

BYLAWS
OF
HARBOR HILLS HOMEOWNERS' ASSOCIATION, INC.

ARTICLE I
NAME AND LOCATION

The name of the corporation is HARBOR HILLS HOMEOWNERS' ASSOCIATION, INC., hereinafter referred to as the "Association." The principal office of the corporation shall be located at 16114 North Florida Avenue, Lutz, Florida 33549, but meetings of members and directors may be held at such places within the State of Florida, County of Hillsborough, as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

Section 1. "Articles" and "Bylaws" shall mean and refer to the Articles of Incorporation and the Bylaws of the Association (as defined in section 2 of this Article II) as they may exist from time to time.

Section 2. "Association" shall mean and refer to HARBOR HILLS HOMEOWNERS' ASSOCIATION, INC., a Florida not-for-profit corporation, its successors and assigns.

Section 3. "Board" or "Board of Directors" shall mean the board of directors of the Association, elected in accordance with the Articles and Bylaws. Members of the Board shall be referred to as "Directors."

Section 4. "Commercial Property" shall mean any improved or unimproved parcel of land within the Property, which is intended and designed to accommodate retail commercial enterprises excluding any Membership Recreational Facility (as that term is defined in Section 14 of this Article II). Sites conveyed to a governmental or quasi-governmental entity for public facilities are included within this definition.

Section 5. "Common Area" shall mean all real property (including improvements thereto), if any, owned by the Association for the common use and enjoyment of the Owners (as that term is defined in Section 16 of this Article II).

Section 6. "Common Property" shall mean the Common Area and those parcels of land, together with any improvements thereon, which are conveyed, dedicated, or leased to the Association and designated in such conveyance, dedication or lease as "Common Property." The term "Common Property" shall also include any personal property acquired by the Association.

Section 7. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions for Harbor Hills as it may, from time to time, be amended.

Section 8. "Design Review Board" (hereinafter the "DRB") shall refer to that board as established by the Board of Directors to review designs and plans for proposed construction, modification, alteration or other improvement to the Property as described in Article IX of the Declaration.

Section 9. "Design Review Criteria" shall mean and refer to that document entitled "Design Criteria and Development Policy Standards," prepared by the Developer, and as amended from time to time, setting forth the development standards for the Property.

Section 10. "Developer" shall mean and refer to The 347 Corporation of Florida, Inc., a Florida corporation; its successors and assigns, if such successors and assigns should acquire more than one (1) undeveloped Lot from the Developer for the purpose of development.

Section 11. "Harbor Hills" shall mean the real property platted as Harbor Hills in the Public Records of Lake County, Florida. It shall also include any additional tracts which are subsequently platted and subjected hereto, whether presently designated for Future Development on the Plat or subsequently annexed as provided elsewhere herein.

Section 12. "Lot" shall mean a portion of real property separately described as a lot on the Plat of the Property, excluding Commercial Property and Membership Recreational Facilities.

Section 13. "Member" shall mean and refer to any Owner who is a member of the Association.

Section 14. "Membership Recreational Facilities" shall mean those areas on the Plat whether committed to be built or only proposed, which are designated as golf course, clubhouse and amenities area, and marina, if built, as well as all other lands designated or set aside for recreational purposes, developed by the Developer from time to time, and at the time of development are designated as part of a club or organization where membership is controlled and for which a membership fee is charged.

Section 15. "Notice" shall mean delivery of any document by mail with postage prepaid to the last known address, according to the Association's records of the person or entity who appears as Owner in the records of the Association. Notice to one, two or more co-owners shall constitute notice to all Owners. Notice shall be deemed received three (3) days, excluding Sundays and legal holidays, after posting in the U.S. Mail or one (1) business day after delivery to an overnight service like Federal Express, Purolator or the like.

Section 16. "Owner" shall mean and refer to the Owner, as shown by the records of the Association, whether it be the Developer, one or more persons or entities, of fee simple title to any portion, Lot or parcel of the Property. Owner shall not mean or refer to the holder of a mortgage or security deed, its successors or assigns unless and until such holder has acquired title pursuant to foreclosure or other appropriate proceedings or deed in lieu of foreclosure; nor shall the term "Owner" mean or refer to any lessee or tenant of an Owner.

