

BYLAWS
OF
INDIGO UNIT #8 OWNERS ASSOCIATION, INC.

SECTION 1. IDENTITY

1.1 These Bylaws shall govern INDIGO UNIT #8 OWNERS ASSOCIATION, INC. (the "Association") a not-for-profit corporation created under Chapter 617, Florida Statutes (1977) for the purposes set forth in the Articles of Incorporation.

1.2 The office of the Association shall be located at 4031-C South Nova Road, Port Orange, Florida, or at such location as may from time to time be determined by the Board of Directors (the "Board").

1.3 The fiscal year for the Association shall be the calendar year.

1.4 The seal of the Association shall bear the name of the Association the word "Florida," the words "Corporation Not For Profit," and the year of incorporation. An impression of the seal is affixed below.

SECTION 2. MEMBERS, QUORUM, VOTING AND PROXIES

2.1 The members of the Association shall be the Developer and the owners of those certain lands within Indigo Unit #8 described as follows:

Lots / through 61, Indigo Unit #8, according to plat thereof recorded in Plat Book , pages and , Public Records of Volusia County, Florida.

2.2 The Association shall have one (1) class of voting shares as provided in the Articles of Incorporation.

2.3 At all meetings of members, each member entitled to exercise a vote may vote his shares either in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically close upon the conveyance of his Lot by the Owner who gave the proxy.

2.4 Except where otherwise required under the provisions of the Articles of Incorporation, these Bylaws, or where the same may otherwise be required by law, the affirmative vote of a majority of the votes at any duly called membership meeting at which a quorum is present shall be binding upon the members.

2.5 Representation either in person or by proxy of a majority of the votes of the Association at any meeting shall

constitute a quorum of the Association. If a quorum is not present, a meeting may be adjourned until such time as a quorum is present.

2.6 Minutes of all meetings of the members entitled to vote and the Board of Directors shall be kept in a business-like manner and be available for inspection by the Developer, owners and Board members at all reasonable times. Minutes shall be retained for a period of not less than 7 years.

SECTION 3. BOARD OF DIRECTORS AND OFFICERS

3.1 The Association shall have three (3) directors initially. The number of directors may be increased upon the affirmative vote of more than 80% of the members of the Association entitled to vote.

3.2 The directors of the Association shall be appointed and elected in accordance with the methods set forth in the Articles of Incorporation.

3.3 Meetings of the Board shall be held at least once every year and shall be open to all members of the Association. Notices of all meetings shall be mailed to the members of the Association at least ten (10) days in advance of the meeting. Failure to give such notice shall in no way affect the validity of any Board meeting or any action taken at the meeting.

3.4 Any director not appointed by the developer may be removed from the Board, with or without cause, by the affirmative vote of a majority of the members of the Association entitled to vote.

3.5 Any director may waive notice of a meeting either before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice.

3.6 A quorum at the Board meeting shall consist of the directors entitled to cast a majority of the votes of the entire Board. The acts of the Board approved by a majority of the Board present at a meeting at which a quorum is present shall constitute the acts of the Board, except as specifically otherwise provided. If at any meeting of the Board there shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice.

3.7 The directors shall have the right to take any action without holding a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

3.8 The presiding officer at Board meetings shall be the President. In the absence of the presiding officer, the directors present shall designate any one of their number to preside.

3.9 All of the powers of the Association shall be exercised by the Board of Directors, and the Board may delegate such of those powers as it deems appropriate. The powers of the directors shall be exercised in accordance with the provisions of the Articles of Incorporation and these Bylaws and shall include, but not be limited to, the power to:

- (a) Establish and collect normal and special assessments from members to defray the costs of operating, maintaining, and improving the common area and properties under its control, as provided herein;
- (b) Use the proceeds of all assessments collected in the exercise of its powers and duties;
- (c) Maintain, repair, replace and operate the property under its control;
- (d) Reconstruct improvements after casualty and further improve the property under its control;
- (e) Make and amend regulations with respect to the use of the property under its control;
- (f) Enforce by legal means the provisions of the Articles of Incorporation, these Bylaws, any rules and regulations promulgated by the Board, and the land use restrictions applicable to lands under Association control;
- (g) Enter into management agreements and contracts for the maintenance and care of Association property;
- (h) Pay taxes and assessments which are liens against any property of the Association;
- (i) Purchase and carry casualty and liability insurance on the property of the Association;
- (j) Pay the cost of any power, water, sewer, and other utility services rendered to the Association;
- (k) Retain and hire such employees as may be necessary or appropriate to administer and carry out the services required for the proper administration of the Association and to pay all salaries therefor; and
- (l) To contract debts, borrow money, execute notes or other evidence of indebtedness, execute mortgages or other instruments to secure the payment of Association indebtedness, and to transfer Association property.

3.10 It shall be the responsibility of the Board of Directors to:

- (a) Cause the property owned or operated by the Association to be maintained in good, clean, attractive and sanitary condition, order and repair;

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

(c) Designate depositories for Association funds, designate those officers, agents and/or employees who shall have authority to withdraw funds from such accounts on behalf of the Association and cause such persons to be bonded, as it may deem appropriate;

(d) Procure and maintain adequate insurance to protect the Association, its employees and real properties; and

(e) Exercise their powers and duties in good faith, with a view toward the best interests of the Association and its members.

