

EXHIBIT # 3

BY-LAWS

OF

CALEDON SHORES CONDOMINIUM ASSOCIATION, INC.

ARTICLE I.

1. The name of this corporation is
CALEDON SHORES CONDOMINIUM ASSOCIATION, INC.
2. The principal office of the corporation is:

4800 North State Road 11A, Vero Beach, Florida 32960

ARTICLE II.- PURPOSES.

This corporation is organized for the purposes of being a condominium association within the meaning of The Condominium Act of the State of Florida, and in turn for the purpose of operating, governing, administering and managing the property and affairs of the Condominium, to-wit:

CALEDON SHORES CONDOMINIUM

and to exercise all powers granted to it as a corporation under the laws of Florida, these By-Laws, the Articles of Incorporation and the Declaration of Condominium to which these By-Laws are attached, and further to exercise all powers granted to a condominium association under the Condominium Act, and to acquire, hold, convey and otherwise deal in and with real and personal property in its capacity as a condominium association.

ARTICLE III.- DIRECTORS AND OFFICERS.

A. Directors

1. The affairs of the corporation shall be managed by a Board of Directors composed of 5 persons (except as to the first Board of Directors whose members are designated in the Articles of Incorporation, and who shall serve until the first annual meeting of members or until their successors are elected and shall qualify).

2. Directors shall be elected by the members at the annual meeting of members and shall hold office until their successors are elected and shall qualify.

At least fourteen (14) days before the annual meeting, a complete list of members entitled to vote at such election, together with the residence of each, shall be prepared by the Secretary. Such list shall be open at the office of the corporation for fourteen (14) days prior to the election for the examination of every member and shall be produced and kept at the time and place of election, subject to the inspection of any member who may be present.

At the first annual meeting of the members, directors shall be elected for a term of one (1) year.

Directors shall be elected as follows:

Nominations shall be from the floor at the annual membership meeting, and a vote shall be had by written ballot. The 5 persons receiving the highest number of votes shall be declared elected.

At least a majority of the directors shall be members of the corporation, except those persons designated as the first Board of Directors by the Articles of Incorporation, and except for members elected or appointed by the Developer or successor developer in accordance with Article XV hereof.

No director shall receive or be entitled to any compensation for his services as director, but shall be entitled to reimbursement for all expenses sustained by him as such, if incurred upon the authorization of the Board.

620-219
0806-2701-00219

B. OFFICERS

The officers of the corporation shall be: a President, a Vice President, a Secretary and a Treasurer, at least two of whom shall be members of the Board of Directors, and such other officers as the Board of Directors may appoint, who need not be members of the Board. The officers named in the Articles of Incorporation shall serve until the first regular meeting of the Board and at such meeting the Board shall elect the aforesaid officers. The offices are Secretary and Treasurer may be combined one with the other or either of them with the office of Vice President by resolution of the Board of Directors. Officers elected at the first meeting of the Board shall hold office until the next ensuing annual meeting of directors following the next succeeding annual meeting of members or until their successors shall have been elected and shall qualify.

C. RESIGNATION, VACANCY, REMOVAL

Any director or officer of the corporation may resign at any time, by instrument in writing. Resignations shall take effect at the time specified therein, and if no time is specified, at the time of receipt by the President or Secretary of the corporation. The acceptance of a resignation shall not be necessary to make it effective.

When a vacancy occurs on the Board, the vacancy shall be filled by the remaining members of the Board at their next meeting, by electing a person who shall serve until the next annual meeting of members, at which time a director will be elected to complete the remaining portion of the unexpired term.

When a vacancy occurs in an office for any cause before an officer's term has expired, the office shall be filled by the Board at its next meeting by electing a person to serve for the unexpired term or until a successor has been elected by the Board and shall qualify.

