

EXHIBIT C

BYLAWS
OF
PASEO MASTER HOMEOWNERS' ASSOCIATION, INC.

Paseo Master Homeowners' Association, Inc., a corporation not for profit under the laws of the State of Florida, hereinafter referred to as the "Master Association" or the "Association" sets forth these Bylaws:

ARTICLE I
IDENTITY AND DEFINITION

1.1 This Master Association is organized for the purpose of providing an entity for the preservation and enhancement of property values in Paseo, a planned community located in Lee County, Florida, in accordance with the Declaration of Covenants, Conditions and Restrictions for Paseo, herein called the "Declaration", which is to be recorded in the Public Records of Lee County, Florida, as same may be amended. The terms and provisions of these Bylaws are expressly made subject to the terms, provisions, conditions and authorization contained in the Declaration executed by Stock Development, LLC (hereinafter referred to collectively as "Declarant").

1.2 All terms which are defined in the Declaration have the same meanings herein as defined in the Declaration.

ARTICLE II
LOCATION OF PRINCIPAL OFFICE

The principal office of the Association is located at **4501 Tamiami Trail North, Suite 300, Naples, Florida 34103**, or at such other place as may be established by resolution of the Board of Directors of the Association.

ARTICLE III
MEMBERSHIP VOTING, QUORUM AND PROXIES

3.1 The qualifications of members, the manner of their admission to membership and termination of such membership, and voting by the Members, shall be as set forth in the Declaration and the Articles of Incorporation of the Association ("Articles").

3.2 A quorum at any meeting of the Association's Members shall consist of persons entitled to cast votes representing more than thirty-three percent (33%) of the total votes entitled to be cast as determined in the manner set forth in the Declaration.

3.3 Where a vote is entitled to be exercised by more than one person or by a corporation, partnership or other entity, the vote shall be cast by the person named in a certificate signed by all of the individual owners or the appropriate official(s) or

representative(s) of such entity. Such certificates shall be filed with the Secretary of the Association and shall remain valid until revoked by subsequent certificate.

3.4 Votes may be cast either in person or by proxy. Proxies are valid only for the particular meeting designated thereon and must be filed with the Secretary at or before the time of the meeting. A proxy is not valid for longer than ninety days after the date of the first meeting for which it was given, unless the proxy specifically states otherwise.

3.5 Except where otherwise required under the provisions of the Articles, these Bylaws, the Declaration or where the same may otherwise be required by law, the affirmative vote of the holders of more than one-half (1/2) of the total votes represented at any meeting at which a quorum is present is necessary for approval of any matter that is to be binding upon all Members.

3.6 The Association is entitled to give all notices required to be given to the Members of the Association by these Bylaws or the Articles of Incorporation or the aforesaid Declaration to the person or entity shown by the Association's records entitled to receive such notices at the last known address shown by the records of the Association, until the Association is notified in writing that such notices are to be given to another person or entity or at a different address.

3.7 Change of membership in the Association is established by recording in the Public Records of Lee County, Florida, a deed or other instrument establishing a change in record title to the property interest underlying a right to vote as a Member of the Association. The owner established by such instrument becomes a Member of the Association, and the membership of the prior owner is terminated. The Association may establish reasonable rules requiring appropriate evidence of any such change as may reasonably be required by the Association to be furnished. The Association may rely upon its record of Members.

3.8 Matters coming before the Association for consideration shall fall into two categories. General matters relating to the affairs of the Association which are subject to the approval or disapproval of the Board will be voted on at a meeting of the Board through votes cast by the Directors. Matters requiring Association approval and relating to amendment of the Declaration and approval of additional property being added to the lands subject to the Declaration, if applicable, shall require the direct vote of the Members of the Association, unless otherwise set forth in the Declaration or the Articles.

3.9 Subject to the Declaration, voting at any meeting may be by roll call, voice vote or by written ballot. Whenever written approval is required, or whenever an amendment to or termination of the Declaration is proposed, or any borrowing of funds, pledge, or other disposition of the Association Property or other assets is proposed, the voting must be by written ballot. Routine matters such as approval of Minutes, adjournment, acceptance of reports, and social business shall be determined by "yeas" or "nays". A roll call vote, or a written ballot vote, may be required instead of a voice vote by the Board of Directors, or by the holders of no less than five percent (5%) of the total

membership.