3.11 The Board may by resolution appoint such committees as it deems appropriate to carry out its purposes, but any such committees shall exercise only those powers delegated to them by the Board. The Board may adopt and publish rules and regulations governing the use of the Common Area and other properties owned or operated by the Association, and the personal conduct of the members and their tenants or guests thereon;

3.12 The officers of the Corporation shall have the following powers and duties:

(a) The President shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of the president of a corporation, including, but not limited to, the power to appoint committees from among the members from time to time as he may in his discretion determine appropriate to assist in the conduct of the affairs of the Association. He shall preside at all meetings of the Board of Directors.

(b) The Vice President, in the absence or disability of the President, shall exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other duties as shall be prescribed by the directors.

(c) The Secretary shall keep the minutes of all proceedings of the directors and the members. The Secretary shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed. The Assistant Secretary shall perform the duties of the Secretary when the latter is absent and shall assist the Secretary.

(d) The Treasurer shall have custody of all of the property of the Association, including funds, securities, and evidences of indebtedness. She shall keep the records of the Association including the assessment rolls and accounts of the members, which shall include the members' names, the number of Lots owned, and the assessments. She shall keep the books of the

shall perform all of the duties incident to the office of Treasurer of a corporation as may be required by the directors or the President.

3.13 Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by 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 any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

3.14 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 or she replaces.

SECTION 4. MEMBERSHIP MEETINGS

4.1 The annual meeting of the membership shall be held not less often than once every thirteen (13) months on a date and at a time and place to be determined by the President or the Board of Directors of the Association. At such meeting, the Association members shall elect directors to serve until their successors shall be elected and qualified.

4.2 Special meetings of the members may be called at any time by a majority of the Board, or upon written request of members representing at least twenty-five percent (25%) of the outstanding voting shares. It shall be the President's duty to call the meeting.

4.3 Except as otherwise provided herein, or in the Articles of Incorporation or the Declaration of Covenants, Conditions, Easements and Restrictions for Indigo Unit #8, a 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, or by hand delivery, at least ten (10) days prior to such meeting to each member entitled to vote, 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. Nothing contained herein shall prevent the giving of additional notice either prior to or after the stated time period.

SECTION 5. ASSESSMENTS

5.1 The Board shall establish the normal assessments and the special assessments for the lots in the manner provided for in the Articles of Incorporation. Where there are multiple owners of any one lot, the assessments shall be the joint and

5.2 Assessments shall be payable on the date and in the manner established by the Board.

5.3 The Association shall maintain an assessment roll and shall maintain such accounts and records as are necessary and prudent in accordance with good business standards, including a record of all receipts and expenditures, an account for each lot owner reflecting the name and address of the owner, the amount of each assessment, the dates when assessments become due, amounts paid, and the balance due or surplus.

5.4 At each annual meeting of the Association, the President or the directors shall submit a report to the Association of the operations conducted during the preceding year, together with a report of the general financial condition of the Association. The Board of Directors shall adopt a budget for each calendar year and the same shall contain estimates of costs for performing the various matters and functions of the Association to be performed during that budget year. Copies of the proposed budget and assessments shall be mailed to each lot owner not less than ten (10) days prior to the annual meeting.

SECTION 6. MANNER OF COLLECTING COMMON EXPENSES
FROM MEMBERS

6.1 Assessments shall be made as needed to defray the costs and expenses of carrying out the duties and operations of the Association. Such assessments shall be due on the date directed by the Board, and in an amount not less than that required to provide funds in advance for payment of all anticipated current operating expenses and all unpaid operating expenses previously incurred.

6.2 In the event an assessment remains in default for more than thirty (30) days the unpaid amount shall bear interest at the rate of twelve (12.0%) percent per annum. In addition, the Association shall have a lien upon the lands of the defaulting owner within Indigo Unit #8, and the Association, may, at its election, file a foreclosure action to foreclose its lien upon the lands in the same manner and in the same form as if the Association were a mortgage holder, and may bring an action to recover a money judgment, as well as recover costs and reasonable attorney's fees. In addition, the Board of Directors may take such other actions and exercise such other rights as the law may provide and grant for such default.

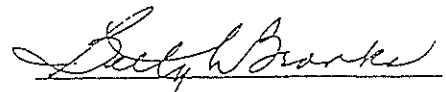
receipt by such officer of the proposed amendment or amendments, and it shall be the duty of the Secretary to give each member written notice of such meeting in the same form and in the same manner as the notice of the call of a special meeting of the members, as set forth above.

(c) In order for such amendment or amendments to become effective, the same shall be approved by an affirmative vote of majority of the lot owners entitled to vote.

(d) At any meeting held to consider such amendment or amendments to the Bylaws, the written vote of any member of the Association shall be recognized if such member is not in attendance at such meeting or represented thereat by proxy, provided such written vote is delivered to the Secretary of the Association at or prior to such meeting.

(e) Notwithstanding the foregoing provisions of this Section 7, no amendment to these Bylaws may be adopted or become effective prior to the termination of the Association membership of the developer without the prior written consent of the developer.

The foregoing was adopted as the Bylaws of the INDIGO UNIT #8 OWNERS ASSOCIATION, INC., a not-for-profit corporation, under the laws of the State of Florida, at the first meeting of the Board of Directors on December 2, 1987.


Secretary

(Corporate Seal)

APPROVED:



President