

Exhibit C

**BYLAWS OF HERON POINTE OF DESOTO COUNTY
CONDOMINIUM ASSOCIATION, INC.**

1. IDENTITY - These are the Bylaws of Heron Pointe of DeSoto County Condominium Association, Inc., a non-profit Florida Corporation formed for the purpose of administering Heron Pointe of DeSoto County, a Condominium which is located in DeSoto County, Florida, upon lands described in the Declaration of Condominium. (The corporation shall hereafter be referred to as the Association).

(.1) OFFICE - The office of the Association shall be at the Condominium.

(.2) FISCAL YEAR - The fiscal year of the Association shall be the calendar year.

(.3) SEAL - The seal of the Association shall bear the name of the Association, the word "Florida", and the year of establishment.

2. MEMBERS MEETINGS

(.1) ANNUAL MEMBER'S MEETINGS shall be held at the condominium or at such other convenient location as may be determined by the Board of Directors, at such hour and upon such date each year as may be determined by the Board, for the purpose of electing Directors and of transacting business authorized to be transacted by the members.

(.2) SPECIAL MEMBERS' MEETINGS shall be held whenever called by the President, Vice President, or by a majority of the Board of Directors, and when called by written notice from ten percent (10%) of the entire membership. As to the meeting required when unit owners are entitled to elect a member or members of the Board of Directors, the meeting may be called and notice given by any unit owner if the Association fails to call the meeting.

(.3) NOTICE OF MEMBERS' MEETINGS - Notice of the annual meeting shall be delivered by United States mail, hand delivered, or electronic transmission to each unit owner at least fourteen (14) days prior to the annual meeting. Evidence of compliance with this 14-day notice must be made by an affidavit executed by an officer of the association or the manager or other person providing notice of the meeting and filed among the official records of the association. Written notice of the meeting shall also be posted in a conspicuous place on the condominium property at least fourteen (14) days prior to the annual meeting.

The Board shall also mail, hand deliver or electronic transmit a meeting notice and copies of the proposed annual budget of common expenses to the unit owners not less than fourteen (14) days prior to the meeting at which the budget will be considered.

Notice of a special meeting called by the Board at the written request of ten percent (10%) of the owners because of a budget exceeding the entire budget of the preceding year plus fifteen percent (15%) of the budget of the preceding year requires not less than ten (10) days written notice to each unit owner. In the event Florida law is changed regarding the percentage amount, an amount not to exceed the maximum allowed under Florida Statutes will prevail.

Notice of other special meetings not covered above shall be in writing and hand delivered or mailed to each member first class, postage pre-paid not less than ten (10) days prior to the meeting. However, unit owners may waive notice of specific meetings and may take action by written agreement without meetings where it is in the best interest of the condominium to do so.

All notice of meetings shall state clearly and particularly the purpose or purposes of the meeting.

(.4) A QUORUM at members meetings shall be attained by the presence, either in person or by proxy, of persons entitled to cast a majority of the votes of the entire membership. Decisions made by a majority of the votes, cast in person or by proxy, at a meeting at which a quorum is present shall be binding and sufficient for all purposes except an amendment to the condominium documents or such other decisions as may by law or said documents require a larger percentage in which case the percentage required in the documents or law shall govern.

(.5) EACH UNIT shall have one indivisible vote, and the vote of the owners of a unit owned by more than one person (except husband and wife either of whom may cast the vote) or by a corporation or other entity shall be cast by the person named in a certificate signed by all owners of the unit and filed with the Secretary of the Association. The certificate shall be valid until revoked by a subsequent certificate. If such a certificate is not on file, the vote of such unit shall not be considered in determining the requirement for a quorum nor for any other purpose.

(.6) PROXIES - Votes may be cast in person or by proxy. Proxies shall be in writing, signed and dated and shall be valid only for the particular meeting designated therein and must be filed with the Secretary before or at the appointed time of the meetings. In no event shall a proxy be valid for more than ninety (90) days from the scheduled meeting date.

(.7) APPROVAL OR DISAPPROVAL of a unit owner upon any matter, whether or not the subject of an Association meeting, shall be by the same person who would cast the

vote of such owner if in an Association meeting.