ARTICLE IV
ANNUAL AND SPECIAL MEETINGS OF MEMBERSHIP

4.1 The annual meeting of the membership of the Association shall be held at the office of the Association, or at such other place as may be designated by the Board of Directors, at a time designated by the Board of Directors in the notice of the meeting, on the third Tuesday in January of each year for the purpose of electing directors and transacting any other business authorized to be transacted by the Members; provided, however, that if that day is a legal holiday, then the meeting shall be held at the same hour on the next succeeding Tuesday which is not a legal holiday.

4.2 Special meetings of the Members of the Association shall be held whenever called by the President or Vice-President or by a majority of the Board of Directors. Such meeting must be called by such officers upon receipt of a written request from Members of the Association whose votes represent more than one-half (1/2) of the total votes of the Association as determined in the manner set forth in the Declaration.

4.3 Notice of all members' meetings, regular or special, shall be given by the President, Vice-President, or Secretary of the Association, or other officer of the Association designated by the Board of Directors, to each Member, unless waived in writing. Such notice shall be written or printed and shall state the time, place and the object for which the meeting is called. Unless a longer notice period is required by the Declaration or these Bylaws in instances where direct voting is required, such notice shall be given not less than ten (10) nor more than thirty (30) days prior to the date set for such meeting, which notice shall be mailed or presented personally to each Member within said time. If presented personally, a receipt of such notice shall be signed by the Member, indicating the date on which such notice was received. If mailed, such notice shall be deemed to be properly given when deposited in the United States Mail, postage prepaid, addressed to the Member at such post office address as appears on the records of the Association. Proof of such mailing shall be given by the affidavit of the person giving the notice and filed in the Association's minute book. Any Member may, by written waiver of notice signed by such Member, waive such notice, and such waiver, when filed in the records of the Association, whether executed and filed before or after the meeting, shall be deemed to be equivalent to the giving of such notice to such Member.

4.4 Special meetings will be held in Lee County, Florida as designated by the Board of Directors in the Notice of Meeting.

4.5 If any membership meeting cannot be organized because a quorum has not attended or because the greater percentage of the membership required to constitute a quorum for particular purposes has not attended, wherever the latter percentage of attendance may be required as set forth in the Articles of Incorporation, these Bylaws or the Declaration, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

4.6 In meetings of the membership, the President, or, in his or her absence, the Vice-President, shall preside, or in the absence of both, the membership shall select a chairman.

4.7 The order of business at the annual meeting of the Members and, as far as applicable and practical, at any other Members' meeting, shall be as follows:

- (a) Calling of the roll and certifying of proxies;
- (b) Proof of notice of the meeting or waiver of notice;
- (c) Reading of minutes;
- (d) Report of officers;
- (e) Reports of committees;
- (f) Appointment by the President of inspectors of election;
- (g) Election of directors;
- (h) Unfinished business;
- (i) New business;
- (j) Adjournment.

4.8 Whenever the vote or the approval of the Members is required or permitted, the action may be taken without a meeting if those Members holding not fewer than 75% of the total votes entitled to be cast if a meeting were to be held, agree in writing to take the action and waive the formality of a meeting. If a greater percentage of approval is required, not less than such percentage must agree in writing to waive the meeting. The Declaration, Articles, and these Bylaws may not be amended without a meeting. Notice of any action taken without a meeting shall be given in writing to all Members, who did not approve such action within ten days of such action.

ARTICLE V BOARD OF DIRECTORS

5.1 The affairs of the Association shall be managed by a Board of Directors consisting of three directors. A majority of the Board of Directors shall constitute a quorum to transact business at any meeting of the Board, and the action of a majority present at a meeting at which a quorum is present shall constitute the action of the Board of Directors.

5.2 Any vacancy occurring on the Board of Directors because of death, resignation, removal or other termination of services of any Director, shall be filled by the Board of Directors. The Director appointed to fill a vacancy shall be appointed for the unexpired term of his or her predecessor in office and shall continue to serve until his or her successor shall have been elected or appointed and qualified.

5.3 The term of each Director's service shall extend to the next annual meeting at which the Director's term is scheduled to expire, and then until the successor Director is duly elected and qualified, or until the Director is recalled in the manner provided below. Initially, the Declarant and the Board may establish Director terms of more than one year so that the terms are staggered to assure continuity. However, in no event shall a

Director's term, except these selected by the Declarant, exceed three years. Excepting the initial implementation of staggered terms, each Director's term shall be of the same length.

