

BY-LAWS
OF
HERITAGE MANOR SOUTH NO. 1 CONDOMINIUM ASSOCIATION, INC.

A Non-Profit Florida Corporation

ARTICLE I

GENERAL

Section 1: The Name: The name of the corporation shall be HERITAGE MANOR SOUTH NO. 1 CONDOMINIUM ASSOCIATION, INC.

Section 2: Principal Office: The principal office of the corporation shall be at Lehigh Acres, Lee County, Florida, or at such other place as may be subsequently designated by the Board of Directors.

Section 3: Definition and Purpose: For the purpose hereinafter stated, the term "corporation" shall be equivalent to the term "association" as is defined in the Declaration of Restrictions, and further defined in Section 711, et seq., more commonly known as the Condominium Act of the State of Florida.

ARTICLE II

DIRECTORS

Section 1: Number and Term: The number of directors which shall constitute the whole Board shall be either three (3) or five (5). Within the limits above specified, the number of directors shall be determined by the members at the annual meeting of the membership. The directors shall be elected at the annual meeting of the members, and each director shall be elected to serve for the term of one (1) year or until his successor shall be elected and shall qualify.

Section 2: Vacancy & Replacement: If the office of any director or directors becomes vacant by reason of death, resignation, retirement, disqualification, removal from office, or otherwise, a majority of the remaining directors duly called for this purpose shall choose a successor or successors who shall hold office for the unexpired term in respect to which such vacancy occurred.

Section 3: Transfer of Association Control: When unit owners other than the developer own fifteen percent (15%) or more of the units that will be operated ultimately by the Association, the unit owners other than the developer shall be entitled to elect not less than one third (1/3) of the members of the Board of Directors of the Association. Unit owners other than the developer shall be entitled to elect not less than a majority of the members of the Board of Directors of the Association three (3) years after sales by the developer have been closed on seventy five (75%) percent of the units that will be operated ultimately by the Association, or three (3) months after sales have been closed by the developer on ninety (90%) percent of the units that will be operated ultimately by the Association, or when all of the units that will be operated ultimately by the Association have been completed and some of them have been sold and none of the others are being offered for sale by the developer in the ordinary course of business, whichever shall first occur. The developer shall be entitled to elect not less than one (1) member of the Board of Directors of the Association as long as the developer holds for sale in the ordinary course of business any units in the condominium operated by the Association.

Prior to or within a reasonable time after unit owners other than the developer elect a majority of the members of the Board of Directors of the Association, the developer shall relinquish control of the Association and shall deliver to the association all property of the units owners and of the Association held by or controlled by the developer, including but not limited to the following items, if applicable, as to each condominium operated by the Association:

- a) Original Declaration, Articles of Incorporation, By-Laws, Minute Books and Regulations.
- b) Resignation of officers and members of the Board of Directors of the Association.

c) Accountings for Association funds. The developer shall be liable to the Association for all of these funds that are not properly expended. The developer shall bear all expenses of the Association for all funds not properly expended or in excess of assessments or payments collected or due from unit owners by or to the Association or the developer prior to the time the developer relinquishes control of the Association.

d) Association funds on hand.

e) All tangible personal property that is represented by the developer to be part of the common elements, or that is ostensibly part of the common elements, or that is property of the Association, along with inventories of same.

f) As-built plans and specifications for construction or improvements and equipment, and for construction and installation of all mechanical components servicing the improvements and the site, certified by the developer or by an architect authorized to practice in this state that the plans represent the building and other improvements as constructed or remodeled.

Section 4: First Board of Directors: The first Board of Directors, shall consist of HARRY C. POWELL, JR., GEORGE LAVAC, and WILLIAM C. WENZEL who shall hold office and exercise all powers of the Board of Directors until the first membership meeting, anything contained herein to the contrary notwithstanding, provided any or all of said directors shall be subject to replacement, in the event of resignation or death as above provided.

