

BY-LAWS OF
HIGH RIDGE VILLAGE
HOMEOWNERS' ASSOCIATION, INC.

ARTICLE I

GENERAL PROVISIONS

The following By-Laws shall govern the Operation of **HIGH RIDGE VILLAGE HOMEOWNERS' ASSOCIATION, INC.**, a Florida corporation not for profit ("Association").

The Association has been organized for the purposes stated in the Association's Articles of Incorporation, as they may be amended from time to time ("Articles"), and shall have all of the powers provided in these Bylaws, the Articles and the Declaration of Covenants and Restrictions for High Ridge Village, as it may be amended from time to time ("Declaration"), and any statute or law of the State of Florida, and any other power incident to any of the above powers.

SECTION 1. Physical Location. The office of the Association shall be at such place as may be designated by the Board of Directors of the Association.

SECTION 2. Seal. The seal of the Corporation shall bear the name of the Corporation, the word "Florida", the words "Corporation Not for Profit" and the year of incorporation.

SECTION 3. Definitions. As used herein, the word "Corporation" shall be the equivalent of "Association". All other words, as used herein, shall have the same definitions as attributed to them in the Articles and the Declaration.

SECTION 4. Developer Definition. As used herein, the Developer of the Property ("Developer") shall be the owner of platted land who prior to recording a plat, has paid to make improvements to the land to be able to sell as subdivided and improved platted lots. As used herein, the Developer and the Declarant shall refer to the same party.

SECTION 5. As to Common Elements. 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 Homeowners, and any facilities or services made available to the Lot 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 on the Association Property.

SECTION 6. As to Association Lots. 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 Lots; provide, however, that copies of such Rules and Regulations prior to the time the same become effective, shall be posted in a conspicuous place on the Association Property.

SECTION 7. Conflict. In the event of any conflict between the Rules and Regulations adopted from time to time, the latter in time shall prevail. If any un-reconciled conflict should exist or hereafter arise with respect to the interpretation of these By-Laws and the Declaration, the provisions of the said Declaration shall prevail.

SECTION 8. Construction. 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, wherever the context so requires.

SECTION 9. Severability. Should any of the covenants herein imposed be void or become unenforceable by law or in equity, the remaining provisions of this instrument shall nevertheless remain in full force and effect.

ARTICLE II

GENERAL MEMBERSHIP

SECTION 1. Qualification. Membership in the Association shall be limited to owners of the Lots in the Homeowners Association as established by recorded title to the Lot.

SECTION 2. Changes in Membership. The transfer of Lot ownership, either voluntary or by operation of law, shall terminate membership of the transferor in the Association, and said membership is to become automatically vested to the new Lot owner upon recorded transfer of title. It shall be the obligation of the transferee to notify the Association of the change in ownership. The transferee shall assume any and all liabilities for unpaid assessments owed by the transferor at time of transfer.

SECTION 3. Membership Register. The secretary of the Association shall maintain a register in the office of the Association showing the names and addresses of the members of the Association. It shall be the obligation of each member of the Association to advise the secretary of any change of address of the member, or of the change of ownership of the member's Lots, as set forth above. If requested by the Association, a member shall provide the Association with the name and address of any mortgagee holding a mortgage on the

member's Lot, and/or copies of any such mortgage(s), and/or satisfaction(s) thereof.

ARTICLE III

MEMBERSHIP VOTING

SECTION 1. Voting Rights. Pursuant to the Declaration, the Association shall have two classes of voting rights.

Class A. Class A members shall be the Lot Owners (with the exception of the Developer) of all Lots (including any subsequently annexed Lots) who shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in a Lot, all such persons shall be members. The vote for such Lot shall be exercised as determined by the Lot Owners thereof, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The only Class B member(s) shall be (a) the Developer, (b) the Developer's legal representatives, successors or assigns, or (c) any successor(s) in interest to the assigns, as a designated successor in a written instrument(s) recorded in the public records of Citrus County, Florida. Any such Class B member(s) shall be entitled to one (1) vote for each Lot owned and any planned Lots in the remaining Annexable Area. Class B membership will terminate and convert automatically to Class A membership (to the extent Developer then owns lots) upon happening of either of the following, whichever occurs first: (i) Three (3) months after Developer conveys to members other than the Developer, 90% of the total of all existing Lots in the Properties and any planned Lots in the remaining Annexable Area (for purposes of this provision, a Lot shall be considered conveyed when the deed is duly recorded in the public records); or (ii) Developer records a disclaimer of its Class B membership in the public records of Citrus County, Florida.