5.4 Any Director, except those selected by the Declarant, may be recalled and removed from office with or without cause by the vote or agreement in writing of a majority of all votes entitled to be cast for Directors. A special meeting of the members to recall a member or members of the Board of Directors may be called by the holders of ten percent (10%) of the votes entitled to be cast for Directors, giving notice of the meeting as required by these Bylaws. The notice shall state the purpose of the meeting. Any vacancy on the Board of Directors thus created shall be filled by the Members of the Association at the same meeting.

(a) If the recall is approved by a majority of all votes entitled to be cast for Directors, the recall is effective immediately, and the recalled member or members of the Board of Directors shall turn over to the Board any and all records of the Association in their possession within 72 hours after the meeting.

(b) If the proposed recall is by an agreement in writing by a majority of all votes entitled to be cast for Directors, the agreement shall be served on the Association by certified mail. The Board of Directors shall call a meeting of the Board within 72 hours after receipt of the agreement and shall either certify the agreement to recall a member or members of the Board, in which case such member or members shall be recalled effective immediately and shall turn over to the Board, within 72 hours, any and all records of the Association in their possession, or in writing challenge such recall setting of the facts and legal basis for not certifying such recall.

(c) During a meeting of Members to recall one or more members of a Board of Directors, the Members shall select and announce the name and address of a representative to receive pleadings, notice, or other papers on behalf of the petitioning members in the event that the vote at the meeting is disputed and a petition for arbitration is filed as provided in Florida Statutes Chapter 682. If a proposed recall is sought by written agreement, pleadings, notices, or other papers on behalf of the members executing the agreement in the event the Board of Directors determines not to certify the agreement to recall and files a petition for binding arbitration.

(d) Unless otherwise provided in the Declaration or Bylaws, the proposed recall of more than one member of the Board of Directors shall require a separate vote for each member sought to be recalled or, where recall is attempted by written agreement, a separate agreement is required for each member of the Board being recalled.

5.5 Any Director may resign at any time by sending or personally delivering a written notice of resignation to the Association, addressed to the Secretary. The resignation shall take effect on receipt by the Secretary, unless it states differently.

ARTICLE VI
ELECTION OF DIRECTORS

6.1 The affairs of the Association shall be managed initially by a board of three Directors as set forth in the Articles of Incorporation of the Association. The number of Directors shall never be less than three. Other than those selected by the Declarant, Directors must be Members or their spouses; officers of a corporate Member; or partners of a partnership Member.

6.2 Directors shall be elected at the annual meeting of Members by a plurality of the votes entitled to be cast for Directors which are present in person or by proxy. Each eligible voter shall be entitled to cast votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting. Not less than sixty (60) days before the annual meeting of the Members, a nominating committee of five Members shall be appointed by the Board of Directors and the committee shall nominate one person for each directorship to be filled. Nominations for additional directors created at the meeting shall be made from the floor. Other nominations also may be made from the floor.

6.3 The members of the Board of Directors elected or appointed in accordance with the procedures set forth in this Article shall take office as of the date of the first meeting of the Board of Directors following the meeting of Members at which they were elected.

6.4 Anything herein to the contrary notwithstanding, the Declarant shall have the right to appoint all the members of the Board of Directors until the turnover of the Association as set forth in the Declaration, and the Declarant shall not be bound by the Board of Directors election requirements set forth herein, including without limitation, the nomination provisions described in Section 6.2 above.

6.5 The Directors elected or appointed by Declarant need not be Members of the Association.

6.6 Upon the date the Declarant no longer has the right to elect 100% of the Directors, the Declarant shall call a special meeting within sixty (60) days after such date. This meeting shall be called on not fewer than ten (10) nor more than thirty (30) days notice. At this special meeting, all Members shall elect a Board of Directors, to serve until the annual meeting date that is not fewer than eighteen (18) months after such election; provided, the Declarant shall continue to have the right to elect one (1) Director in accordance with the terms of the Declaration. Following such initial election by the Members, Director's shall be elected annually at the annual meeting.

6.7 The Declarant may waive its right to elect or designate any one or more Directors. However, any such waiver will apply only to the specific election at which the waiver is made. If the Declarant does waive such right, the Members shall elect the Board member or members who would otherwise have been elected or designated by Declarant.

ARTICLE VII
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

7.1 The Board of Directors has all power, authority, discretion and duties necessary for the administration and operation of the Association as contemplated by the Declaration, the Articles, and these Bylaws except as otherwise reserved or granted in the Declaration, the Articles, or these Bylaws.