Section 5: Powers:

A. The property and business of the corporation shall be managed by the Board of Directors, which may exercise all such powers and do all such lawful acts and things required by the business of the condominium as are not by statute or by the Certificate of Incorporation, the Declaration of Condominium or by these By Laws, directed or required to be exercised or done by the members. These powers shall specifically include, but not be limited to the following:

(1) To make, levy and collect assessments against members payable in advance. By a majority vote, the Board of Directors may increase the assessments or vote any special assessment in excess of that amount, if required to meet any necessary additional expenses, but said increase can only be made in the proportion established hereinafter.

(2) To use and expend the assessments collected to maintain, care for and preserve the exterior of the private dwellings and condominium property, other than those portions thereof which are required to be maintained, cared for and preserved by the individual unit owners.

(3) To make payments for taxes and assessments levied and assessed against the real and personal property of the Association (apart from those real property taxes to be levied against the unit owners in accordance with Section 711.19 of the Florida Condominium Act) and to pay for such equipment, tools, supplies and other personal property purchased for use in such maintenance, care and preservation and to pay for services rendered in such maintenance, care and preservation.

(4) To enter into and upon the private dwellings when necessary and with as little inconvenience to the owner as possible, in connection with such maintenance, care and preservation. Each owner of a private dwelling grants a perpetual easement to the condominium association or its duly authorized agents to enter his private dwelling at any reasonable time (or at any unreasonable time as the necessities of the situation should so require) for the above said purposes.

(5) To repair and replace common property, machinery, equipment and other things.

(6) To insure and keep insured the owners and the Association as provided in the Declaration of Condominium. Such insurance shall be obtained by the Board of Directors in the name of the Association for the benefit of all of the condominium owners.

(7) To collect delinquent assessments by legal action or otherwise; to abate nuisances and to enjoin or seek damages from the owners of the private dwellings for violations of these By-Laws or any of the other governing rules.

(8) To employ a manager who shall manage the condominium on such terms and conditions as the Board of Directors shall deem appropriate, and to delegate to such manager such powers as may be necessary in connection with the operation of the condominium to employ workmen, janitors and gardeners and to purchase supplies and equipment, to enter into contract, and generally to have the powers of manager in connection with the matters set forth herein;

or, to enter into a Management Contract with a professional management organization wherein and whereby the management organization is engaged to manage and maintain the condominium property upon such terms and conditions as the Board of Directors shall deem appropriate

(9) To acquire and enter into agreements whereby the Association will acquire leaseholds, memberships and other possessory or use interest in lands or facilities, including but not limited to country clubs, golf courses, marinas and other recreational facilities, whether or not contiguous to the lands of the Condominium, for the enjoyment, recreation or other use or benefit of the unit owners, and to declare the expenses of rental, membership fees, operations, replacements and other undertakings in connection therewith to be common expenses and to include covenants and restrictions concerning the use of the same by the unit owner

(10) To make reasonable rules and to amend same from time to time; such rules and amendments shall be binding upon the owners after the Board has approved same.

(11) The Board of Directors may, by a majority vote of the whole Board, designate committees, such committees to consist of at least three (3) members of the Corporation, one (1) of whom shall be a director, which may exercise the powers of the Board of Directors in the management of the business and affairs of the Corporation as the Board may direct. Such committees shall have such name or names as may be determined from time to time by the Board of Directors. Committees established by the Board of Directors shall report to the Board as required.

Section 6. Compensation: Directors and officers fees, if any, shall be determined by the members of the Association.

Section 7. Meetings:

a. The first meeting of each Board newly elected by the members shall be held immediately upon adjournment of the meeting at which they were elected, *provided a quorum* shall be present, or as soon thereafter as may be practicable. The annual meeting of the Board of Directors shall be held at the same place as the general member's meeting, and immediately after the adjournment of same.

b. Regular meetings of the Board may be held monthly, without notice, at a designated time and place.

c. Special meetings shall be held whenever called by the direction of the President or a majority of the Board. The Secretary shall give notice of each special meeting, either personally, by mail or telephone or telegram, at least five (5) days before the date of such meeting, but the directors may waive notice of the calling of the meeting.

d. A majority of the Board shall be necessary and sufficient at all meetings to constitute a quorum for the transaction of business, and the act of a majority present at any meeting at which there is a quorum shall be the act of the Board. If a quorum shall not be present at the meeting the Directors then present may adjourn the meeting without notice other than announcement at the meeting until a quorum shall be present.

