

BYLAWS

of

EASTRIDGE LOT OWNERS ASSOCIATION, INC.

ARTICLE I

The name of the corporation is **EASTRIDGE LOT OWNERS ASSOCIATION, INC.**, hereinafter referred to as the "Association". The principal office of the corporation shall be as designated by the Board of Directors, and meetings of members and directors may be held at such places within the State of Florida as may be designated by the Board of Directors.

ARTICLE II

Definitions

Section 1. "Association" shall mean and refer to **EASTRIDGE LOT OWNERS ASSOCIATION, INC.**, its successors and assigns.

Section 2. "Lot" shall mean and refer to each of the lots of the subject real estate and lots of other subdivisions, if and when made subject to these Bylaws.

Section 3. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot, including contract buyers, but excluding those having such interest merely as security for the performance of an obligation.

Section 4. "Property" shall mean and refer to that certain real property described in the Plat of East Ridge, as recorded in the Public Records of Lake County, Florida and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 5. "Declarant" shall mean and refer to Banyan Construction and Development, Inc., a Florida corporation, its successors and assigns.

Section 6. "Common Area" shall mean any property designated on the subdivided lots of the property or by the Declarant or Property Owners Association for the common use of the owners of any unit. Every such owner has a right and easement of enjoyment to the common area which is appurtenant to the title to its lots.

Section 7. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

ARTICLE III

Meetings. Quorum and Proxies

Section 1. Annual Meeting. The first annual meeting of the members shall be held within one (1) year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year

thereafter, at the hour of 7:00 P.M. If the annual day of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Regular Meetings. Regular meetings of the members, after the date of turnover of the

Association by the Declarant to the Lot Owners, shall be held at least quarterly on the second Monday of each quarter, without notice, at such place and hour as may from time to time be fixed by resolution of the members. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 3. Special Meetings. Special meetings of the members may be called at any time by the president or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all the votes of the Class A membership.

Section 4. Notice of Meetings. Written notice of each special and annual meeting of the Association shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such a notice, postage prepaid, at least fifteen (15) days before such meeting to each member addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 5. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitles to cast, one-fourth (1/4) of the votes of each class of membership shall constitute a quorum or any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however such quorum shall not be present or represented at any meeting, the members entitled to vote thereon shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum of aforesaid shall be present or be represented.

Section 6. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his lot.

ARTICLE IV Board of Directors

Section 1. Number. The affairs of this Association shall be initially managed by a Board of three (3) directors. After at least 75% of the lots have been sold, the members of the Association will select the directors. The Board of Directors may consist of a membership of three (3) members and a maximum of five (5) members. The Board of Directors will be selected by the declarant until declarant has sold at least 75% of the lots.

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

Section 3. Removal. Any director may be removed from the Board with or without cause, by a majority vote of the members of the Association entitled to vote. In the event of death,

resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

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

ARTICLE V Nomination and Election of
Directors

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

ARTICLE VI Meeting
of Directors

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

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

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

ARTICLE VII
Powers and Duties of the Board of Directors

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

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

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

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

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

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

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

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

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

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

(1) Fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(2) Send written notice of each assessment to every Owner subject thereto at least thirty (30) days after due date or to bring an action at law against the Owner personally obligated to pay the same.

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

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

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

(g) Cause the Common Area to be maintained.

(h) Cause the exterior of the dwellings to be maintained.

(i) Read the minutes of their board meetings to the members at the regular monthly members meetings.

ARTICLE VIII Officers and Their Duties

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE IX

Appointment of Committees

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

ARTICLE X Books

and Records

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

ARTICLE XI

Assessments

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eighteen percent

(18%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessments. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his lot.

ARTICLE XII
Corporate Seal

The Association shall have a seal in circular form having within it's circumference the words: "EASTRIDGE LOT OWNERS ASSOCIATION, INC."

ARTICLE XIII
Amendments

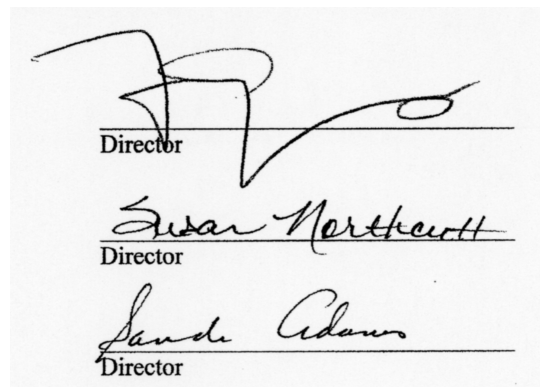
Section 1. These Bylaws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members entitled to vote and present in person or by proxy. However, until the Class B membership ceases, amendments may be vetoed by HUD/VA.

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

ARTICLE XIV
Miscellaneous

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

IN WITNESS WHERE, we being all of the Directors of EASTRIDGE LOT OWNERS ASSOCIATION, INC. have hereunto set our hands this _____ day of _____, 2000.



Director
Susan Northcott
Director
Sande Adams
Director

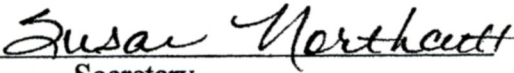
CERTIFICATION

I, the undersigned, do hereby certify that:

I am duly elected and acting secretary of EASTRIDGE LOT OWNERS ASSOCIATION, INC. a Florida Corporation not for profit,

The foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the April 24,2000.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of the Association this April 24, 2000.


Secretary