

BY-LAWS

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OF

VILLAS DEL CASTILLO PROPERTY OWNER'S ASSOCIATION, INC.

ARTICLE I

NAME

SECTION 1. The name of this corporation is VILLAS DEL CASTILLO PROPERTY OWNERS' ASSOCIATION, INC.

OFFICES

SECTION 2. Its principal office shall be located at P.O. Box 254, Kenansville, Florida 32735. Other offices for the transaction of the business shall be located at such places as the board of directors may from time to time determine.

ARTICLE II

MEMBERSHIP

Membership in this corporation shall be limited to the subscribers and those parties owning residential property in a development known as "VILLAS DEL CASTILLO", which development is located on real property described on attached Exhibit "A", and which properties are included in a deed or deeds of restrictions, or other covenants running with the land, covering the properties or portions thereof and specifically referencing in their texts "VILLAS DEL CASTILLO PROPERTY OWNERS' ASSOCIATION, INC."

ARTICLE III

The purpose of VILLAS DEL CASTILLO PROPERTY OWNERS' ASSOCIATION, INC., shall be to enforce the following:

1. The maintenance and preservation of the drainage and surface water management system.
2. To levy assessments and to collect same for the purpose of providing funds with which to continue operation, enforcement, and maintenance of the drainage and surface water management system.
3. To collect assessments as so directed by the Deed Restrictions. Additionally, the Association, if authorized by the Deed of Restrictions, may enforce the covenant in said restrictions on behalf of the Homeowners.

ARTICLE IV

MEMBERS' MEETINGS

SECTION 1. An Annual Meeting of the members shall be held on the first Monday of December in each year at the principal office of the corporation. At such meeting, the members shall elect directors and officers to serve as provided by the charter, or these bylaws or until their successors shall be elected and qualified.

SECTION 2. A special meeting of the members may be called at any time and place by the president, vice-president or by the majority of the board of directors. It shall be the duty of the president, vice-president or the board of directors to call such a meeting whenever so requested by members representing a majority of the votes in the Association.

SECTION 3. Notice of the time and place of all annual and special meetings shall be mailed by the secretary-treasurer to each member ten days before the date thereof, but each member respectively may dispense with the notice requirement by signing a written waiver.

SECTION 4. The president, or in his absence, the vice-president, shall preside at all such meetings.

SECTION 5. At every such meeting each member will be entitled to cast one vote for each residential parcel owned. If a parcel is owned jointly, its owners shall have one vote amongst them which may not be cast fractionally. If joint owners are not in agreement as to their vote, it shall not be considered in any given ballot except for purposes of determining a quorum.

SECTION 6. A quorum for the transaction of business at any such meeting shall consist of a representation of a majority of the residential parcels, either in person or by proxy. The members present at any meeting, though less than a quorum, may adjourn the meeting to a future time.

SECTION 7. Notwithstanding anything herein to the contrary, for a period of time sufficient for VILLAS DEL CASTILLO PROPERTY OWNERS' ASSOCIATION, INC., or its successor, to complete the development of the referenced property, (see Exhibit "A") or a

period of five years whichever first occurs, VILLAS DEL CASTILLO, INC., or its successor, shall maintain control and responsibility for the obligation of this Association and no meeting of the members shall be required unless an assessment against other members be proposed during this period.

ARTICLE V

DIRECTORS

SECTION 1. The business and property of the corporation shall be managed by a board of directors of not less than three (3) or more than five (5) in number, who shall be elected by the shareholders and shall receive such compensation for their services as the shareholders authorize.

SECTION 2. The regular meeting of the directors shall be held at the principal office of the corporation immediately after the adjournment of each annual shareholders' meeting upon the same or a succeeding day or at such other place as a majority of the board may agree upon.

SECTION 3. Special meetings of the board of directors, to be held in the principal office of the corporation, may be called by the president, vice-president, or a majority of the board. By unanimous consent of the directors, special meetings of the board may be held without notice at any time and place.

SECTION 4. Notice of all regular and special meetings shall be mailed to each director by the secretary, or in his absence, by the president or vice-president, at least five days previous to the time fixed for the meeting, unless written waiver of notice is signed by all directors. All notices of special meetings shall state the purpose thereof.

SECTION 5. A quorum for the transaction of business at any regular or special meeting of the directors shall consist of a majority of members of the board, but a majority of those present at any regular meeting shall have power to adjourn the meeting to a future time.

SECTION 6. The directors shall elect the offices of the corporation, such election to be held at the directors' meeting following each annual membership meeting. An officer may be removed at any time by a two-thirds vote of the full board of

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directors. The directors shall fix the salaries of the officers of the corporation and award them from time to time such additional compensation, as may be lawful and justified.

SECTION 7. Vacancies in the board of directors may be filled for unexpired terms by the remaining directors at any regular or special directors meeting.

SECTION 8. At each annual membership meeting, the directors shall submit a statement of the business done during the preceding year, together with a report of the condition of its tangible property.

ARTICLE VI

OFFICERS

SECTION 1. The Officers of this corporation shall be a president, vice-president, treasurer, secretary, manager, assistant secretaries and treasurers and such other officers, agents, and factors as may be deemed necessary by the directors, who shall be elected for the term of one year but who shall hold office until their successors are duly elected and qualified.

Any two or more offices may be held by the same person. No one shall be eligible to the office of the president who is not a director of the corporation, and if the president ceases to be a director, he shall cease to hold office as president as soon as his successor is elected and qualified.

*SECTION 2. The president shall preside at all directors' and shareholders' meetings, shall have general supervision over the affairs of the corporation and over the other officers, shall sign all written contracts of the corporation and sign checks, and shall perform all other duties as are incident to his office. In case of the absence or disability of the president, his duties shall be performed by the vice-president, if one has been elected, or by the secretary in absence of a vice-president.

SECTION 3. The secretary shall issue notices of all directors' and membership meetings and shall attend and keep the minutes of the same, shall have charge of the corporate minute book. He or she may attest with his or her signature all written contracts of the corporation and shall perform all such

other duties as are incident to his office.

SECTION 4. The manager shall act on behalf of the corporation with respect to all corporate transactions, including those of every kind related to real estate or contracting for the improvement of real estate owned by VILLAS DEL CASTILLO PROPERTY OWNERS' ASSOCIATION, INC.

SECTION 5.

a. Funds of the company shall be deposited in such bank or banks as the directors may designate and shall be withdrawn upon check or order of such of the officers as the directors may authorize.

b. The treasurer shall have custody of the corporate funds, records, books and accounts of the corporation, shall keep full and accurate accounts of receipts and disbursements and render accounts thereof at the annual meeting of shareholders and shall perform such other duties as the directors may designate and authorize.

The above and foregoing bylaws were approved and adopted by the members this 11th day of December, 1987.


CESAR DEL CASTILLO


ABDULLIO SALGADO


HILMAR QUARBERG