Section 8. Annual Statement:

The Board shall present, no less often than at the annual meeting, a full and clear statement of the business and condition of the corporation, including a report of the operating expenses of the Corporation and the easements paid by each member.

ARTICLE III

OFFICERS

Section 1. Elective Officers: The officers of the Corporation shall be chosen by the directors and shall be a President, a Secretary and a Treasurer. The Board of Directors may also choose one or more assistant secretaries and assistant treasurers. Two (2) or more offices may not be held by the same person.

Section 2. Election: The Board of Directors at its first meeting after each annual meeting of general members shall elect a President, a Secretary and a Treasurer, none of whom, excepting the President, need be a member of the Board.

Section 3. Appointive Officers: The Board may appoint such other officers as it shall deem necessary, who shall hold such offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

Section 4. Term: The officers of the Corporation shall hold office until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Directors may be removed, at any time, by a majority vote of the whole Board of Directors. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by a majority vote of the Board of Directors.

Section 5. President: The President shall preside at all meetings of the members and directors, shall be ex-officio member of all standing committees, shall exercise general and active management of the business of the corporation, and shall see that all orders and resolutions of the Board are carried into effect. He shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the Corporation and attested by the Secretary, except where the same are required or permitted by law to be otherwise signed.

Section 6. The Secretary and Assistant Secretary:
The Secretary and/or Assistant Secretary, shall attend all sessions of the Board and all meetings of the members and record all votes and the minutes of the proceedings in a book to be kept for that purpose and shall perform like duties for the standing committees when required. He shall give, or cause to be given, notice of all meetings of the members and special meeting of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or the President. He shall keep the seal of the Corporation, and when authorized by the Board, affix the same to any instrument requiring it, and when so affixed, it shall be attested by his signature or the signature of the assistant secretary. The assistant secretary shall, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary and shall perform such other duties as the Board of Directors shall prescribe.

Section 7. The Treasurer and Assistant Treasurer:

A. The Treasurer shall have the custody of the Corporation funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation, and shall deposit all monies and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors.

B. He shall disburse the funds of the Corporation as may be ordered by the Board, making proper vouchers for such disbursements, and shall render to the President and Directors at the regular meetings of the Board or whenever they may require it, an account of all transactions as Treasurer and of the financial condition of the Corporation.

C. The Assistant Treasurer shall, in the absence or disability of the Treasurer, perform the duties, exercise the powers and assume the obligations of the Treasurer, and shall perform such other duties as the Board of Directors shall prescribe.

D. He may be required to give the Corporation a bond in a sum and with one or more sureties satisfactory to the Board, for the faithful performance of the duties of his office. The cost of the premium of any bond required herein shall be paid for by the Association.

Section 8. Indemnification of Corporate Officers:
Every director and officer of the Association shall be indemnified by the association against all expenses and liabilities including attorney fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been an officer or director of the Association, or any settlement thereof, whether or not he is a director at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties, provided that in the event of a settlement, the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled and not provided for.

Section 9. Resignations: Any director or other officer may resign his office at any time, such resignation to be made in writing, and to take effect from the time of its receipt by the Corporation, unless some time be fixed in the resignation, and then from that date. The acceptance of a resignation shall not be required to make it effective.

ARTICLE IV

MEMBERSHIP

Section 1. Definition: Membership of the Association shall be limited to the owner of a condominium unit who shall automatically become a member of this Association and said

membership shall be an incident of ownership and not separately transferable

Section 2. Voting Rights: The owner of each unit shall have one vote and in the event that more than one person has an interest in said unit, then said vote shall be cast by one person designated to represent all the persons owning said unit. If one person owns more than one unit, then he shall have the number of votes equal to the number of units owned by him. There shall be no more than sixteen (16) votes. For purposes of these By Laws, a member is defined as a person owning one or more units in the condominium.