A majority of members of the corporation present at any regular meeting or special meeting duly called at least in part for the purpose and at which a quorum is present may remove any director or officer for cause affecting his ability or fitness to perform his duties. Officers and directors may also be removed from office as provided in Article IX of the Articles of Incorporation or in accordance with the provisions of §718.112(g), Florida Statutes, in force on the date of the adoption of these By-Laws, so long as that provisions remains law.

D. EXECUTIVE COMMITTEE

The Board of Directors may, by resolution passed by a majority of the whole Board, designate an Executive Committee, to consist of two or more members of the Board, which, to the extent provided in the resolution, shall have and exercise the powers of the Board of Directors in the management of the business and affairs of the corporation, and may have power to authorize the seal of the corporation to be affixed to all papers which may require it. The Executive Committee shall keep regular minutes of its proceedings and report the same to the Board when required.

ARTICLE IV - POWERS AND DUTIES OF THE CORPORATION AND THE EXERCISE THEREOF.

The corporation shall have all powers granted to it by law, the Declaration of Condominium to which these By-Laws are attached, the Condominium Act, as the same may be amended from time to time, and the Articles of Incorporation, all of which powers shall be exercised by its Board of Directors unless the exercise thereof is otherwise restricted in the Declaration of Condominium, these By-Laws, or by law; and the aforementioned powers of the corporation shall include but not be limited to the following:

1. All of the powers specifically provided for in the Declaration and the Condominium Act.
2. The power to levy and collect assessments.
3. The power to levy and collect special assessments.

4. The power to expend monies collected from the common elements for the purpose of paying the common expenses of the corporation.
5. The power to purchase equipment, supplies and material required in the maintenance, repair, replacement, operation and management of the common elements.
6. The power to insure and keep insured the buildings and improvements of the condominium as provided for and limited by the Declaration.
7. The power to employ the personnel required for the operation of the common elements.
8. The power to pay utility bills for utilities serving the common elements.
9. The power to contract for the management and maintenance of the condominium property and to authorize a management agent to assist the association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of assessments, preparation of records, enforcement of rules and maintenance, repair and replacement of the common elements, with funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties required by then applicable law to be exercised exclusively by the Association or its officers, including but not limited to making assessments, promulgating rules and authorizing contracts on behalf of the Association.
10. The power to make reasonable rules and regulations and to amend them from time to time, and see to it that all members are notified of such changes in the rules and regulations as may be enacted.
11. The power to improve the condominium property subject to the limitations of the Declaration.
12. The power to enforce by any legal means the provisions of the Articles of Incorporation, the By-Laws, the Declaration of Condominium, and the regulations promulgated by the corporation.
13. The power to collect delinquent assessments by suit or otherwise, and to abate nuisances and enjoin or seek damages from unit owners for violation of the provisions of the condominium documents.
14. The power to pay all taxes and assessments which are liens against the common elements.
15. The power to deal with and approve or disapprove of all conveyances or leases of condominium parcels or parking spaces as provided for under the terms of the Declaration, and pursuant thereto, if such approval is required by the Declaration of Condominium.
16. The power to select depositories for the corporation funds, and to determine the manner of receiving, depositing, and disbursing corporate funds, and the form of check and the person or persons by whom the same shall be signed, when not signed, as otherwise provided by these By-Laws.
17. The power to possess, enjoy and exercise all powers necessary to implement, enforce, and carry into effect the powers above described, including the power to acquire, hold, convey, and deal in real and personal property.
18. The power to enter into, ratify, modify, and amend each and every of the agreements and undertakings contemplated by and in Article XXIV entitled "Recreational Facilities" of the Declaration of Condominium to which these By-Laws are attached, with the approval required in said Article.
19. The power to subscribe to and enter into a contract with any person, firm, corporation, or real estate management agent of any nature or kind, to provide for the maintenance, operation, repair and upkeep of the condominium's property and of any recreational facilities on lease to the Condominium Association or otherwise provided for the condominium members' usage.