SECTION 2. Designation of Voting Member. If a Lot is owned by one person, his right to vote shall be established by the recorded title to the Lot. If a Lot is owned by more than one person, the person entitled to cast the vote for the Lot shall be designated in a certificate, signed by all of the record Owners of the Lot, and filed with the Secretary of the Association. If a Lot is owned by a corporation or entity, the officer, partners, authorized agent or employee thereof entitled to cast the vote of the Lot for the entity shall be designated in a certificate for this purpose, signed by the president, partner, or trustee as the case may be, and filed with the Secretary of the Association. The person designated in such certificate who is entitled to cast the vote for a Lot shall be known as the "Voting Member". If such a certificate is not on file with the Secretary of the Association for a Lot owned by more than one person or by a corporation, the vote of the Lot concerned shall not be considered in determining the requirement for a quorum

or for any purpose requiring the approval of a person entitled to cast the vote for the Lot, except if said Lot is owned by a husband and wife. Such certificates shall be valid until revoked or until superseded by a subsequent certificate, or until a change in the ownership of the Lot occurs.

If a Lot is owned jointly by a husband and wife, the following provision are applicable thereto:

(A) They may, but they shall not be required to, designate a Voting Member.

(B) If They do not designate a Voting Member, and if both are present at a meeting, and are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to vote on that subject at that meeting.

(C) Where they do not designate a Voting Member, and only one is present at a meeting, the person present may cast the Lot vote just as though he owned the Lot individually, and without establishing the concurrence of the absent person.

SECTION 3. Proxies. Votes may be cast in person or by proxy. All proxies shall be in writing and signed by the person, filed with the Secretary prior to the meeting in which they are to be used, and shall be valid only for a particular meeting designated therein or any lawfully adjourned meetings thereof. When a Lot is owned jointly by a husband and wife, and, if they have not designated one of them as a Voting Member, a proxy must be signed by both husband and wife where a third person is designated. Proxies may not be used in the election of Board Members.

SECTION 4. Voting. A majority of the Lot Owners present at a duly called meeting shall decide any question unless the Declaration, these By-Laws or the Articles shall provide otherwise. As used in these By-Laws, the Articles or the Declaration, the terms "majority of the Lot Owners" and "majority of the Members" shall mean a majority of the votes of Lot Owners and not a majority of Members themselves. These terms shall further mean more than 50% of the total authorized votes present in person or by proxy and voting at any meeting of the Lot Owners at which a quorum shall have been attained. Similarly, if some greater percentage of Members is required herein or in the Declaration or Articles, it shall mean such greater percentage of the votes of Members and not of the Members themselves.

ARTICLE IV

BOARD OF DIRECTORS

SECTION 1. Place. All meetings of the Association Membership shall be held at the Homeowners Association Property, or at such other place and at such time as shall be designated by the Board of Directors of the Association and stated in the notice of the meeting, as described below, and shall be open to all Lot Owners.

SECTION 2. Number of Directors. The affairs of the Association shall be managed by a Board of not less than three (3) Directors. So long as the Declarant is entitled to appoint any director pursuant to the Articles, the number of directors shall be determined, and may be changed from time to time, by the Declarant by written notice to the Board. After the Declarant is no longer entitled to appoint any director, the number of directors may be changed at any meeting where the members are to elect any directors (i) by the then existing Board, if prior to such meeting of the members, the Board votes to change the number of directors and such change is indicated in the notice of the meeting sent to the members, or (ii) by the members at the meeting prior to the election of directors. If the number of directors on the Board is not changed, then the number of directors shall be the same as the number on the Board prior to such meeting (plus any unfilled vacancies created by the death, resignation or removal of a director). In any event, there shall always be an odd number of directors.

SECTION 3. Current Board of Directors.

(A) The current Board of Directors of the Association who hold office and shall serve until their successors have been elected and qualified consist of the following:

President	Steven Fischer
Vice-President	Mark Zand
Secretary/Treasurer	Audrey Jones Cook

(B) The organizational meeting of a newly elected Board of Directors of the Association shall be held within thirty (30) days of their election at such place and time as shall be fixed by the directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary provided a quorum shall be present.

SECTION 4. Election of Directors by Members. At such time as members of the Association are permitted to elect directors, the nomination and election of directors shall be conducted in the following manner:

The members shall elect directors at the annual members' meetings.

Prior to any special or annual meeting at which directors are to be elected by the members, the existing Board may nominate a committee, which committee may nominate one person for each director to be elected by the members, on the basis that the number of directors to serve on the Board will not be altered by the members at the members meeting. Nominations for the additional directorships created at the meeting shall be made from the floor, and other nominations may be made from the floor.

The election of directors by the members shall be by ballot cast in person or by proxy, and by a plurality of the votes cast, each member voting being entitled to cast his votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

SECTION 5. Term. All directors elected by the members shall hold office until the next annual meeting of the members and until their successors are duly elected, or until such director's death, resignation or removal, as hereinafter provided or as otherwise provided by statute or by the Articles.