Section 3. Transfer of Membership and Ownership: Membership in the Corporation may be transferred only as an incident to the transfer of ownership of the transferor's condominium parcel in fee simple. Unless otherwise provided herein, such transfer shall only be accomplished with the approval of the Board of Directors, which approval shall not be unreasonably withheld. The method for transfer of ownership and membership is more fully described in the Declaration of Condominium.

ARTICLE V

MEETINGS OF MEMBERSHIP

Section 1. Place. All meetings of the Corporation membership shall be held at the office of the Corporation or may be held at such place and time as shall be stated in the notice thereof.

Section 2. Annual Meeting:

A. The first annual meeting of members shall be held on the 2nd day of January, 1975.

B. Regular annual meetings subsequent to 1975 shall be held on the first Monday of January in each year if not a legal holiday and, if a legal holiday, on the next secular day following.

C. All annual meetings shall be held at the hour of 10:00 o'clock in the forenoon.

D. At the annual meeting, the members shall elect by a plurality vote (cumulative voting prohibited) a Board of Directors, and transact such other business as may properly be brought before the meeting.

E. Written notice of annual meeting shall be served upon or mailed to each member entitled to vote thereat, at such address as appears on the books of the Corporation at least ten (10) days prior to the meeting.

Section 3. Membership List: At least ten (10) days before every election of directors, a complete list of the members entitled to vote at said election, arranged numerically by units, with the residence of each, shall be prepared by the Secretary. Such list shall be produced and kept for said ten (10) days and throughout the election at the office of the Corporation; and shall be open to examination by any member throughout such time.

Section 4. Special Meetings:

A. Special Meetings of the members, for any purpose or purposes, unless otherwise prescribed by statute or by the Certificate of Incorporation, shall be called (i) by the President in his discretion, or (ii) by the President or Secretary at the written request of members holding thirty-two (32) or more votes. Such request shall state the purpose or purposes of the proposed meeting.

B. Written notice of a special meeting of members, stating the time, place and object thereof, shall be served upon or mailed to each member entitled to vote thereat, at such address as appears on the books of the Corporation at least five (5) days before such meeting.

C. Business transacted at all special meetings shall be confined to the objects stated in the notice thereof.

Section 5. Quorum: Fifty-one (51%) percent of the total number of votes held by members of the Corporation present in person or represented by written proxy shall be requisite to and shall constitute a quorum at all meetings of the members for the transaction of business, except as otherwise provided by statute, by the Certificate of Incorporation or by these By Laws. If, however, such quorum shall not be present or represented at any meeting of the members,

the members entitled to vote thereat, present in person or represented by proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting any business may be transacted which might have been transacted at the meeting originally called

Section 6 Vote Required to Transact Business:

When a quorum is present at any meeting, a majority of the votes present, in person or represented by written proxy, shall decide any question brought before such meeting, unless the question is one upon which, by express provisions of the statutes or of the Certificate of Incorporation or of these By-Laws, a different vote is required, in which case such express provision shall govern and control the decision of such question.

Section 7 Right to Vote:

At any meeting of the members, every member having the right to vote shall be entitled to vote in person, or by proxy in writing. Such proxy shall only be valid for such meeting or subsequent adjourned meetings thereof.

Section 8 Waiver & Consent:

Whenever the vote of members at a meeting is required or permitted by any provision of the statutes or of the Certificate of Incorporation or of these By-Laws, to be taken in connection with any action of the Corporation, the meeting and vote of members may be dispensed with if all the members who would have been entitled to vote upon the action shall consent in writing to such action being taken.

Section 9 Rules of Procedure:

All meetings shall be conducted in accordance with Roberts Rules of Order (latest edition) when said Rules are not in conflict with the Articles of Incorporation and By-Laws of the Corporation or with the Statutes of the State of Florida.

ARTICLE VI

NOTICES

Section 1 Definitions:

Whenever under the provisions of the statutes or of the Certificate of Incorporation or these By-Laws notice is required to be given to any director or member, it shall not be construed to mean personal notice, but such notice may be given in writing, by mail, by depositing same in a post office or letter box in a postpaid sealed wrapper, addressed to such director or member at such address as appears on the Books of the Corporation.