(a) Said contract may provide that the total operation of said managing agent, firm or corporation shall be at the cost of this corporation. Said contract may further provide that the managing agent shall be paid from time to time a reasonable fee either stated as a fixed fee or as a percentage of the total costs of maintenance, operation, repair and upkeep or of the total funds of the corporation handled and managed by the managing agent. Such fee, if any, shall be another of the management function costs to be borne by the Association, unless the contract provides to the contrary.

(b) Nothing in this subparagraph (19) or in the Declaration of Condominium shall be deemed to require the Association to maintain the interior of any condominium unit, or to enter into any contract or undertaking to provide for the maintenance or upkeep of the interior of the condominium units of the Condominium.

20. The power to establish the office of additional officers of this corporation and to appoint all officers.

21. The power to propose and adopt the budget for the Condominium. The Board of Directors may, at its option, but shall not be required to do so, submit a proposed budget to the membership for its approval in lieu of adopting the budget itself. In either case, the Board of Directors shall give such notice to the membership as shall be required by Law.

ARTICLE V - DUTIES OF OFFICERS

1. The President shall:

(a) act as presiding officer at all meetings of the corporation and of the Board of Directors.

(b) call special meetings of the Board of Directors and of members.

(c) sign with the Treasurer, if the Board of Directors so requires, all checks, contracts, promissory notes, deeds, and other instruments on behalf of the corporation, except those which the Board of Directors specifies may be signed by other persons.

(d) perform all acts and duties usually required of an executive to insure that all orders and resolutions of the Board of Directors are carried out.

(e) appoint committees and to be ex-officio member of all committees, and render an annual report at the annual meeting of members.

2. The Vice President shall:

(a) act as presiding officer at all meetings of the corporation and of the Board of Directors when the President is absent.

(b) perform other acts and duties required of the President, in the President's absence.

(c) perform such other duties as may be required of him by the Board of Directors.

3. Should the President and Vice President be absent from any meeting, the directors shall select from among their members a person to act as chairman of the meeting.

4. The Secretary shall:

(a) attend all regular and special meetings of the members of the corporation and of the Board of Directors and keep all records and minutes of proceedings thereof or cause the same to be done.

- (b) have custody of the corporate seal and affix same when necessary or required.
- (c) attend to all correspondence on behalf of the Board of Directors, prepare and serve notice of meetings; keep membership books, and receive all applications for membership, for transfer and lease of units, and present such application to the Board, at its next regular meeting.
- (d) perform such other duties as the Board may determine and on all occasions in the execution of his duties, act under the superintendence, control and direction of the Board.
- (e) have custody of the minute book of the meetings of directors and members, which minute book shall at all times be available at the office of the corporation for the information of directors and officers, and act as transfer agent to recordable transfers and regulations in the corporate books.

5. The Treasurer shall:

- (a) attend all meetings of the membership and of the Board of Directors.
- (b) receive such monies as shall be paid into his hands for the account of the corporation, and disburse funds as may be ordered by the Board, taking proper vouchers for such disbursements, and be custodian of all securities, contracts, leases and other important documents of the corporation which he shall keep safely deposited.
- (c) supervise the keeping of accounts of all financial transactions of the corporation in books belonging to the corporation, and deliver such books to his successor. He shall prepare and distribute to all of the members of the Board at least ten (10) days prior to each annual meeting, and whenever else required, a summary of the financial transactions and condition of the corporation for the preceding year. He shall make a full and accurate report on matters and business pertaining to his office to the members at the annual meeting, and make all reports required by law.

The treasurer may have the assistance of an accountant or auditor, who shall be employed by the Board of Directors. In the event the corporation enters into a management agreement, it shall be proper to delegate such of the Treasurer's functions to the management agent as is deemed appropriate by the Board of Directors.

