

EXHIBIT "B"  
BY-LAWS  
OF  
SOUTH PATRICK CONDOMINIUM APARTMENTS, INC.

These By-Laws conform with Section 711.11 of the Florida Statutes in governing the above condominium, herein called "Condominium", as described in the Declaration thereof, herein called "Declaration." The office of the Association shall be the address of the Condominium.

SECTION 1 MEETINGS OF THE MEMBERS.

1.1 Annual Meetings shall be held on the common elements or at a place designated by the Board of Directors at 8 o'clock p.m. on the first Tuesday in July for the purpose of electing directors and transacting business; provided first, that the Secretary's power to control in Section 7.8 of the Declaration must have terminated, and second, if that day is a legal holiday, the meeting shall be held on the next day at the same hour and place.

1.2 Special Meetings may be called by the President or Vice President and must be called upon receipt, by the Secretary, of a written request signed by thirty-two (32) of the members.

1.3 Notice of Meetings stating the time, place and purpose of the meeting being called shall be given by the officers, in writing, to each member at his address as shown on the books of the Association. Such notice shall be disbursed not less than ten (10) days nor more than thirty (30) days prior to the date of the meeting. Notice of the meeting may be waived in writing before or after a meeting.

1.4 A quorum shall consist of any group of members who own at least sixty per cent (60%) of the interest in the common elements. Acts approved by a majority of members who own at least forty per cent (40%) of the interest in the common elements of those voting at a meeting at which a quorum is present shall constitute the acts of the members, except where a greater number of votes is specifically required

by the Condominium Documents. The joinder of a member in the action of a meeting by signing the minutes thereof shall constitute the presence of such member in determining a quorum.

1.5 Proxies may be made by any member and shall be valid when designated for a particular meeting and filed with the Secretary before the meeting begins.

1.6 A meeting may be adjourned by members present, if a quorum is not present, for a period not less than forty-eight (48) hours.

1.7 The order of business, if applicable, shall be:

- (a) The President shall preside over the election of a chairman for that meeting,
- (b) Calling of the roll and certifying of proxies,
- (c) Proof of Notice of the meeting or waiver of notice,
- (d) Reading and disposal of any unapproved minutes,
- (e) Reports of Officers,
- (f) Reports of Committees,
- (g) Election of Directors,
- (h) Unfinished business,
- (i) New business,
- (j) Adjournment.

1.8 Proviso. Provided, however, that until the Secretary has sold all of the units, or until July 1, 1973, whichever occurs first, the proceedings of all meetings shall have no effect unless approved by the Board of Directors.

SECTION 2 BOARD OF DIRECTORS. The affairs of the Association shall be managed by a board of five directors. After the first annual meeting each director must be a member of the Association.

2.1 Election and Term. At the first annual meeting one director shall be elected for three (3) years, and each of his successors thereafter shall be elected for a term of three years, two directors shall be elected for two (2) years, and two directors will be elected for one (1) year. At the expiration of each respective director's serving one (1) or two (2) year terms, their successors shall each be elected to serve two (2) year terms. The directors

shall hold their office until their successors have been elected and attended their first board meeting. Directors shall be elected by a majority of members present, in person or by proxy, whether or not such constitutes a quorum. Each member shall be entitled to vote his percentage vote for each nominee.

(a) Except as to vacancies provided by removal of directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the Board by appointing a substitute for the remainder of the term of the vacant board position.

(b) Any director may be removed by concurrence of members who own at least two-thirds ( $2/3$ ) of the interest in the common elements at a special meeting called for the purpose of removal. Vacancies caused by removal shall be filled by a general election held at the same special meeting and the elected substitute director shall serve for the remaining term of the removed director.

(c) Provided until all the units are sold or until July 1, 1973, whichever occurs first, the Secretary shall have sole power to appoint and remove directors and such directors need not be unit owners nor members of the Association.

2.2 An Organizational Meeting shall be called within ten (10) days following any election, at a time and place fixed by the board members at the meeting at which the election occurs.