SECTION 6. Recall of Directors. Directors may be removed as follows:

(A) Any director other than a director appointed by the Declarant may be removed by a unanimous vote of the remaining directors, if such director (a) has been absent for the last three consecutive Board meetings and/or adjournments and continuances of such meetings; or (b) has been absent for three Board meeting during the preceding twelve (12) months; or (c) is an owner and has been delinquent for more than thirty (30) days after written notice in the payment of Assessments or other moneys owed to the Association.

(B) Any director other than a director appointed by the Declarant may be removed with or without cause by the vote of a majority of the members of the Association at a special meeting of the members called by not less than twenty-five (25%) percent of the members of the Association expressly for that purpose. The vacancy on the Board caused by any such removal may be filled by the members at such meeting or, if the members shall fail to fill such vacancy, by the Board, as in the case of any other vacancy on the Board.

(C) A Board member elected or appointed by the Declarant may be removed only by the Declarant; and only the Declarant may vote in person or by proxy to fill a vacancy on the Board previously occupied by someone appointed or elected by the Declarant.

(D) The procedures to accomplish the recall of a Board member shall be pursuant to the requirements of the Florida Homeowners Association Act and its administrative rules.

SECTION 7. Vacancies on Board of Directors. Vacancies in the Board may be filled by a majority vote of the directors then in office, though less than a quorum, or by a sole remaining director, and a director so chosen shall hold office until the next annual election and until his successor is duly elected, unless sooner displaced. If there are no directors, then a special election of the members shall be called to elect the directors. Notwithstanding anything contained herein to the contrary, the Declarant, until it has conveyed 100% of the Lots within the Property or waived such right, shall have the right to appoint all directors permitted by the Articles, and any vacancies on the Board may be filled by the Declarant to the extent that the number of directors then serving on the Board which were appointed by the Declarant is less than the number of directors the Declarant is then entitled to appoint.

In the event the Association fails to fill vacancies on the Board sufficient to constitute a quorum in accordance with these Bylaws, any Lot Owner may apply to the Circuit Court of the County in which the Property is located for the appointment of a receiver to manage the affairs of the Association. At least thirty (30) days prior to applying to the Circuit Court, the Lot Owner shall mail to the Association a notice describing the intended action giving the Association the opportunity to fill the vacancies. If during such time the Association fails to fill the vacancies, the Lot Owner may proceed with the petition. If the receiver is appointed, the Association shall be responsible for the salary of the receiver, court costs and attorneys' fees. The receiver shall have all powers and duties of a duly constituted member of the Board, and shall serve until the Association fills vacancies on the Board sufficient to constitute a quorum.

SECTION 8. Disqualification and Resignation of Directors. Any director may resign at any time by sending a written notice of such resignation to the office of the Association, delivered to the Secretary. Unless otherwise specified therein, such resignation shall take effect upon receipt thereof by the Secretary. Commencing with the organizational meeting of a newly elected Board of Directors following the first annual meeting of the Members of the Association, more than two (2) consecutive absences from regular meetings of the Board of Directors, shall automatically constitute a resignation effective when such resignation is accepted by the Board of Directors. Commencing with the directors elected at such first annual meeting of the Membership, the transfer of title to his Lot by a director shall automatically constitute a resignation. No Member shall continue to serve on the Board should he or she be more than thirty (30) days delinquent in the payment of an assessment, and said delinquency shall automatically constitute a resignation, effective when such resignation is accepted by the Board of Directors.

SECTION 9. Regular Meetings. 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 any meeting in which assessments against

Lots are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments.

SECTION 10 Special Meetings. Special meetings of the Board of Directors may be called by the President, or in his absence, by the Vice-President, or by a majority of the Members of the Board of Directors, by giving five (5) days notice, in writing, to all Members of the Board of Directors of the time and place of said meeting. All notices of special meetings shall state the purpose of the meeting.

SECTION 11 Notice of Meetings.

(A) Notice of all Board meetings incorporating agenda items shall be posted on the Homeowners Association Property at least forty-eight (48) continuous hours preceding the meeting, except in an emergency. Any item not included on the notice may be taken up on an emergency basis by at least a majority plus one Board member. Such emergency action shall be noticed and ratified at the next regular Board meeting.

(B) Written notice of any meeting at which a non-emergency special assessment, or at which amendment to rules regarding Lot use, will be considered shall be mailed or delivered to Lot Owners and posted conspicuously on the Homeowners Association Property not less than seven (7) days prior to the meeting, and shall be evidenced by a certificate of compliance to be filed among the official records of the Association.