(.8) ADJOURNED MEETINGS - If any meeting of members cannot be organized because a quorum has not been attained, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

(.9) THE ORDER OF BUSINESS AT THE ANNUAL MEMBERS' MEETINGS, and, as far as applicable at all other members' meetings, shall be:

- (a) Election of Directors.
- (b) Election of Chairman of the meeting, unless the President or Vice President of the Association is present then he (or she) shall preside.
- (c) Calling of the roll and certifying of proxies.
- (d) Proof of Notice of meeting or waiver of notice.
- (e) Reading and disposing of any unapproved minutes.
- (f) Reports of Directors.
- (g) Reports of Committees.
- (h) Unfinished business.
- (i) New business.
- (j) Adjournment.

3. BOARD OF DIRECTORS

(.1) THE MEMBERSHIP of the Board of Directors shall consist of an odd number of directors with a minimum of five (5) directors and an optimum of seven (7) directors.

(.2) THE ELECTION of Directors shall be in the following manner:

(a) Not less than sixty (60) days before a scheduled election of directors, the association shall mail or deliver, whether by separate association mailing, or included in

another association mailing or delivery including regularly published newsletters, to each unit owner entitled to a vote, a first notice of the date of the election. Any unit owner or other eligible person desiring to be a candidate for the board must give written notice to the association not less than forty (40) days before a scheduled election. Together with the written notice of annual Members Meeting as set forth in Par 2.(.3) above, the association shall mail or deliver a second notice of the election to all unit owners entitled to vote therein, together with a ballot which shall list all candidates. Upon request of a candidate, the association shall include an information sheet, no larger than 8 ½ inches by 11 inches, which must be furnished by the candidate not less than thirty-five (35) days before the election, to be included with the mailing or delivery of the ballot, with costs of mailing or delivery and copying to be borne by the association. The Association is not liable for the contents of the information sheets provided by the candidates. Elections shall be decided by a plurality of those ballots cast. There shall be no quorum requirement, however at least twenty percent (20%) of the eligible voters must cast a ballot in order to have a valid election of members of the Board of Directors. An election and balloting are not required unless more candidates file notice of intent to run or are nominated than vacancies exist on the Board.

(b) Except as to vacancies provided by removal of Directors as members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by a majority vote of the remaining Directors.

(c) Any Director may be removed with or without cause by a majority of the members of the Association either by written agreement or at a special meeting of the members called for that purpose by a majority of the Board of Directors or by ten (10%) percent

of the members. The created vacancy in the Board of Directors shall be filled by the members of the Association at the same meeting.

(.3) THE TERM of each Director's service shall extend until the next annual meeting of the members and thereafter until his successor is duly elected and qualified or until he is removed in the manner elsewhere provided. In order to provide a continuity of experience, staggered terms of three (3) years for each director will be in place.

(.4) THE ORGANIZATIONAL MEETING of the newly elected Board of Directors shall be held at such place and time as shall be fixed by the Directors, provided a quorum shall be present.

(.5) REGULAR MEETINGS of the Board of Directors may be held at such time and place as shall be determined from time to time, by a majority of the Directors. Notice of regular meetings shall be given to each Director personally or by mail, telephone or electronic transmission, at least five (5) days prior to the day named for such meeting. Meetings of the board of directors at which a quorum of the Board members are present, shall be open to all unit owners. Any unit owner may tape, record or videotape meetings of the Board. The right to attend such meetings includes the right to speak at such meetings with reference to all designated agenda items. The association may adopt reasonable rules governing the frequency, duration, and manner of unit owner statements. Adequate notice of meetings shall specifically incorporate an identification of agenda items and shall be posted conspicuously on the condominium property forty-eight (48) continuous hours preceding the meeting except in an emergency. Any item not included on the notice may be taken up on an emergency basis by at least a majority of the members of the Board. Such emergency action shall be noticed and

ratified at the next regular Board Meeting. The Board of Directors shall have a minimum of three (3) regular meetings per year.

(.6) SPECIAL MEETINGS of the Board of Directors may be called by the President and must be called by the Secretary at the written request of one-third of the Directors. Not less than three (3) days notice of the meeting shall be given personally or by mail, telephone or electronic transmission and such notice shall state the time, place and purpose of the meeting, except in an emergency.

(.7) WAIVER OF NOTICE - Any Director may waive notice of a meeting before, at or after the meeting and such waiver shall be deemed equivalent to the giving of notice.