Section 2 Service of Notice - Waiver:

Whenever any notice is required to be given under the provisions of the Statutes or of the Certificate of Incorporation, or of these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE VII

FINANCES

Section 1 Fiscal Year:

The fiscal year shall begin the first day of January in each year.

Section 2 Checks:

All checks or demands for money and notes of the Corporation shall be signed by any two of the following officers: President, Secretary or Treasurer, or by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

Section 3 Assessments:

The Board of Directors of the Corporation shall, from time to time, fix and determine the sum or sums necessary for the continued operation of the condominium. It shall determine the total amount required, including the operational items such as taxes, insurance, repairs, maintenance and other operating expenses. The total annual requirements shall be assessed as a single sum against all condominium units and prorated to each of said condominium units in accordance with the provisions contained in the Declaration. Said assessments shall be payable in monthly installments in advance as ordered by the Board of Directors. Special assessments, if required, shall be levied and paid in the same manner as hereinbefore provided for regular assessments. The unit owner shall promptly pay when due the monthly and all special assessments assessed against his own condominium unit. No member shall be personally liable for any debts of the condominium operation.

Section 4 Operating Account:

There shall be established and maintained a cash deposit account to be known as the "Operating Account", into which shall be deposited the operating portion of all monthly and special assessments as authorized. Disbursements from said account shall be for the general needs of the Corporation, including but not limited to wages, repairs, maintenance and other operating expenses of the condominium corporation.

Section 5 Annual Audit: An audit of the accounts of the Association shall be made annually by a Certified Public Accountant and a copy of the report shall be furnished to each member not later than April 15th of the year following the year for which the report is made.

ARTICLE VIII

Section 1 The seal of the Corporation shall have inscribed thereon the name of the Corporation, the year of its organization and the words "non-profit". Said Seal may be used in accordance with the directions of the Board of Directors.

ARTICLE IX

HOUSE RULES

In addition to the other provisions of these By-Laws, the following house rules and regulations, together with such additional rules and regulations as may hereafter be adopted by the Board of Directors, shall govern the use of the condominium units located therein, and the conduct of all residents thereof.

A. All condominium units shall be used for residential purposes only, for the owners thereof, for their immediate families and social guests, and for tenants occupying said units under lease. They may not be used for any business or commercial use whatsoever.

B. Condominium unit owners shall not use or permit the use of the premises in any manner which would be disturbing to or a nuisance to other said owners, or in such way as to be injurious to the reputation of said condominium.

C. Clothes, wash and laundry, will be hung only upon the facility and in the location provided by the Association. No clothes, wash or laundry shall be hung in any location not approved by the Board of Directors.

D. Condominium unit owners or occupants having pets must keep said pets on leash and said pets shall not be permitted to roam over the condominium property unless accompanied by the owner or the owner's representative, to the end that a unit owner's or occupant's pet shall not be permitted to disturb other unit owners or occupants or to create a condition of nuisance or discomfort to other unit owners.

E. Neither unit owners, occupants nor their guests shall be permitted to park automobiles or other vehicles on any area within the condominium property other than the designated parking area.

ARTICLE X

DEFAULT

In the event an owner of a unit does not pay any sums, charges or assessments required to be paid to the Association within thirty (30) days from the due date, the Association, through its Board of Directors or manager, may foreclose the lien encumbering the condominium unit created by the nonpayment of the required moneys. In said foreclosure action the plaintiff shall be entitled to the appointment of a receiver. The plaintiff shall also have the right to bid in the condominium unit at foreclosure sale and to acquire and hold, mortgage and convey the same. A suit to recover a money judgment for unpaid common expenses or monthly assessments shall be maintainable without foreclosure or waiving the lien securing the same. The losing defendant in either action shall pay the costs thereof, together with a reasonable attorney's fee.