(C) Upon notice to Lot Owners, the Board shall, by duly adopted rule, designate a specific location on the Homeowners Association Property or Association Property upon which all notices of Board of Directors meetings shall be posted.

(D) Notice of any such meeting shall be delivered to each director in the same manner(s) as notice is to be delivered to non-director members, as described in the following paragraph. Notice of a meeting of the Board need not be given to any director who signs a waiver of notice either before or after the meeting. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting and a waiver of any and all objections to the place of the meeting, the time of the meeting, or the manner in which it has been called or convened, except when a director states at the beginning of the meeting an objection to the transaction of any business because the meeting is not lawfully called or convened. Unless otherwise required herein or by law, neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need not be specified in any notice or waiver of notice of such meeting.

SECTION 12. Action Without A Meeting. Anything to the contrary herein notwithstanding, to the extent lawful, any action required to be taken at any

annual or special meeting of members, or any action which may be taken at any annual or special meeting of such Members, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the Members (or persons authorized to cast the vote of any such Member as elsewhere herein set forth) having not less than the minimum number of votes that would be necessary to attain a quorum, or, with respect to certain matters where a higher percentage of Members are required, such number of votes that would be necessary to approve such matters. Within ten (10) days after obtaining such authorization by written consent, notice must be given to members who have not consented in writing. The notice shall fairly summarize the material features of the authorized action.

SECTION 13. Quorum. At any meeting of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at such meeting at which a quorum is present shall be the acts of the Board of Directors. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time-to-time. At each such adjourned meeting, any business which might have been transacted at the meeting, as originally called, may be transacted without further notice. The joinder of a director in the action of a meeting by signing and concurring the minutes thereof shall constitute the presence of such director for the purpose of determining a quorum.

SECTION 14. Compensation. There shall be no fees or compensation paid to the Directors without the prior approval of a majority of the total voting interests in the Association. The foregoing provision shall not prevent a Director or any entity for which a Director may own or be affiliated with to provide services to the Association so long as such services are provided at a cost equal to or below the fair market value for such service.

SECTION 15. Developer's Selection of Directors. Notwithstanding anything contained herein to the contrary, the Declarant shall have the right to appoint directors in accordance with the privileges granted to the Declarant pursuant to Article VI of the Declaration. All directors appointed by the Declarant shall serve at the pleasure of the Declarant, and the Declarant shall have the absolute right, at any time, and in its sole discretion, to remove any director appointed by it, and to replace such director with another person to serve on the Board. Replacement of any director appointed by the Declarant shall be made by written instrument delivered to any officer or any other director, which instrument shall specify the name of the person designated as successor director. The removal of any director and the designation of his successor by the Declarant shall become effective immediately upon delivery of such written instrument by the Declarant.

SECTION 16. Adjourned Meeting. If, at any proposed meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present, provided notice of such newly scheduled meeting is given as required hereunder. At any newly scheduled meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

SECTION 17. Presiding Officer. The presiding officer at the Directors' meetings shall be the President (who may, however, designate any other person to preside). The meetings shall be conducted in accordance with Robert's Rules of Order, whichever edition that may be adopted by the Board, and any other such rules that the Board may adopt from time to time.

SECTION 18. Participation. Lot Owners may speak at meetings of the Association with respect to designated agenda items and videotaping and tape recording of the meeting shall be governed by the administrative rules promulgated under the Homeowners Association Act. The Association may adopt reasonable rules governing the frequency, duration and manner of Lot Owner statements.

SECTION 19. Minutes of Meeting. The minutes of all meetings of the Board of Directors shall be kept in a book available for inspection by Lot Owners, or their authorized representatives, and Board members at any reasonable time upon written request. The Association shall retain these minutes for a period of not less than seven (7) years.

SECTION 20. Executive Committee; Other Committees. The Board of Directors may make further rules and regulations regarding the inspection of documents may, by resolution duly adopted, appoint an Executive Committee to consist of three (3) or more members of the Board of Directors. Such Executive Committee shall have and may exercise all of the powers of the Board of Directors in management of the business and affairs of the Homeowners during the period between the meetings of the Board of Directors insofar as may be permitted by law, except that the Executive Committee shall not have power (a) to determine the Common Expenses required for the affairs of the Homeowners, (b) to determine the Assessments payable by the Lot Owner to meet the Common Expenses of the Homeowners, (c) to adopt or amend any rules and regulations covering the details of the operation and use of the Homeowners Property and the Lots, or (d) to exercise any of the powers set forth in paragraph (A) and (L) of Section 17 below.

The Board may by resolution also create other committees and appoint persons to such committees and invest in such committees such powers and responsibilities as the Board shall deem advisable.

