

BY-LAWS OF OAKWATER COVE CONDOMINIUM ASSOCIATION,, INC.

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(CREATED BY AND FOR THE USE OF M. RESER)

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Thereafter an annual meeting of the members shall be held on the first day of said month or, if that day is a holiday, on the first day thereafter which is not a legal holiday in each succeeding year. At each such meeting there shall be elected, by ballot of the members, Directors to fill vacancies in accordance with the provisions of Article V of these By-laws. The members shall also transact such other business as may properly come before them.

Section 3. It shall be the duty of the President to call a special meeting of the members as directed by resolution of the Board of Directors or upon a petition signed by the owners of thirty percent (30%) of the ownership interest in the common elements. The notice of any special meeting shall state the time, place and purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. It shall be the duty of the Secretary, or upon his failure or neglect then of any officer or member, to mail by United States Certified Mail, postage prepaid, a notice of each annual or special meeting stating the purpose, the time and place thereof to each member of record.

Section 5. The presence, either in person or by proxy, of the owners of at least thirty percent (30%) of the ownership interest in the common elements shall be required for and shall constitute a quorum for the transaction of business at all meetings of members.

Section 6. If at any meeting of members a quorum shall not be in attendance, those members who are present may adjourn the meeting to a time not less than forty-eight (48) hours from the time at which the original meeting was called.

Section 7. The aggregate number of votes for all unit owners shall be one hundred (100) and shall be divided among the members in the same ratio as their respective shares of the common elements as set forth in Exhibit B to the Declaration. If any unit owner consists of more than one (1) person, the voting rights for such unit owner shall not be divided but shall be exercised only as a unit. The Developer, as described in the Declaration, may exercise the voting rights with respect to any units, title to which is in the Developer.

Unless a different vote is required by express provision of statute or of these By-laws or the Declaration, each question presented at a meeting shall be determined by a majority vote of those present.

Section 8. The vote of any corporate, partnership or trust member may be cast on its behalf by any officer, agent, partner or beneficiary of such member or any other member as its proxy. Any individual member may appoint only his or her spouse or another member as proxy. Each proxy must be filed with the Secretary prior to the commencement of a meeting, or at the time that proxies are called for.

Article V: BOARD OF DIRECTORS

Section 1. The affairs of the Association shall be governed by a Board of Directors and shall consist of three or more persons. With the exception of the initial Board, Directors shall be elected from among the unit owners. If a

time to meet the qualifications of office, shall be filled by election by the members at the next annual meeting or at a special meeting called for such purpose.

Section 5. Annual meetings of the Board of Directors shall be held immediately following the annual meeting of the members and at the same place. Special meetings of the Board may be called by the President or a majority of the Board on three (3) days' notice to each Director. Directors may waive notice of a meeting or consent to or take any action without a formal meeting.

Section 6. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business and any action may be taken by the majority of those present.

Section 7. Any Director may be removed from office by the vote of members owning at least three-fourths (3/4) of the ownership interest in the common elements.

Directors shall receive no compensation for their services except as expressly provided by a resolution duly adopted by the members.

Section 8. The Board shall have no authority to approve or authorize any capital expenditure in excess of \$10,000.00 nor to authorize the corporation to enter into any contract for a term of more than three (3) years except with the approval of a majority of the unit owners.

Article VI: OFFICERS

Section 1. The officers of the Association shall be a President, one or more Vice Presidents, a Secretary, a Treasurer, and such assistants to such officers as the Board may deem appropriate. Officers shall be elected at the first meeting of the initial Board of Directors and at each annual meeting of the Board of Directors and shall hold office at the pleasure of the Board.

Section 2. Any officer may be removed at any meeting by the affirmative vote of the majority of the members of the Board of Directors, either with or without cause, and any vacancy in any office may be filled by the Board at any meeting thereof.

Section 3. Each respective officer of the Association shall have such powers and duties as are usually vested in such office of a corporation not for profit, including but not limited to the following:

- a) The President shall be a Director and shall be the chief executive officer of the Association and shall preside at all meetings of the members and of the Board of Directors;
- b) The Vice President shall, in the absence or the disability of the President, perform the duties and exercise the powers of the President;
- c) The Secretary shall keep minutes of all meetings of the members and of the Board of Directors and shall have custody of the corporate seal and have

Within ninety (90) days from the commencement of each fiscal year, the Board shall cause an estimated annual budget to be prepared based on its estimations of annual expenses, non-membership income and membership assessments, and copies of such budget shall be furnished to each member.

On or before the first day of each month of the fiscal year covered by such estimated annual budget, each member shall pay as his respective monthly assessment one-twelfth (1/12) of his proportionate share of the amount designated in the estimated annual budget as membership assessments. Each member's proportionate share of membership assessments shall be the same as his respective share of common elements as set forth in Exhibit B to the Declaration.

Until the annual budget for a fiscal year is sent to each member by the Board, the member shall continue to pay that amount which had been established on the basis of the previous estimated annual budget.

If any member shall fail or refuse to make payment of his proportionate share of the common expenses when due, the amount thereof shall constitute a lien on the interest of such member in the property. The Association and the Board shall have the authority to exercise and enforce any and all rights and remedies provided in the Condominium Act, the Declaration and these By-laws, or which are otherwise available at law or in equity for the collection of all unpaid assessments.

Upon ten (10) days' notice to the Board or to the managing agent and the payment of such reasonable fee, if any, established by the Board, any unit owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such owner.

Section 4. If at any time during the course of any fiscal year the Board shall deem the amount of the membership assessments to be inadequate by reason of a revision in its estimate of either expenses or other income, the Board shall prepare and cause to be delivered to the members a revised estimated annual budget for the balance of such fiscal year and thereafter monthly assessments shall be determined and paid on the basis of such revision.

Section 5. Upon the purchase of each unit from the Developer, or at any time thereafter, at the request of the Board of Directors, each unit owner, not including the Developer, shall deposit with the managing agent of the property, or as may be otherwise directed by the Board, an amount equal to three times the monthly assessment relating to such owner's unit. ~~SUCH AMOUNT SHALL BE HELD, TOGETHER WITH THE AMOUNTS~~ similarly deposited by the other unit owners, as an operating reserve for common expenses, and shall be used and applied from time to time as may be needed toward meeting deficits and for such other common purposes as the Board may deem necessary. To the extent that the operating reserve may be depleted, or in the judgment of the Board may be inadequate, the Board may increase the same by an assessment to the members in the proportion of their ownership interest in the common elements. The operating reserve on hand from time to time shall be deemed part of the common elements.

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Section 4. No member shall overload the electrical wiring in the building or operate any machinery, appliances, accessories or equipment in such a manner as to cause, in the judgment of the Board, any unreasonable disturbance or make any alterations to or connections with the heating or air conditioning or plumbing systems without the prior written consent of the Board.

Article IX: AMENDMENTS

These By-laws may be amended only by a resolution adopted by the affirmative vote of a majority of the members at a special meeting called for such purpose.

No amendment which modifies in any way the rights or obligations of the Developer shall have any force or effect unless consented to in writing by the Developer.