condominium. Provided, further that no amendment may be adopted which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to the Developer or mortgagees of units without the consent of said Developer and mortgagees in each instance.

Execution and recording. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment of the Declaration and By-Laws, which certificate shall be executed by the officers of the Association, with the formalities of a deed. The amendment shall be effective when such certificate and a copy of the amendment are recorded in the Public Records of Bay County, Florida.

ARTICLE XV

RECREATIONAL AGREEMENTS

The Association has or will enter into certain agreements for the benefit of its members and unit owners of the Condominium so that they may use certain recreational facilities, lands and improvements, as is further described in the Declaration of Condominium for the Condominium. Among the agreements which may be entered into as aforesaid, there is specifically described in the Declaration of Condominium a "Recreation and Common Areas Agreement" and an "Easement Agreement" by and between the Association, and the Declarant, by which the Association has acquired an interest in the certain property described thereunder including the right to use the same.

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Pursuant to the terms of the aforesaid Recreation Agreement, and Easement Agreement, it is the obligation of each member of the Association individually or through the Association to pay their pro-rata share of the monies due pursuant to such Agreements, which obligation may be further secured by a lien in favor of the Association upon each member and unit owner's condominium unit. The Association therefore shall assess pro-rata payments to be made by each of the unit owners as determined by the Board of Directors of the Association in accordance with the terms of the Recreation Agreement to satisfy the obligations of its members thereunder as a common expense. The Association shall have the right through its Board of Directors to establish rules and regulations pertaining to the use of various lands, facilities and improvements under said Recreation Agreement. Further the Association shall have the right to amend the Recreation Agreement as permitted by and in accordance with the terms of the Recreation Agreement as it pertains to such amendments.

ARTICLE XVI

TRANSFER OF ASSOCIATION CONTROL

Prior to or within a reasonable time after unit owners other than the Declarant elect a majority of the members of the Board of Directors of the Association, the Declarant shall relinquish control of the Association and shall deliver to the Association all property of the unit owners and of the Association held by or controlled by the Declarant, including but not limited to those items as described in Section 718.301(4), Florida Statutes, 1977, as amended.

ARTICLE XVII

REAL PROPERTY TAXES

It is anticipated that the taxing authorities in taxing for real property taxes shall tax each condominium unit on a separate and distinct basis by forwarding a separate tax bill to each individual condominium unit owner for his separate unit. In the event the taxing authorities do not tax individually upon each unit and one tax bill is levied, then and in such event the Board of Directors shall divide the tax bill as a common expense of the Condominium and same shall be paid by the individual condominium unit owners of the Condominium in percentage proportion to their ownership in the common elements as stated in the Declaration of Condominium.

ARTICLE XVIII

CONSTRUCTION

Whenever the masculine singular form of the pronouns is used in these By-Laws, it shall be construed to mean the masculine, feminine, or neuter, singular or plural, wherever the context so requires.

Should any of the covenants herein imposed be void or be or become unenforceable at law or in equity, the remaining provisions of this instrument shall, nevertheless, be and remain in full force and effect.

If any irreconcilable conflict should exist, or hereafter arise, with respect to the interpretation of these By-Laws, and the Declaration of Condominium, the provisions of the Declaration shall prevail.

ARTICLE XIX

LIENS

A. All liens against a unit, other than for permitted mortgages, taxes or special assessments, shall be satisfied or

otherwise removed within thirty (30) days of the date the lien attaches. All taxes and special assessments shall be paid before becoming delinquent as provided in the condominium documents or by law, whichever is sooner.

B. An owner shall give notice to the corporation of every lien upon his unit, other than for permitted mortgages, taxes and special assessments, within five (5) days after the attaching of the lien.

C. An owner shall give notice to the corporation of every suit or other proceeding which will or may affect title to his unit or any part of the property, such notice to be given within five (5) days after the owner receives notice thereof.

D. Failure to comply with this article concerning liens will not affect the validity of any judicial sale.

E. The corporation shall maintain a register of all permitted mortgages, and at the request of a mortgagee, the corporation shall forward copies of all notices for unpaid assessments or violations served upon an owner to said mortgagee. If a register is maintained, the corporation may make such charge as it deems appropriate against the applicable unit for supplying the information provided herein.

ARTICLE XX

LIMITATION OF LIABILITY

Notwithstanding the duty of the corporation to maintain and repair parts of the property, the corporation shall not be liable for injury or damage caused by a latent condition in the property, nor for injury or damage caused by the elements, or other owners or persons.

APPROVED AND DECLARED AS THE BY-LAWS OF HORIZON SOUTH CONDOMINIUM ASSOCIATION, INC., this 24th day of 1979.

By:  (SEAL)
R. A. KRAUSE, PRESIDENT

ATTEST:  (SEAL)
GERARD E. FABER, SECRETARY