ARTICLE VI - MEMBERSHIP

1. Membership in the corporation is limited to owners of the condominium units. Membership is automatically conferred upon acquisition of condominium unit, as evidenced by the filing of a deed to such unit, or as provided in the Declaration for transfer of membership upon the death of a unit owner. Membership is an incident of ownership, and is not separately transferrable.
2. The owner of a unit shall be entitled to cast one vote at all meetings of the members, except the owner of Unit 507 shall be entitled to cast two (2) votes unless and until it shall be severed into two units in accordance with Paragraph C, Article XVII, of the Declaration of Condominium. If a condominium parcel is owned by more than one owner, there shall nevertheless be only one membership assigned to such parcel, and the vote for such membership shall be cast by the person designated in writing by all of the owners of said parcel, and in the absence of such a writing, such vote shall not be counted.
3. Membership in the corporation may be transferred only as an incident to the transfer of title to a condominium parcel in the manner provided in the Declaration of Condominium, and shall become effective upon the recording of a deed to such condominium parcel.
4. Membership shall terminate upon the transfer of title to a condominium unit, or upon the death of the owner of a condominium parcel.

ARTICLE VII - MEETINGS, SPECIAL MEETINGS, QUORUMS, PROXIES

A. Meetings of Members

1. Place of Meetings. All meetings of the corporation shall be held at the office of the corporation, or may be held at such time and place as shall be stated in the notice thereof.
2. Annual Meetings. Annual members' meetings shall be held at the office of the corporation upon a date appointed by the Board of Directors, which shall fall between the 15th day of January and the 28th day of February, in each and every calendar year subsequent to 1981. No meeting shall be held on a legal holiday. The meetings shall be held at such time as the Directors shall appoint time to time.
3. Special Meetings. Special meetings shall be held whenever called by the President or by a majority of the Board of Directors and must be called by the Secretary upon receipt of a written request from members of the corporation owning a majority of the condominium units. Business transacted at all special meetings shall be confined to the objects and action to be taken as stated in the notice of meeting unless by vote of not less than 3/5ths of those present and voting the membership approves considering matters or actions not stated in the notice.
4. Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary of the corporation at least twelve (12) hours prior to the meeting. A proxy shall be valid and entitle the holder thereof to vote until revoked in writing by the grantor, such revocation to be lodged with the Secretary, or until the death or legal incompetence of the grantor, but in no event shall a proxy be valid longer than the period permitted by applicable law.
5. Quorum. A quorum for the transaction of business at the annual meeting and any special meeting shall consist of a majority of all unit owners, who must be present either in person or by proxy; but the unit owners present at any meeting, although less than a quorum, may adjourn the meeting to a future date.
6. Voting Required to Make Decision. When a quorum is present at any meeting, the vote of a majority of the members present in person or by proxy shall decide any question brought before the meeting, unless the Declaration or these By-Laws or any applicable statute provide otherwise, in which event the vote prescribed by the Declaration or the By-Laws or such statute shall control.
7. Additional Notice Requirements Where Amendment to Declaration or By-Laws Is To Be Considered. At any annual meeting or special meeting of the members called at least in part for the purpose of considering a proposed amendment to the Declaration of Condominium or to the By-Laws, in addition to all other requirements of notice herein contained for such meeting there shall be distributed by mail or personal delivery to every member, unless all members shall waive this requirement by instrument in writing, a copy of the proposed amendment at least ten (10) days prior to the meeting. This procedure shall not be required where an amendment is proposed by the Board of Directors and is permitted to be and is circulated among the membership for approval in writing and without meeting. All proposed amendments considered at meetings may be amended, modified and otherwise changed at the meeting called for the purpose of considering them or at any adjourned meeting thereof.