If any action of foreclosure is brought against the owner of a unit for the non-payment of monies due the Association or a mortgagee and the interest of said owner in and to the real estate is foreclosed, then at the time of foreclosure sale, the unit owner's rights in and to the condominium association shall be similarly foreclosed and a new certificate of beneficial interest shall be issued to the purchaser of said foreclosed unit at foreclosure sale.

If the Association becomes the owner of the condominium unit in question, it shall offer said unit for sale and when such sale is consummated, it shall from the proceeds received from said sale, first deduct all sums of money due it for monthly assessments and charges, all costs incurred in the bringing of the lawsuit in question, including reasonable attorney's fees and any and all expenses incurred in the resale of the unit in question, including advertising expenses, real estate brokerage fees and expenses necessary for the repair and refurbishing of the unit. Any monies remaining shall be payable to the former owner of the unit so sold.

In the event of violation by the owner of a unit of the provisions of the Enabling Declaration, Corporate Charter, or Restrictions and By Laws as are now or hereafter constituted, the Association may, after giving thirty (30) days notice to said owner, by direction of its Board of Directors, bring a court action on said violation and shall have the right to petition for cancellation of the unit owner's interest in his parcel. If such be granted by the Court, then the interest of the violating unit owner shall be foreclosed in accordance with the then existing Florida laws relating to the foreclosure of either mortgages or liens, whichever shall be more applicable. Each owner of a condominium unit, for himself, his heirs, successors and assigns, agrees to the foregoing provisions relating to default and abatement of nuisance.

Section 1. Surrender of Condominium Unit:

In the event of the legal termination of a certificate and of the occupancy rights thereunder, the member or any other person or persons in possession by or through the right of the member, shall promptly quit and surrender the owned condominium unit to the Association in good repair, ordinary wear and tear excepted and the Association shall have the right to re-enter and to repossess the owned apartment. The member for himself and any successor in interest by operation of law or otherwise hereby waives any and all notice and demand for possession if such be required by law.

ARTICLE XI

AMENDMENT

These By-Laws may only be altered, amended or added to at any duly called meeting of the members, provided (1) that the notice of meeting shall contain a full statement of the proposed amendment, and (2) that the quorum requirement for such purpose shall be a majority of all the members. In addition, it shall be necessary to secure a three-fourths (3/4ths) vote of all persons constituting the quorum in order to amend the By Laws. A meeting may be dispensed with if the written consent of all members is obtained under Article V, Section 8.

ARTICLE XII

CONSTRUCTION

Whenever the masculine singular form of a pronoun is used in these By-Laws it shall be construed to mean the masculine, feminine or neuter, singular or plural, wherever the context so requires.

Should any of the covenants herein imposed be void or be or become unenforceable at law or in equity, the remaining provisions of this instrument shall, nevertheless, be and remain in full force and effect.

ARTICLE XIII

MISCELLANEOUS

Section 1. The property and facilities of the Association shall at all times be restricted in use to the Association members and their guests.

Section 2. Under no circumstances shall Association property be leased or operated for profit, except that individual condominium unit owners may lease their units as heretofore provided in the Declaration of Condominium and these By-Laws.

Section 3. Each owner of a unit shall have the right of use of a designated parking space, said designation to be made by the original developer and builder, at the time of the sale of the condominium unit to the owner. The use of the designated parking space shall be vested in the unit owner to whom said space has been assigned, his successors or assigns.

a. No unit owner shall be permitted to rent or lease the parking space so assigned for his use to any third person, other than in conjunction with the renting or leasing of the condominium parcel.

Section 4. The breach of any of the foregoing provisions, conditions, restrictions or covenants, shall not defeat or render invalid the lien of any mortgage or deed to trust made in good faith for value as to any portion of said property, but said provisions, conditions, restrictions and covenants shall be binding upon and effective against any such mortgagee or trustee or owner thereof whose title thereto or whose Grantor's title thereto is or was acquired by foreclosure Trustee's sale or otherwise. This provision is not meant to bind the foreclosing mortgagees to the rules contained herein for transfer of ownership interests in and to the condominium units. However, any mortgagee upon any condominium unit or parcel agrees that with this one exception it shall comply with all other rules, regulations and By Laws of the Condominium association and its subsequent transferee shall thereafter similarly be bound by all of the condominium association's rules, regulations and by-laws.