Section 17. "Plat" shall mean and refer to the recorded Plat of the Property as altered, amended, vacated or otherwise modified.

Section 18. "Property" shall mean and refer to that certain real property described in Exhibit "A" attached to and made a part of the Declaration of

Covenants, Conditions and Restrictions for Harbor Hills, and such additions thereto as may hereafter be brought within jurisdiction of the Association.

Section 19. "Residential Unit" shall mean and refer to any improved property intended for use as a dwelling, including, but not limited to, any detached dwelling, patio home, garden home or townhouse unit located within the Property. For the purposes of this Declaration, any such dwelling shall not be deemed to be improved until a certificate of occupancy has been issued by the appropriate governmental authorities for the dwelling constructed or until said dwelling is determined by the Association, in its reasonable discretion, to be substantially complete.

Section 20. "Rules and Regulations" shall mean the rules, regulations and policies which may be adopted by the Board from time to time by resolution duly made and carried.

Section 21. "Subdivision" shall mean Harbor Hills.

ARTICLE III MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one (1) year from the date of incorporation of the Association, and unless otherwise scheduled by the Board of Directors, each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter, at an hour as determined. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all the votes of the membership.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to each Member entitled to vote thereat, addressed to

the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, one-third (1/3) of the votes of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

ARTICLE IV BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of three (3) directors, who need not be Members of the Association. The total number of directors shall always be an odd number. The Board may be increased by amendment of the Bylaws of the Association at any special or annual meeting of the membership.

Section 2. Term of Office. At the first annual meeting the Members shall elect three (3) directors for a term of one (1) year, and at each annual meeting thereafter the Members shall elect three (3) directors for a term of one (1) year.

Section 3. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting when they could take at a meeting by obtaining the written approval of all Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE V NOMINATION AND ELECTION OF DIRECTORS

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

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

**ARTICLE VI
NOMINATION AND ELECTION OF DIRECTORS**

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held quarterly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three (3) days notice to each Director.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

**ARTICLE VII
POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

Section 1. Powers. The Board of Directors shall have power to:

(a) Adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) Suspend the voting rights of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;

(c) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;

(d) Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(e) Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Members who are entitled to vote;

(b) Supervise all officers, agents and employees of this Association and to see that their duties are properly performed;

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

(1) Adopt a budget for each calendar year to provide for the improvement, enhancement, operation and maintenance of the Association and the Common Property;

(2) Fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period, by dividing the adopted budget by the number of lots in Harbor Hills;

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

(4) Foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the Owner personally obligated to pay the same.

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

If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

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

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

(g) Cause the exterior of the Residential Units to be maintained.

ARTICLE VIII OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

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

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

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

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

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

Vice-President

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

Secretary

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

(d) The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be

presented to the membership at its regular annual meeting, and deliver a copy of each to the Members.

ARTICLE IX COMMITTEES

The Association shall appoint a Design Review Board, as provided in the Declaration, and a Nominating Committee, as provided in these Bylaws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE X BOOKS AND RECORDS

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

ARTICLE XI ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within fifteen (15) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the maximum rate allowed by law, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Owner's property, and interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

ARTICLE XII CORPORATE SEAL

The Association shall have a seal in circular form determined by the first Board of Directors.

**ARTICLE XIII
AMENDMENTS**

Section 1. These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of Members present in person or by proxy.

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

**ARTICLE XIV
MISCELLANEOUS**

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we, being all of the Directors of the HARBOR HILLS HOMEOWNERS' ASSOCIATION, INC., have hereunto set our hands this 22nd day of March, 1990.

All of the Members of the
Board of Directors



JOHN McNAMARA



AL GIRARD



SHARON K. STEPHENS

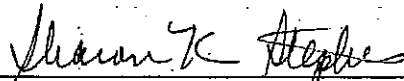
CERTIFICATION

I, the undersigned, do hereby certify;


THAT I am the duly elected and acting secretary of the HARBOR HILLS HOMEOWNERS' ASSOCIATION, INC., a Florida not-for-profit corporation, and

THAT the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 22nd day of March, 1990.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 22nd day of March, 1990.



SHARON K. STEPHENS
SECRETARY


LORRAINE CARUANA
Notary Public, State of New York
No. 48-11755
Qualified in Suffolk County
Commission Expires Feb 28 1992