B. Directors' Meetings.

1. Annual Meeting. The annual meeting of the Board of Directors shall be held at the office of the corporation immediately following the adjournment of the annual meeting of members. The Board of Directors may establish a schedule of regular meetings to be held at such place as the directors may designate in which event no notice need be sent to the directors, once said schedule has been adopted.
2. Special Meetings. Special meetings of the Board of Directors may be called by the President on five (5) days' notice to each director (in writing) to be delivered by mail or in person. Special meetings may also be called on written request of a majority of directors. All notices of special meetings shall state the purpose.
3. Quorum. At all meetings of the Board of Directors a majority of the directors shall constitute a quorum for the transaction of business and the acts of a majority of the directors present at such meeting at which a quorum is present shall be the acts of the Board of Directors. At any meeting at which a quorum is not present, the presiding officer may adjourn the meeting from time to time, and at any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be terminated without further notice.
4. Notice to Unit Owners. So long as the Condominium Act requires it, meetings shall be posted conspicuously for forty-eight (48) hours in advance for the attention of unit owners, except in an emergency.
5. Waiver. Directors may waive notice of the meeting of directors before, at or subsequent to the meeting, except where prohibited by law.

ARTICLE VIII - NOTICE

1. Annual Meeting. Written notice of the annual meeting of members shall be served upon or mailed to each member entitled to notice at least fourteen (14) days prior to the meeting and must be posted in a conspicuous place on the condominium property at least fourteen (14) days prior to the meeting. The mailing of the notice of annual meeting need not be sent by certified or registered mail unless Florida Law applicable to this Condominium and these By-Laws shall require it, in which case such requirement shall be waivable in the manner provided by that Law. This provision shall not be construed to make applicable to this corporation changes in the Statutory Law becoming effective after the adoption of these By-Laws, unless such provision would otherwise be applicable or would be applicable notwithstanding contrary provisions in these By-Laws.
2. Special Meetings. Written notice of a special meeting of members stating the time, place and object of such meeting shall be served upon or mailed to each member entitled to notice at least five (5) days prior to such meeting.
3. Waiver. Unit owners (members) may waive notice of meetings of members prior to, at or subsequent to any meetings of members except where prohibited by law. Nothing in these By-Laws shall be construed to prevent unit owners from acting by written agreement without meetings.

ARTICLE IX - PROCEDURE.

Roberts Rules of Order (latest edition) shall govern the conduct of corporate proceedings when not in conflict with the Articles of Incorporation and the By-Laws of the corporation or with the Statutes of the State of Florida.

ARTICLE X - ASSESSMENTS AND MANNER OF COLLECTION.

The Board of Directors has the power to and shall from time to time fix and determine the amounts necessary to pay the common expenses of the Condominium. Common expenses include those expenses described in Article VI of the Declaration of Condominium and any other expenses designated as common expenses by the Board of Directors, under the authority and sanction of the Declaration of Condominium and the Condominium Act.

Funds for the payment of common expenses shall be assessed against and shall be a lien against the condominium parcels in the proportion or percentage of sharing common expenses provided in the Declaration of Condominium, as provided in the Declaration of Condominium and the Condominium Act. The Board of Directors shall not assign nor transfer the powers to make regular assessments.

Regular assessments shall be paid by the members on a monthly basis unless the Declaration provides otherwise or unless the membership shall approve a different period for payment, but in no event shall such payments be less frequently than quarterly.

Special assessments, should they be required by the Board of Directors, shall be levied and paid in the same manner as regular assessments, unless the Declaration of Condominium shall otherwise provide. The Board of Directors may allow its managing agent or manager to make special assessments in emergencies upon the happening of such unusual circumstances and upon such conditions as the Board may authorize.

When the Board of Directors has determined the amount of any assessment, the Secretary shall transmit a statement of such assessment to each condominium parcel owner. Assessments are payable at the office of the corporation.

Assessments are necessarily made upon projections and estimates of the Board of Directors, and may be in excess of or less than the sums required to meet the cash requirements of the condominium, in which event the Board of Directors may increase or decrease the amount of an assessment, and make such adjustments in cash or otherwise, as they shall deem proper, including the assessment of each member of his proportionate share of any deficiency. Notice of all changes in assessments shall be given to all unit owners.