Committee meetings where the recommendations to the Board of Directors regarding the budget will be considered and those where the Board has delegated authority to the committee to take action on behalf of the Board (such as committees approving leases or transfers of ownership) shall be open to Lot Owners and forty-eight (48) hours of notice of such meetings shall be posted.

SECTION 21. Powers and Duties. The Board of Directors of the Association shall have the powers and duties necessary for the administration of the affairs of the Association, and may do all such acts and things as are not by law or the Declaration of Covenants, Conditions and Restrictions, this Association's Articles of Incorporation, or these By-Laws, directed to be exercised and done by Lot Owners. These powers shall specifically include, but shall not be limited to, the following:

- (A) To exercise all powers specifically set forth in the Declaration of Covenants, Conditions and Restrictions, this Association's Articles of Incorporation, in these By-Laws and in Section 720 et. Seq., of the Fla. Stat., and all powers incidental thereto;
- (B) To make assessments, collect said assessments and use and expend the assessments to carry out the purposes and powers of the Association;
- (C) To employ, dismiss and control the personnel necessary for the maintenance and operation of the Association, and of the Common Elements and facilities, including the right and power to employ attorneys, accountants, contractors, and other professionals as the need arises;
- (D) To make and amend rules and regulations respecting the operation and use of the Common Elements and Association Property and facilities, and the use and maintenance of the Association Lots therein;
- (E) To contract for the management of the Association and to designate to such contractor all of the powers and duties of the Association, except those which may be required by the Declaration;
- (F) To determine the expenses required for the operation of the Association;
- (G) To collect the assessments for Common Expenses from Lot Owners;
- (H) Maintain bank accounts on behalf of the Association and designate the signatories required therefor;

(I) Purchase, lease or otherwise acquire Lots or other property in the name of the Association, or its designee;

(J) Sell, lease, mortgage or otherwise deal with Lots acquired by, and sublease Lots leased by the Association, or its designee;

(K) Enforce obligations of the Lot Owners, allocating profits and expenses and taking such other actions as shall be deemed necessary and proper for the sound management of the Association;

(L) Borrow money on behalf of the Association when required in connection with financing of working capital or funding of capital expenditures for the repair and replacement of capital improvements (i.e. paving of roads) which are part of the Common Elements or the acquisition of property, and granting mortgages on and/or security interests in Association owned property; provided, however, that the consent of the Owners of at least two-thirds (2/3) of the Lots represented at a meeting at which a quorum has been attained in accordance with the provisions of these By-Laws shall be required for the borrowing of any sum in excess of \$100,000.00 as indexed by inflation with 2006 as the base year. In the event of a catastrophic loss or in the case of a working capital need, the Board of Directors may take such emergency action as reasonably necessary to secure financing. If any sum borrowed by the Board of Directors on behalf of the Association pursuant to the authority contained in this subparagraph (L) is not repaid by the Association, a Lot Owner who pays to the creditor such portion thereof as his interest in his Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or shall have the right to file against, or which will affect, such Lot Owner's Lot. The Association shall take no action authorized in this paragraph without the prior written consent of the Developer as long as the Developer owns any Lot.

(M) Designate one or more committees which, to the extent provided in the resolution designating said committee, shall have the powers of the Board of Directors in the management and affairs and business of the Association. Such committee shall consist of at least three (3) Members of the Association, one of whom shall be a director. The committee or committees shall have such name or names as may be determined from time-to-time by the Board of Directors, and said committee(s) shall keep regular minutes of their proceedings and report the same to the Board of Directors as required. The foregoing powers shall be exercised by the Board of Directors, subject only to approval by Lot Owners when such is specifically required.

(N) To adopt hurricane shutter specifications, if applicable, consistent with applicable building codes and allow Lot Owners to install shutters which conform and have been approved by the Board of Directors.

(O) Nothing contained in this section shall limit the ability of the Board of Directors or the Association to obtain needed products and services in an emergency.

SECTION 23. Transfer of Association Control. Notwithstanding anything to the contrary contained in this Section, or otherwise while a Developer appointed Director is on the Board, the Board shall consist of three directors as elected by a majority of Lot Owners. While the Developer is in control of the Association, and the Board thereafter may adopt rules and procedures in accordance with the voting procedure as set forth in Article III, and said procedures may be inconsistent with the Fla. Stat. 720 et. seq., to govern the voting procedures, as the voting process is not required to use mail-in written ballots (Fla. Stat. 720 rules shall govern in any dispute).