(.8) A QUORUM AT DIRECTORS' meetings shall consist of a majority of the entire Board 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. A Director who is present at a meeting of the Board shall be deemed to have voted in favor of any action taken unless he voted against such action or abstained from voting. A director can only abstain from voting due to an asserted conflict of interest. The vote against or abstention of a Director present shall be recorded in the minutes. If at any meeting of the Board there 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 may be transacted without further notice.

(.10) THE PRESIDING OFFICER at Directors' meetings shall be the President of the Board if such an officer has been elected; and if none, the Vice-President shall preside. In the absence of the presiding officer, the Directors present shall designate one of their number to

preside.

(.11) DIRECTORS SHALL SERVE WITHOUT PAY, but shall be entitled to reimbursement for expenses reasonably incurred and approved by the Board.

(.12) COMMITTEES APPOINTED BY THE BOARD to make financial or procedural recommendations or to take final action on behalf of the Board must meet the same requirements as the Board. Operational committees, committees appointed to make non-budgetary recommendations to the Board, do not have to meet Board meeting requirements.

4. POWERS AND DUTIES OF THE BOARD OF DIRECTORS - All of the powers and duties of the Association existing under the Condominium Act, Declaration of Condominium, and these By-Laws shall be exercised exclusively by the Board of Directors, or its duly authorized agents, contractors, or employees subject only to the approval by unit owners when such is specifically required. Such powers and duties of the Directors shall include but shall not be limited to the following:

(.1) TO MAKE AND COLLECT ASSESSMENTS AGAINST members to defray the costs of the condominium.

(.2) TO USE THE PROCEEDS OF ASSESSMENTS in the exercise of its powers and duties.

(.3) THE MAINTENANCE, REPAIR, REPLACEMENT AND OPERATION of the condominium property.

(.4) THE RECONSTRUCTION OF IMPROVEMENTS AFTER CASUALTY and the further improvement of the property.

(.5) TO APPROVE OR DISAPPROVE PROPOSED TRANSACTIONS in the manner provided in the Condominium Declaration.

(.6) TO ENFORCE by legal means the provisions of applicable laws, the condominium documents, the By-Laws of the Association and the regulations for use of the property in the condominium and to assess reasonable penalties and fines as against unit owners for violation of the By-Laws and the Rules and Regulations as promulgated by the Board of Directors.

(.7) TO CONTRACT FOR MANAGEMENT of the condominium.

(.8) TO PAY TAXES AND ASSESSMENTS which are liens against any part of the condominium other than individual units and the appurtenances thereto, and to assess the same against the unit subject to such liens.

(.9) TO CARRY INSURANCE for the protection of the unit owners and the Association against casualty and liabilities.

(.10) TO PAY THE COST OF ALL POWER, WATER, SEWER and other utility services rendered to the condominium and not billed to owners of individual units.

(.11) TO EMPLOY PERSONNEL and designate other officers for reasonable compensation and grant them such duties as seems appropriate for proper administration of the purposes of the Association.

(.12) TO BRING SUIT, EXECUTE CONTRACTS, DEEDS, MORTGAGES, LEASES and other instruments by its officers and to own, convey and encumber real and personal property.

5. OFFICERS

(.1) THE EXECUTIVE OFFICERS of the Association shall be President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected annually by and from the Board of Directors and who may be peremptorily removed by a majority vote of the Directors at any meeting. Any person may hold two or more offices except that the President shall not also be the Secretary or Assistant Secretary.

(.2) THE PRESIDENT shall be the chief executive officer of the Association. The President will have all of the powers and duties which are usually vested in the office of President of a corporation.

(.3) THE VICE-PRESIDENT shall in the absence or disability of the President exercise the powers and perform the duties of the President. The Vice-President shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

(.4) THE SECRETARY shall keep the minutes of all proceedings of the Directors and the members. The Secretary shall attend to the giving and serving of all notices to the members and Directors and other notices required by law. The Secretary shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed. The Secretary 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 the Association and as may be required by the Directors or the President. The Assistant Secretary will perform the duties of the Secretary when the Secretary is absent.

(.5) THE TREASURER shall have custody of all the property of the Association,

including funds, securities and evidences of indebtedness. The Treasurer shall keep the assessment lists and accounts of the members. The Treasurer shall keep the books of the Association in accordance with good accounting practices, and shall perform all other duties incident to the office of the Treasurer of a corporation.