MANAGEMENT CONTRACT

THIS AGREEMENT made this 2nd day of July 1974, by and between HOME OWNER'S SERVICE, INC., a Florida Corporation, hereinafter called the "MANAGER", and HERITAGE MANOR SOUTH NO. 1 CONDOMINIUM, INC., a Corporation not for Profit under the laws of the State of Florida, hereinafter called the "ASSOCIATION";

WHEREIN IT IS AGREED AS FOLLOWS:

(1) PURPOSE:

ASSOCIATION is the governing body for the HERITAGE MANOR SOUTH NO. 1 CONDOMINIUM, INC., located at Lehigh Acres, Florida. MANAGER is engaged in the business of managing and maintaining various residential and commercial developments within the Lehigh Acres area, including HERITAGE MANOR SOUTH NO. 1 CONDOMINIUM, INC., condominium properties. As such, MANAGER is familiar with the proper operations of HERITAGE MANOR SOUTH NO. 1 CONDOMINIUM, INC. and has read examined and become completely knowledgeable with the condominium documents creating HERITAGE MANOR SOUTH NO. 1 CONDOMINIUM, INC., including the Declaration and the By-Laws. This Agreement is to provide for the maintenance and the operation of the Condominium by MANAGER on behalf of the ASSOCIATION.

(2) TERM:

The term of this Agreement shall begin with the day within which the first closing of a sale of a condominium unit in the condominium takes place and will continue for ten (10) years thereafter, unless otherwise sooner terminated under the provisions of this Agreement.

This Agreement may be subject to cancellation at any time subsequent to the time any individual unit owners assume control of their association by vote of no less than seventy-five (75%) percent of said individual unit owners. The Association may cancel this Agreement if the MANAGER is not performing, in reasonably proper fashion, the duties herein undertaken by the MANAGER. The MANAGER may terminate this Agreement in the event that the ASSOCIATION does not perform the obligations undertaken by it under the terms of this Agreement.

(3) DUTIES OF THE MANAGER:

A. MANAGER will provide for the maintenance of the building or buildings, and other improvements in the condominium and will provide for the maintenance and landscaping of the grounds of the condominium. Such maintenance shall, however, be limited to that maintenance which the condominium ASSOCIATION is required to perform under and by virtue of the Declaration of Condominium and the Exhibits attached thereto, including the By-Laws of the Condominium ASSOCIATION.

B. The condominium unit owners shall be expected and required to maintain the interior portions of their respective condominium unit building at their own cost and expense.

C. MANAGER will provide and keep available a responsible person or persons with whom the Board of Directors of the ASSOCIATION may deal.

D. All funds collected by the ASSOCIATION from assessments against unit owners shall be promptly paid to the MANAGER who shall keep same in a separate bank account for the purpose of paying for the maintenance and upkeep of the Condominium. The MANAGER shall be required to account, in writing, to the Board of Directors of the Association, each month, for collections and expenditures.

E. The ASSOCIATION agrees that it will maintain the assessments against the unit owners at a sufficient level to insure that the MANAGER shall always have sufficient funds with which to pay for the maintenance, operation and upkeep of the Condominium. In this connection, the ASSOCIATION agrees that it will maintain the monthly assessments at a level consistent with this Agreement, and that, if necessary, it will levy additional assessments against the unit owners as may be required to fund the maintenance of the condominium in a first-class manner in accordance with the provisions of this Agreement.

F. The provisions of this Management Agreement are subject to Paragraph 1, of the Declaration of Condominium for HERITAGE MANOR SOUTH NO. 1 CONDOMINIUM, INC., the terms of which are specifically herewith adopted by reference and made a part hereto as though set out herein in full.

(4) CONSIDERATION:

The service of the MANAGER shall be performed upon a fixed fee plus cost basis:

A. FIXED FEE: The fixed fee shall be \$2.00 per month per unit. (As reimbursement for the direct overhead of the MANAGER.)