The Developer shall have the right to appoint all of the members of the Board of Directors until Lot Owners other than the Developer own ninety (90%) of the Lots that will be operated ultimately by the Association. When Lot Owners other than the Developer own 90% of the Lots that will be operated ultimately by the Association, the Lot Owners other than the Developer shall be entitled to elect not less than a majority of the members of the Board of Directors. The Developer is entitled (but not obligated) to elect at least one (1) member of the Board of Directors so long as the Developer holds for sale in the ordinary course of business five percent (5%) of the Lots that will be operated ultimately by the Association.

The Developer can turn over control of the Association to Lot Owners other than the Developer prior to such dates in its sole discretion by causing all of its appointed Directors to resign, whereupon it shall be the affirmative obligation of Lot Owners other than the Developer to elect Directors and assume control of the Association. Provided at least thirty (30) days notice of Developer's decision to cause its appointees to resign is given to Lot Owners, neither the Developer, nor such appointees, shall be liable in any manner in connection with such resignations even if the Lot Owners other than the Developer refuse or fail to assume control.

Within seventy-five (75) days after the Lot Owners other than the Developer are entitled to elect a member or members of the Board of Directors, or earlier if the Developer has elected to accelerate such event as aforesaid, the Association shall call, and give not less than sixty (60) days notice of a meeting of the Lot Owners to elect such member or members of the Board of Directors. The meeting may be called and the notice given by any Lot Owner if the Association failed to do so.

At the time that the Lot Owners other than the Developer elect a majority of the members of the Board of Directors of the Association (but not more than ninety (90) days after such event), the Developer shall relinquish

control of the Association. The Developer shall deliver to the Association, in accordance with the time periods required per the Homeowners Association Act all property of the Lot Owners and of the Association held by or controlled by the Developer, including, but not limited to, the turnover documents required by the Homeowners Association Act and administrative rules promulgated thereunder.

SECTION 24. Liability of Developer Board Members. Nothing in these By-Laws shall be construed to require any greater liability from being imposed upon any Director merely because of the fact that they are the Directors chosen by the Developer.

ARTICLE V

OFFICERS

SECTION 1. Elective Officers. The principal officers of the Association shall be a President, a Vice-President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors. One person may not hold more than one of the aforementioned offices, except one person may be both Secretary and Treasurer. The President and Vice-President shall be Members of the Board of Directors. The Secretary and Treasurer may be members of the Board of Directors. Notwithstanding the foregoing, the restrictions as to one person holding only one of the aforementioned offices or the President and Vice-President being Members of the Board of Directors shall not apply while the Association is under the control of the Developer, the control being the right reserved to the Developer to select a majority of the Board of Directors.

SECTION 2. Election. The officers of the Association designated in Section 1 above shall be elected annually by the Board of Directors at the organizational meeting of each new Board following the meeting of the Members.

SECTION 3. Appointive Officers. The Board may appoint Assistant Secretaries and Assistance Treasurers, and such other officers as the Board of Directors deem necessary.

SECTION 4. Term. The officers of the Association shall hold office until their successors are chosen and qualified in their stead. Any officer elected or appointed by the Board of Directors may be removed at any time, with or without cause, by the Board of Directors; provided however, that no officer shall be removed except by the affirmative vote for removal by a majority of the whole Board.

ARTICLE VI

FINANCES AND ASSESSMENTS

SECTION 1. Depositories. The funds of the Association shall be deposited in such banks and depositories as may be determined by the Board of Directors from time-to-time upon resolutions approved by the Board of Directors, and shall be withdrawn only upon checks and demands for money signed by such officer or officers of the Association as may be designated by the Board of Directors.

SECTION 2. Fiscal Year. The Fiscal Year for the Association shall begin on the first day of each year; provided however, that the Board of Directors is expressly authorized to change to a different fiscal year in accordance with the provisions and regulations from time-to-time prescribed by the Internal Revenue Code of the United States of America at such time as the Board of Directors deems it advisable.

SECTION 3. Inspection of Books and Records. The books and records of the Association shall be open to inspection by all members or their authorized agents, upon request, during normal business hours or under other reasonable circumstances. Such records of the Association shall include current copies of the Declaration, Articles and Bylaws (and any amendments thereto), any contracts entered into by the Association, and the books, records and financial statements of the Association.

SECTION 4. Determination of Assessments.