2.3 Regular Meetings may be held at such time and place as determined by a majority of the directors. Notice of such meetings shall be given personally to each director at least three (3) days prior to such meeting.

2.4 Special Meetings may be called by the President, and must be called by the Secretary at the written request of one-third ( $1/3$ ) of the directors. The three (3) day personal notice must state the purpose of the meeting.

2.5 Waiver of notice may be given by a director before or after meetings and the same will be equivalent to the giving of notice.

2.6 A quorum shall consist of a majority of the entire number of directors. The acts approved by a majority of those present

at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except where a greater number of directors is required by the Declaration or these By-Laws.

2.7 A meeting shall be adjourned if a quorum is not present, such adjournment shall be 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.

2.8 The presiding officer of meetings shall be the chairman of the board or, if no chairman has been elected, the President. In the absence of either, the directors shall designate which director shall preside.

2.9 Director's compensation, if any, shall be determined by the members of the Association.

SECTION 3 POWERS AND DUTIES of the Board of Directors under the Declaration, and these By-Laws shall be exercised exclusively by the Board of Directors, its agents and employees, subject to the approval of the members only where specifically required. Such powers and duties shall include, but not be limited to the following:

3.1 To make and collect assessments against members to defray costs and expenses of maintaining and administering the Condominium.

3.2 To charge fines as set forth in Exhibit "B-2" for violations of Section 10 of the Declaration.

3.3 To use the proceeds of assessments in the exercise of its powers and duties.

3.4 To maintain, repair, replace, and operate the Condominium.

3.5 To purchase insurance on the Condominium and insurance for the protection of the Association and its members.

3.6 To reconstruct the Condominium after casualty and to further improve the Condominium.

3.7 To make and amend reasonable regulations respecting the use of the Condominium.

3.8 To enforce by legal means the provisions of the Condominium Documents.

3.9 To contract for the management of the Condominium and

to delegate to such manager all powers and duties of the Association, except such as specifically required by the Declaration or By-Laws to have approval of the Board of Directors or members.

3.10 To pay taxes and assessments which are liens against any part of the Condominium, other than units and appurtenances thereto, and to assess the same against units subject to such liens.

3.11 To employ personnel for reasonable compensation to perform the services required for proper performance of the purposes of the Association.

SECTION 4 OFFICERS.

4.1 The executive officers shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be directors and shall be elected annually by the Board of Directors at the organizational meeting, and who may be peremptorily removed by vote of the directors at any board meeting. A director may not hold more than two offices, and the President shall be neither the Vice President nor the Secretary. The Board of Directors shall elect from time to time such other officers, designating their powers and duties, as the board shall find required to manage the affairs of the Association.

4.2 The President shall be the chief executive officer. He shall have all the powers and duties which are usually vested in the office of president of an association, 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.

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

4.4 The Secretary shall keep the minutes of all proceedings of the directors and the members. He shall attend to the giving and

serving of all notices to the members and directors and other notices required by law. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of secretary of an association and as may be required by the directors or the President.

4.5 The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. He shall keep the books of the Association in accordance with good accounting practices; and he shall perform all other duties incident to the office of Treasurer.

4.6 The compensation of all employees of the Association shall be fixed by the directors, and the compensation, if any, of the officers shall be fixed by the members. This provision shall not preclude the Board of Directors from employing a director as an employee of the Association nor preclude the contracting with a director for the management of the Condominium.

SECTION 5 FISCAL MANAGEMENT. The provisions for fiscal management of the Association set forth in the Declaration of Condominium shall be supplemented by the following provisions:

5.1 Accounts. The funds and expenditures of the Association shall be credited and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be common expenses:

(a) Current Expense, which shall include all funds and expenditures to be made within the year for which the funds are budgeted, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves or to additional improvements. The balance in this fund at the end of each year shall be applied to reduce the assessments for current expense for the succeeding year.

(b) Reserve for deferred maintenance, which shall include funds for maintenance items which occur less frequently than annually.

(c) Reserve for replacement, which shall include funds for repair or replacement required because of damage, depreciation or obsolescence.