Assessments shall not include charges for utilities separately charged and metered to each apartment unit, nor charges for such alterations, repairs, maintenance, improvements or decorating within the interior of any apartment unit as are the obligation of the unit owner and not the obligation of the Association. Providing, however, that the membership shall approve it, the Board of Directors may provide certain maintenance and repairs as would otherwise be the obligation of the individual unit owners, by the undertaking of contracts with business establishments providing repair and maintenance services, and in such cases the cost or price of such contractual services may be treated as a common expense and assessed against the members as part of their monthly maintenance. The specific contracts or undertakings need not be submitted by the Board of Directors to the membership for approval once the membership has approved the policy of having a specific type of repair or maintenance undertaken by the Association which would otherwise be the individual unit owners' responsibility.

Assessments are due on the dates stated in the notice of assessment, and thereafter shall bear interest at the highest lawful rate per annum until paid.

In the event an assessment is not paid within fifteen (15) days of the date it is due and payable, the corporation, through the Board of Directors, may proceed to enforce and collect said assessment from the delinquent owner in any manner provided by The Condominium Act, the Declaration and these By-Laws. Each condominium parcel owner shall be individually responsible for the payment of assessments against his unit and for the payment of reasonable attorneys' fees and costs incurred by the corporation in the collection of sums due and the enforcement of any lien held by the corporation.

ARTICLE XI - FISCAL MATTERS.

1. Fiscal Year. The fiscal year of the corporation shall begin on the first day of January in each year, provided, however, that the Board of Directors is authorized to change to a different fiscal year at such time as the Board of Directors deems it advisable.

2. Depositories. The funds of the corporation shall be deposited in a bank or banks in Indian River County or St. Lucie County, Florida, in an account for the corporation under resolutions approved by the Board of Directors, and shall be withdrawn only over the signature of the Treasurer, the President or the Vice President, or such other persons as the Board may authorize. The Board may require more than one signature on checks and bank drafts. Said funds shall be used only for corporate purposes.

If necessary, and demanded by mortgagees, separate accounts shall be established to maintain and disburse escrow funds required by mortgagees to meet mortgage requirements as to establishment of escrows for real estate taxes and insurance respecting condominium parcels.

3. Fidelity Bonds. Fidelity bonds may be required by the Board of Directors from all officers and employees of the corporation and from any contractor handling or responsible for corporation funds. The premiums for such bonds shall be paid by the corporation.

4. Records. The corporation shall maintain accounting records according to good accounting practices which shall be open to inspection by unit owners or their authorized representatives at reasonable times, written summaries of which shall be supplied at least annually to unit owners or their authorized representatives. Such records shall include a record of all receipts and expenditures and an account for each unit which shall designate the name and address of the unit owner, the amount of each assessment, the dates and amounts in which the assessments came due, the amounts paid upon the account, the balance due and a register for the names of any mortgage holders or lien holders who have notified the corporation of their liens and to which lienholders the corporation will give notice of default if required.

5. Annual Statement. The Board of Directors shall present to each annual meeting a full and clear statement of the business and condition of the corporation.

6. Insurance. The corporation shall procure, maintain and keep in full force and effect, all insurance required by the Declaration pursuant to the provisions of the Declaration.

ARTICLE XII - ADMINISTRATIVE RULES AND REGULATIONS.

The Board of Directors may from time to time adopt rules and regulations governing the details of the operation and use of the common elements and such other rules and regulations as are designed to prevent unreasonable interference with the use of the units, the limited common elements and common elements by the members, and all members shall abide thereby provided that said rules and regulations shall be equally applicable to all members and uniform in their application and effect.

Those restrictions appearing in that article of the Declaration of Condominium entitled "Purpose and Use Restrictions" are declared to be house rules and regulations as well as covenants and conditions running with the Condominium Property.

ARTICLE XIII - VIOLATIONS AND DEFAULT.