(.6) THE COMPENSATION of all officers and employees of the Association shall be fixed by the Directors. This provision shall not preclude the Board of Directors from employing a Director as an employee of the Association or preclude the contracting with a Director for the management of the condominium.

6. MINUTES OF ALL MEETINGS OF UNIT OWNERS and of the Board of Directors shall be kept in a businesslike manner and these, plus records of all receipts and expenditures and all other records shall be available for inspection by unit owners and Board members at all reasonable times.

7. FISCAL MANAGEMENT shall be in accordance with the following provisions.

(.1) BUDGET -

(a) A proposed annual budget of common expenses shall be prepared by the Board of Directors which shall include all anticipated expenses for operation, maintenance and administration of the condominium including insurance, management fees, if any, and which shall accrue a reserve for deferred replacement maintenance and depreciation, unless waived annually by a majority vote. It will contain a reasonable allowance for contingencies, and provide funds for all unpaid operating expense previously incurred. Additionally, it shall contain the Assessment and Assessments duly levied upon the Association by LAKE POOKIEHATCHEE ASSOCIATION, INC. to meet the common expenses of that Association,

of which this Association is a mandatory member.

(b) A copy of the proposed annual budget shall be mailed or hand delivered to unit owners not less than fourteen (14) days prior to a meeting of the Board of Directors at which the budget will be adopted together with a notice of the meeting. Evidence of compliance with this 14-day notice must be made by an affidavit executed by an officer of the association or the manager or other person providing notice of the meeting and filed among the official records of the association. When a budget exceeds the entire budget of the preceding year plus fifteen percent (15%), a special meeting shall be called by the Board at the written request of ten percent (10%) of the owners. In the event Florida law is changed regarding the percentage amount, an amount not to exceed the maximum allowed under Florida Statutes will prevail.

(.2) ASSESSMENTS - The shares of the unit owners of the common expenses shall be made payable quarterly in advance and shall become due on the first day of each quarter. The amounts shall be no less than are required to provide funds in advance for payment of all the anticipated current operating expenses and for all of the unpaid operating expenses previously incurred.

(.3) EMERGENCY ASSESSMENTS - Assessments up to \$500.00 per unit for expenses which cannot be paid from the contingency account may be adopted by the Board of Directors without owner approval.

(.4) ASSESSMENT LIST - The assessments for common expenses according to the budget shall be set forth upon a list of the units which shall be available for inspection at reasonable times by unit owners. Such list shall indicate for each unit the

name and address of the owner, the assessments paid and unpaid. A certificate made by a duly authorized representative of the Directors as to the status of a unit's account may be relied upon for all purposes for any person on whom made other than the unit owner.

(.5) LIABILITY FOR ASSESSMENTS - A unit owner shall be liable for all assessments coming due while he is the owner of a unit, and such owner and his grantees after a voluntary conveyance shall be jointly and severally for all unpaid assessments due and payable up to the time of such voluntary conveyance. Such liability may not be avoided by a waiver of the use or enjoyment of any common elements, or by abandonment of the unit for which the assessments are made, per Florida Statute 718.116.

(.6) LIEN FOR ASSESSMENTS - The unpaid portion of an assessment which is due together with interest thereon and reasonable attorney's fees for collection, shall be secured by a lien upon:

(a) THE UNIT, and all appurtenances thereto when a notice claiming the lien has been recorded by the Association in accordance with the requirement of Florida Statute 718.116. Such lien shall be subordinate to any prior recorded mortgage on the unit.

(b) COLLECTION -

(i) INTEREST - APPLICATION OF PAYMENTS - Assessments paid on or before fifteen (15) days after the date due shall not bear interest, but all sums not paid on or before fifteen (15) days shall bear interest at the prime rate plus 2 points per annum from the date due until paid plus a \$25.00 late charge. All payments upon account shall be first applied to interest and the late charge then to the assessment payment first due. All interest and late charge collected shall be credited to the common expense account.