B. LABOR PLUS %: Reimbursement to MANAGEMENT COMPANY for applied labor including the working foreman will be the cost of labor plus 35% of said costs. (The 35% of said costs as reimbursement for variable overhead, such as equipment, expense and depreciation.)

C. COSTS: All materials costs such as: Fertilizers, sprays, sprinkler repairs parts, and other similar depletable commodities will be supplied at the fair market retail value.

THE MANAGEMENT COMPANY will be reimbursed monthly from the condominium maintenance fund upon submission of a monthly statement.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals by and through their duly authorized officers the day and year first above written.

WITNESSES

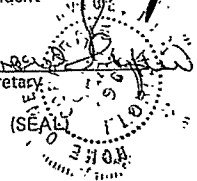
G. Lewis Atery
Ruth C. Frank

G. Lewis Atery
Ruth C. Frank

HOME OWNER'S SERVICE, INC.
A Florida Corporation

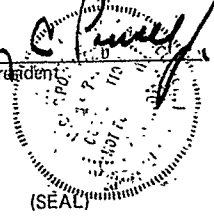
By Henry C. Powell
President

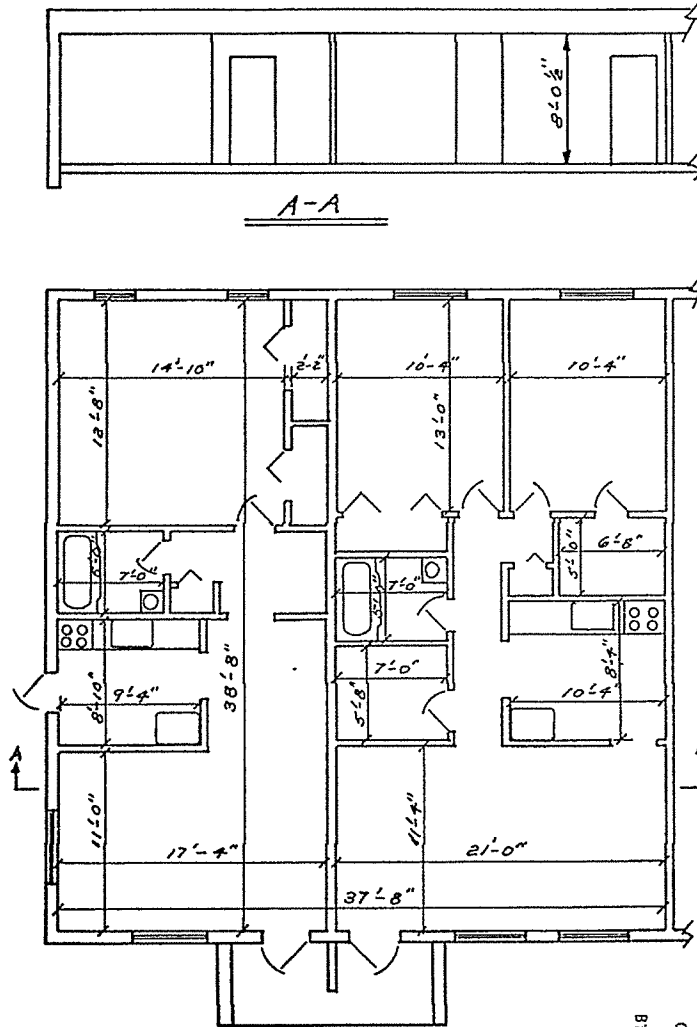
Attest E. J. [Signature]
Secretary



HERITAGE MANOR SOUTH NO. 1
CONDOMINIUM ASSOCIATION, INC.
A Florida Corporation

By Henry C. Powell
President





HERITAGE MANOR SOUTH I

Typical Floor Plan

Exhibit IV

REC'D. CIVIL RIGHTS
FEDERAL BUREAU OF INVESTIGATION
JUL 9 5 02 AM '74
U.S. DEPARTMENT OF JUSTICE
CLERK OF COURT
D.C.