In the event of a violation (other than non-payment of an assessment by a unit owner) of any of the provisions of the Declaration, these By-Laws, the Rules and Regulations of the corporation, the Charter, or any provisions of the Condominium Act, the corporation, after reasonable notice to cure not to exceed fifteen (15) days, shall have all rights and remedies provided by law including without limitation (and such remedies shall or may be cumulative) the right to sue for damages, the right to injunctive relief and, in the event of a failure to pay assessments, the right to foreclose its lien provided in the Condominium Act, and in every such proceeding the unit owner at fault shall be liable for court costs.

and the corporation's reasonable attorney's fees. If the corporation elects to enforce its lien by foreclosure, the unit owner shall be required to pay a reasonable rent for his condominium parcel during the litigation and the corporation shall be entitled to the appointment of a receiver to collect such rent. A suit to collect unpaid assessments may be prosecuted by the corporation without waiving the lien securing such unpaid assessments.

ARTICLE XIV - AMENDMENT OF BY-LAWS.

Subject always to the provisions of Article VIII entitled "Amendment to Declaration" of the Declaration of Condominium, these By-Laws may be amended, modified or rescinded in accordance with Article VIII of the Declaration of Condominium or by a resolution adopted or approved at any duly called meeting of the members by a two-thirds (2/3) vote of the members present or by proxy, provided there is a quorum, provided that such meeting was called at least in part for the purpose of considering such amendments, provided that the notice requirements of Article VII-A-(7) of these By-Laws have been fulfilled, and further provided that the requirements of Paragraph B of Article VIII of the Declaration of Condominium are met in full in applicable cases. Notice may be waived by any member. Alternatively, the Board of Directors may approve submitting a proposed amendment to the By-laws or to the Declaration of Condominium, if so permitted in the Declaration of Condominium, to the membership in writing. Such proposed amendment shall be sent to all members of the Association and such fact must be certified to by an officer of the Association in charge of the mailing by a certificate appended to the Certificate of Amendment filed among the Public Records, and such amendment shall be deemed approved when not less than seventy-five (75%) percent of the members shall have approved the same in writing. Amendments shall take effect in accordance with their provisions but not sooner than permitted by law, and if there be no such provision, amendments shall take effect when a Certificate thereof, executed in accordance with law, is recorded among the Public Records of the County in which the Condominium Property lies.

ARTICLE XV - SPECIAL RIGHTS OF THE DEVELOPER TO APPOINT MEMBERS OF THE BOARD OF DIRECTORS.

- A. The Developer submitting the Condominium to condominium form of ownership and any successor developer designated in writing by the Developer as a successor Developer shall have the right for the periods of time hereinafter provided to appoint or direct that there be elected Directors of the Condominium Association:
1. Until such time that the Developer shall have sold and closed the sale of at least fifteen (15%) percent of the condominium units in the Condominium to persons other than a successor developer, the Developer may appoint or direct that there be elected all members of the Board of Directors.
 2. When unit owners other than the Developer or successor developer own fifteen (15%) percent or more of the units that will be operated ultimately by the Association, the unit owners other than Developer shall be entitled to elect one-third (1/3) of members of the Board of Directors of the Association.
 3. Unit owners other than the Developer shall be entitled to elect not less than majority of the members of the Board when the first of the following shall occur:
 - a. Three (3) years after sales by the Developer have been closed of fifty (50%) percent of the units that will be operated ultimately by the Association; or
 - b. Three (3) months after sales have been closed by the Developer of ninety (90%) percent of the units that will be operated ultimately by the Association; or
 - c. When all of the units that will operated ultimately by the Association have been completed, some of them sold, and none of the others are being offered for sale by the Developer in the ordinary course of business.

So long as the Developer holds for sale in the ordinary course of business three (3) units in the Condominium, the Developer shall be entitled to elect not less than one (1) member of the Board.

B. Within sixty (60) days after unit owners other than the Developer or a successor are entitled to elect or appoint a member or members of the Board of Directors, the Association shall call, and give not less than thirty (30) days' nor more than forty (40) days' notice of, a meeting of the unit owners for this purpose.

C. The Developer may waive or relinquish in whole or in part any of its rights to appoint or elect one or more of the Directors it is entitled to appoint or elect.