(A) Pursuant to Article VII of the Declaration, the Board of Directors of the Association shall fix and determine from time-to-time the sum or sums necessary and adequate for the Common Expenses of the Homeowners Association. So long as the Developer (or Successor Developer(s)) is in control of the Association, it may be excused from the payment of its share of operating expenses and assessments (excluding Special Assessments, as defined in the Declaration) related to its lots during any period of time for which the Developer has, in the Declaration, obligated itself to pay operating expenses incurred that exceed the assessments receivable from other members and other income of the Association; therefore, so long as the Developer has elected deficit funding, the Annual Assessment, as defined in the Declaration, shall be equally divided among all lots, excluding lots owned by the Developer and or Successor Developer(s). Common Expenses shall include expenses for the operation, maintenance, repair or replacement of the Common Elements and the Limited Common Elements, 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 Board of Directors of the

Association, or under the provisions of the Declaration of Covenants, Conditions and Restrictions. The Board of Directors is specifically empowered, on behalf of the Association, to make and collect assessments, and to lease, maintain, repair and replace the Common Elements and Limited Common Elements of the Homeowners. Said assessments shall be payable annually (or quarterly if so determined by the Board of Directors) in advance and shall be due on the first day of each calendar month in advance unless otherwise ordered by the Board of Directors. Any assessment, not received by the Association within ten (10) days of the due date, shall be subject to a late fee of five (5%) percent of the unpaid amount, or \$25.00, whichever is greater, and such unpaid assessment shall bear interest at the highest rate allowed by law until fully paid. Special assessments, should such be required by the Board of Directors, shall be levied in the same manner as hereinbefore provided for regular assessments, and shall be payable in the manner determined by the Board of Directors. All funds due under these By-Laws and under the Declaration of Covenants, Conditions and Restrictions are revenues of the Homeowners Association.

(B) The proposed annual budget shall be detailed and shall show the amounts budgeted by accounts and expense classifications with the annual assessments due and owing by each lot owner (other than all of the Developer lots) to be obligated to pay the budgeted annual operating expenses of the Association. Prior to turnover of control of the Association by the Developer to the Lot Owners, the Developer may vote to waive reserves of the Association, after which time the Members of the Association may, by a vote of the majority of the non-Developer Members present at a duly called meeting of the Association, determine for a fiscal year to provide no reserves or reserves less than adequate with respect to those reserves required by this section.

(C) The proposed annual budget of Common Expenses shall be mailed to the Lot Owners not less than seven (7) days prior to the Board of Directors meeting at which the budget will be considered, together with a notice of that meeting and such meeting shall be open to the Lot Owners. 14 days

(D) When the Board of Directors has determined the amount of any assessment, the Treasurer of the Association shall mail or present to each Lot Owner a statement of said Lot Owner's assessment. All assessments shall be paid to the Treasurer of the Association and, upon request, said Treasurer shall give a receipt for each payment made to him.

(E) The Developer is not required to pay any assessments on the Developer owned lots pursuant to Section 61 of the Declaration; however, the Developer shall be obligated to fund any operating deficits (not working capital deficits) where the annual assessments income due and owing by the non-developer Lot Owners exceed the operating expenses incurred by the Association during the fiscal year of the Association.

SECTION 5. Application of Payments. All assessment payments by a Lot Owner shall be applied first to interest, delinquencies, cost and attorneys' fees and then to other charges, expenses and advances as provided herein and in the Declaration of Covenants, Conditions and Restrictions.

SECTION 6. Acceleration of Assessment Installments Upon Default. If a Lot Owner shall be in default in the payment of an installment upon any assessment, the Board of Directors may accelerate the remaining monthly installments of the fiscal year upon notice thereof to the Lot 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 Lot Owner.

SECTION 7. Application of Surplus. Any payments to or receipts by the Association, whether from Lot Owners or otherwise, paid during the year in excess of the operating expenses and other Common Expenses of the Association shall be either refunded to the Lot Owners or applied as a credit against future assessments for the Lot Owner, or placed in the Association reserves as shall be determined by the Board of Directors of the Association on an annual basis.

ARTICLE VII

COMPLIANCE AND DEFAULT

SECTION 1. Violations. In the event of a violation (other than the nonpayment of an assessment) by a Lot Owner in any of the provisions of the Declaration of Covenants, Conditions and Restrictions, of these By-Laws or of the applicable portions of Sec. 720, Fla. Stat., the Association, by direction of its Board of Directors, may notify the Lot Owner by written notice of said breach, transmitted by mail, and if such violation shall continue for a period of thirty (30) days from date of the notice, the Association, through its Board of Directors, shall have the right to treat such violation as an intentional and inexcusable and material breach and the Association may, then, at its option, have the following elections:

(A) An action at law to recover for its damages on behalf of the Association or on behalf of the owner Lot Owners;

(B) An action in equity to enforce performance on the part of the defaulting Lot Owner; or

(C) An action in equity for such equitable relief as may be necessary under the circumstances, including injunctive relief.

(D) Levy a fine against said Lot Owner in accordance with rules promulgated by the Association.