(ii) SUIT - The Association, at its option, may enforce collection of delinquent assessment accounts by suit at law or by foreclosure of the lien securing the assessments, or by any other remedy available under the laws of the State of Florida, and in either event the Association shall be entitled to recover the payments which are delinquent at the time of judgement or degree, together with interest thereon at the prime rate plus two points per annum and late charges, and all costs incident to the collection and the proceeding, including reasonable attorney's fees. Any late fees, costs, attorney fees and interest charges will be applied to the payment before any principal payment. Per Florida Statute 718.116(5)(b) the Association must deliver or mail by certified mail to the unit owner a written notice of its intention to foreclose the lien thirty (30) days before commencing foreclosure.

(.7) ACCOUNTS - All sums collected from assessments may be commingled in a single fund, but they shall be held in trust for the unit owners in the respective shares in which they are paid and shall be credited to accounts from which shall be paid the expenses for which the respective assessments are made. These accounts shall be as follows:

(a) COMMON EXPENSE ACCOUNT - to which shall be credited collections of assessments for all common expenses.

(b) ALTERATION AND IMPROVEMENT ACCOUNT - to which shall be credited all sums collected for alteration and improvement assessments, if any.

(c) CONTINGENCY ACCOUNT - to which shall be credited all sums collected for contingencies and emergencies.

(.8) THE DEPOSITORY of the Association shall be such bank or banks in Florida as shall be designated from time to time by the Directors and in which monies from

such accounts shall be withdrawn only by checks signed by such persons as are authorized by the Directors. Reserve accounts, however, may be placed in money market certificates or daily cash reserve accounts with stock brokers to earn higher interest.

(.9) A FINANCIAL REPORT of actual receipts and expenditures for the previous twelve (12) months or a complete set of financial statements for the preceding fiscal year, prepared in accordance with generally accepted accounting principles shall be made annually and a copy of the report shall be furnished by the Board to each unit owner within ninety (90) days of year end. The report shall show the amounts of receipts and expenses by account and receipt classifications.

(.10) FIDELITY BONDS- The Association shall obtain and maintain adequate insurance or fidelity bonding of all persons who control or disburse funds of the association. The insurance policy or fidelity bond must cover the maximum funds that will be in the custody of the association at any one time. As used in this paragraph, the term persons who control or disburse funds of the association includes, but is not limited to, those individuals authorized to sign checks and the president, secretary and treasurer of the association. The association shall bear the cost of bonding.

8. PARLIAMENTARY RULES - Roberts Rules of Order (latest addition) shall guide the conduct of corporate proceedings when not in conflict with the Declaration, the By-Laws of the Association or with the Laws of the State of Florida.

9. AMENDMENTS - Amendments to the By-Laws shall be proposed in the following manner:

(.1) NOTICE of the subject matter of a proposed amendment shall be included in

the notice of any meeting at which a proposed amendment is considered.

(.2) A RESOLUTION adopting a proposed amendment must receive approval of a majority of the votes of the entire membership of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing.

(.3) INITIATION - An amendment may be proposed by either a majority of the Board of Directors or by ten percent (10%) of the membership of the Association.

(.4) EFFECTIVE DATE - An amendment when adopted shall become effective only after being recorded according to law.

(.5) THESE BY-LAWS shall be deemed amended, if necessary, so as to make the same consistent with the provisions of the Declaration of Condominium, or the Condominium Act.

(.6) PROPOSAL TO AMEND EXISTING BY-LAWS shall contain the full text of the By-Laws to be amended.. Words ~~stricken~~ are deletions; words underlined are additions. If the proposed change is so extensive that this procedure would hinder rather than assist understanding, a notation must be inserted immediately preceding the proposed amendment saying "SUBSTANTIAL REWORDING OF BY-LAW. SEE CURRENT DOCUMENT FOR PRESENT TEXT".

10. WEIGHT OF VOTES cast by members of the Association shall be one vote for each unit.

11. IN THE EVENT THE DIRECTORS deem it necessary to do so, they and the owners may act by written agreement without meetings, which written agreement may be executed in

counterparts.

12. ARBITRATION - If a dispute arises it shall be resolved by arbitration in accordance with the then existing rules of the American Bar Association and a judgement of specific performance upon the arbitrator's award may be entered in any court of jurisdiction. The arbitration expense shall be shared equally by the owner and the Association.

The foregoing was adopted as the By-Laws of HERON POINTE OF DESOTO COUNTY CONDOMINIUM ASSOCIATION, INC., at the first meeting of the Board of Directors.

By-laws approved Jan 31 06.wpd