5.2 Budget. The Board of Directors shall adopt a budget for each calendar year which shall include the estimated funds required to defray the common expense and to provide and maintain funds for the foregoing accounts.

5.3 Assessments against the unit owners for their share of items of the budget shall be made, for the calendar year, annually on or before December 20 preceding the year for which the assessments are made. Such assessments shall be due in twelve (12) equal monthly installments in advance on the first day of each month. If such annual assessment is not made, the amount of the last prior assessment shall be deemed the assessment for the next calendar year. In the event the annual assessment is insufficient, both the budget and assessments shall be amended by the Board of Directors to reflect the deficient fiscal needs, and the increased assessment shall be spread equally over the remaining installments for that year. Such assessments shall be paid to the Managing Agent, or, in alternative, to the Treasurer. Until the first annual assessment is determined, assessments shall be as set forth in Exhibit "B-1" attached hereto.

5.4 The Depository of the Association will be such banks or savings and loan associations in Brevard County, Florida, who are members of FDIC or the equivalent, and as shall be designated by the directors for the deposit of Association moneys. Withdrawals shall be only by checks signed by such persons as authorized by the directors.

5.5 Fidelity Bonds shall be required by the Board of Directors from all persons handling or responsible for Association funds. The amount of such bonds shall be determined by the directors and the premiums paid by the Association.

#### SECTION 6 OBLIGATIONS OF THE OWNERS

6.1 Assessments. All owners are obligated to pay monthly assessments imposed by the Association to meet all common expenses, which may include fines, a liability insurance policy premium and an insurance premium for a policy to cover repair and reconstruction work in case of

hurricane, fire, or other hazard. The assessments shall be made pro rata according to the area ratio shown in Exhibit "D", and as stipulated in the Declaration. Such assessments shall include monthly payments to a General Operating Reserve and a Reserve Fund for Replacements as required in the Regulatory Agreement attached as Exhibit "E" to the Declaration.

6.2 Maintenance and Repair.

(a) Every unit owner must perform promptly all maintenance and repair work within his own unit, which if omitted would affect the project in its entirety or in a part belonging to other owners, being expressly responsible for the damages and liabilities that his failure to do so may engender.

(b) All the repairs of internal installations of the unit such as water, light, gas, power, sewage, telephones, air-conditioners, sanitary installations, doors, windows, lamps and all other accessories belonging to the unit shall be at the owner's expense.

(c) A unit owner shall reimburse the Association for any expenditures incurred in repairing or replacing any common area and facility damaged through his fault.

6.3 Use of Units - Internal Changes. A unit owner shall not make any structural modifications or alterations in his unit or installations located therein without previously notifying the Association in writing, through the Managing Agent, if any, or through the President of the Board of Directors, if no management agent is employed. The Association shall have the obligation to answer within ten (10) days and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification or alteration.

6.4 Rules of Conduct are such as set forth in the Regulations attached hereto as Exhibit "C".

6.5 Personal Application. All present or future unit owners, tenants, or their employees, or any other person that might use the facilities of the project in any manner, are subject to the regulations



set forth in these By-Laws and to the Regulatory Agreement, attached as Exhibit "E" to the Declaration.

The mere acquisition or rental of any of the units of the project or the mere act of occupancy of any of said units will signify that these By-Laws and the provisions of the Regulatory Agreement are accepted, ratified, and will be complied with.

SECTION 7 MORTGAGEES

7.1 Notice to Association. An owner who mortgages his unit, shall notify the Association through the Management Agent, the name and address of his mortgagee; and the Association shall maintain such information in a roster entitled "Mortgagees of Units."

7.2 Notice of Unpaid Assessments. The Association shall at the request of a mortgagee of a unit report any unpaid assessments due from the owner of such unit.

SECTION 8 PARLIAMENTARY RULES. Roberts' Rules of Order (latest edition)

shall govern the conduct of Association meetings when not in conflict with the Declaration or By-Laws.

SECTION 9 AMENDMENT of these By-Laws shall be in the manner set forth in the Declaration.