Failure on the part of the Association to maintain such action at law or in equity within thirty (30) days from the date of a written request, signed by a Lot Owner, sent to the Board of Directors, shall authorize any Lot Owner to bring an action in equity or suit at law on account of the violation in the manner provided for in the Homeowners Association Act. Any violations which are deemed by the Board of Directors to be a hazard to public health may be corrected immediately as an emergency matter by the Association, and the cost thereof shall be charged to the Lot Owner as a specific item which shall be a lien against said Owner's Lot with the same force and effect as if the charge were a part of the Common Expenses.

SECTION 2. Negligence or Carelessness of Lot Owner. All Lot Owners shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, or by that of any Member of his family, or his or their guests, employees, agents, lessees, or invitees (including business customers and clients) but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in insurance rates occasioned by use, misuses, occupancy or abandonment of any Lot or its appurtenances. Nothing herein contained however, shall be construed so as to modify any waiver by an insurance company or rights of subrogation. The expense for any maintenance, repair or replacement, as provided in this section, shall be charged to said Lot Owner, as a specific item which shall be a lien against said Owner's Lot with the same force and effect as if the charge were a part of the Common Expenses. Each Lot Owner, by virtue of its acceptance of ownership of an Association Lot, hereby agrees to indemnify, hold harmless and defend the Association for any damages that results from the negligent act of any Lot owner, its employees, agents, invitees and guests; provided that such indemnity shall include any debt, injury or loss, together with reimbursement for all reasonable attorney's fees and costs associated with such indemnifiable act.

SECTION 3. Costs and Attorneys' Fees. In any proceeding, including appeals, arising because of an alleged default by a Lot Owner, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees as may be determined by the court, including those incurred on appeal, if any.

SECTION 4. No Waiver of Rights. The failure of the Association or of a Lot Owner to enforce any right, provision, covenant or condition which may be granted by the Association Documents shall not constitute a waiver of the right of the Association or Lot Owner to enforce such right, provisions, covenant or condition in the future.

SECTION 5. Election of Remedies. All rights, remedies and privileges granted to the Association or the Lot Owners pursuant to the Association Documents shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be granted to such other party by the Association Documents, or at law or in equity.

ARTICLE VIII

ACQUISITION OF LOTS UPON FORECLOSURE

At any foreclosure sale of a Lot other than the foreclosure of an Association lien, the Board of Directors may, with the authorization and approval by the affirmative vote of Voting Members casting not less than sixty (60%) percent of the total votes of the Lot Owners present at any regular or special meeting of the Lot wherein said matter is voted upon, acquire in the name of the Association or its designees an Association Parcel being foreclosed. The "foreclosure" as used in this article shall mean and include any foreclosure of any lien, excluding the Association's lien for assessments. The power of the Board of Directors to acquire a Association Parcel at any foreclosure sale shall never be interpreted as any requirement or obligation on the part of the Board of Directors or of the Association to do so at any foreclosure sale, the provisions hereof being permissive in nature and for the purpose of setting forth the power in the Board of Directors to do so should the requisite approval of the Voting Members be obtained. The Board of Directors shall not be required to obtain the approval of the Lot Owners at the foreclosure sale of a Lot due to the foreclosure of the Association's lien for assessments under the provisions of the Declaration of Covenants, Conditions and Restrictions.

ARTICLE IX

AMENDMENTS TO THE BY-LAWS

These By-Laws may be altered, amended or added to, at any duly called meeting of the Lot Owners pursuant to the Articles:

Notwithstanding the provisions herein, the Developer may amend these By-Laws consistent with the provisions of the Declaration of Covenants, Conditions and Restrictions allowing certain amendments to be effected by the Developer alone.

ARTICLE X

INDEMNIFICATION

The Association shall indemnify every director and every officer, their heirs, executors and administrators, against all loss, cost and expense reasonably incurred by them in connection with any action, suite or proceeding to which they may be made a party by reason of their being or having been a director and officer of the Association as provided for in the Articles of Incorporation. The foregoing rights shall be in addition to, and no exclusive of, all other rights to which such director and officer may be entitled.

ARTICLE XI

LIMITATION OF LIABILITY

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

ARTICLE XII

OFFICIAL RECORDS

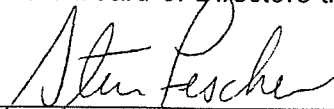
The Association shall maintain, on the Association Property (or any other location as determined by the Board of Directors, so long as such offices are located in Marion County, Florida) or other locations as the Board of Directors from time to time determine, the official records required by Florida Statute 720.

ARTICLE XIII

CERTIFICATION

I, the undersigned, do hereby certify;

- (A) That I am the duly elected and acting President of High Ridge Village Homeowners' Association, Inc., a Florida corporation not for profit; and
- (B) That the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board of Directors thereof held as of the 3rd day of December, 2008



Steven P. Fischer, President