D. If members of this Association other than the Developer shall by contract, consent or by resolution approved by at least 3/4 of the unit owners (members) other than Developer at a meeting of members called at least in part for that purpose, agree to a retention of control of the Board of Directors by the Developer or a successor developer for periods of time in excess of the periods set forth in Paragraph A above, in conjunction with a guarantee of the levels of maintenance the Developer may retain control in accordance with such agreement, contract or resolution. Control shall be deemed the right to appoint or direct that there be elected not less than a majority of the Directors; however, no such agreement, contract or resolution shall reduce the rights of unit owners other than Developer contained in and established in Subparagraph A(2) above.

Nothing herein shall be deemed to grant unit owners the right or authority to modify rights granted to the Developer respecting the retention of control of the Board of Directors during periods of the guarantee of levels of maintenance once such rights have been granted in accordance with the provisions of this Paragraph without the consent of the Developer or successor developer in the appropriate case.

E. This Article XV shall not be modified or amended without the consent of the Developer or, in the appropriate case, a successor developer, so long as the Developer or successor developer shall in accordance with the terms of this Article XV have the right to appoint or cause to be elected any Directors.

ARTICLE XVI - VALIDITY.

If any By-Law, regulation or rule shall be adjudged invalid, such fact shall not affect the validity of any other By-Law, rule or regulation.

ARTICLE XVII - RECREATION FACILITIES.

Article XXIV of the Declaration of Condominium entitled "Recreational Facilities", as the same is constituted from time to time, is incorporated herein by reference as if fully set out herein. The corporation has or shall have all the power and authority necessary to effectuate the letter and intent of that Article XXIV and to enter into, ratify and join in amendments to any contract, lease or other undertaking referred to therein. This Article XVII of these By-Laws shall not be amended except in accordance with the provisions of the Declaration of Condominium pertaining thereto, and in particular any provisions of said Article XXIV of the Declaration which shall pertain thereto and nothing herein shall be construed to limit the power or authority of the corporation to enter into any lease, contracts or undertakings contemplated by Article XXIV of the Declaration, it being the intention of this Article XVII of these By-Laws to parallel and not to restrict the power and authority of the corporation in regard to acquiring recreational facilities as the same are contemplated by the aforementioned Article of the Declaration.

ARTICLE XVIII - CONSTRUCTION TO BE CONSISTENT WITH DECLARATION OF CONDOMINIUM.

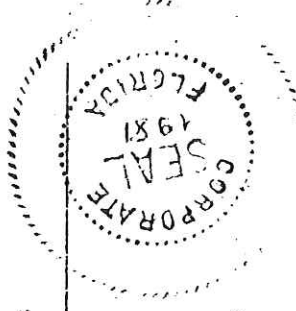
These By-Laws and the Articles of Incorporation of the corporation shall be construed in the event of any ambiguity or lack of clarity consistent with the provisions of the Declaration of Condominium.

The foregoing were adopted as the By-Laws of

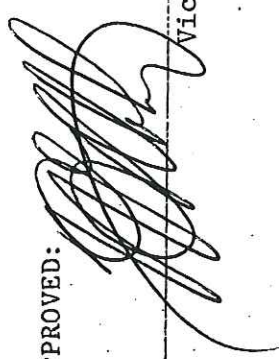
CALEDON SHORES CONDOMINIUM ASSOCIATION, INC.

a corporation not-for-profit, under the laws of the State of Florida, at a meeting of the members of said corporation duly noticed, at which all members were present, by the unanimous vote of the members on the 27th day of March, 19 81.


Secretary



APPROVED:


Vice President

FILED FOR RECORD
BOOK AND PAGE ABOVE
RECORD VERIFIED

1981 APR -6 AM 8:40

FREDA WRIGHT
CLERK OF CIRCUIT COURT
INDIAN RIVER CO., FLA.

BY Clinton D.C.
Stocker

BOOK 620 PAGE 0230