7.2 The Board of Directors may enforce by legal means the provisions of the Declaration, the Articles, these Bylaws and Rules and Regulations for the use of the Common Properties. In the event that the Board of Directors determines that any member is in violation of any of the provisions of these documents, the Board, or its agent, shall notify the member of the nature of the violation. If the violation is not cured within five days, or if the violation is repeated, the Board may levy a fine not exceeding \$25 per offense against the Member. Each day during which the violation continues will be a separate offense. Such fines shall be assessed as a Special Assessment against the member and shall constitute a lien upon the Member's property, and may be foreclosed by the Association in the same manner as any other lien. Before foreclosure of any lien arising from a fine, the defaulting member shall be entitled to a hearing before the Board, upon reasonable written notice, specifying the violation charged. The member may be represented by counsel. The Board may also suspend the right of any member to use recreational facilities located on the Common Areas for any single infraction of the Rules and Regulations of the Association. Any suspension of a right to the use of recreational facilities, other than for failure to pay assessments, may be made only after a hearing before the Board, upon reasonable written notice to the Member specifying the violations charged. The Member may be represented by counsel.

7.3 The Board of Directors has the power to adopt budgets and make assessments, to sue and expend assessments and other monies of the Association as necessary to carry out the powers and duties of the Association pursuant to the Declaration and these Bylaws.

7.4 The Board of Directors has the power to employ, dismiss, control and contract for personnel and contractors for the administration of the Association, including but not limited to manager, maintenance personnel, attorneys, accountants and other professional as the Board may determine.

7.5 The Board has the power to adopt, amend and rescind reasonable rules and regulations relating to the administration to the Association and the operation of the Common Property, subject to the Declaration and Bylaws. Any rules or regulations adopted by the Board may be changed or rescinded by the affirmative vote of not less than two-thirds of the total votes entitled to be cast.

7.6 The Board has the power to create and to disband such committees as the Board determines is necessary or useful in the administration of the Association. The Board has the power to reasonably delegate the Board's authority to such committees,

subject always to the provisions of the Declaration, the Articles, and these Bylaws. All committees of this Association shall keep records and conduct meetings in the same manner as is required of the Board of Directors, to the extent applicable. However, nothing contained in this section shall be deemed to restrict the authority of the President of this Association from appointing advisory committees not inconsistent with committees created by the Board of Directors or the members.

7.7 The duties of the Board of Directors include:

- (a) To keep a complete record of all its acts and corporate affairs.
- (b) To supervise all officers, agents and employees of the Association, and to see that their duties are properly performed.
- (c) With reference to assessments of the Association:
 - (i) To fix the amount of the Assessments against each Member for each assessment period in accordance with the provisions of the Declaration, Articles of Incorporation and these Bylaws at least thirty days in advance of such date or period;
 - (ii) To prepare a roster of the Members and assessments applicable thereto which shall be kept in the office of the Association which shall be open to inspection by any Member; and
 - (iii) To send written notice of each assessment to every Member subject thereto.
- (d) To issue or cause an appropriate officer to issue, upon request by any Member, a certificate in recordable form setting forth whether any assessment has been paid; and if not, the amount then due and owing. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.
- (e) To make payment of all taxes and assessments assessed against Association property, if any, real or personal.
- (f) To pay all expenses incurred by the Association for repairs, maintenance, services, insurance and other operating expenses.
- (g) To enforce by appropriate legal means the provisions of the Declaration, the Articles of Incorporation and Bylaws of the Association, and any and all applicable laws and regulations.
- (h) Prior to commencement of any legal action against Declarant for claims, disputes and liabilities pertaining to or arising out of Declarant's obligations and

duties under the Declaration or Florida law, the Board shall in good faith undertake mediation or structured negotiation with Declarant and attempt to resolve the claim, dispute or liability. The Board of Directors is only entitled to bring such legal action upon (i) the failure of the Board of Directors and Declarant to negotiate or mediate a settlement to the claim, dispute or liability; and (ii) the affirmative vote of seventy-five percent (75%) of all votes entitled to be cast by Members of the Association to bring such legal action, at a meeting duly called and held for such purpose in accordance with the provisions of these Bylaws; and (iii) the unanimous vote of all Directors of the Board of Directors, at a meeting duly called and held for such purpose in accordance with the provisions of these Bylaws. Regardless of anything herein to the contrary, this provision of the Bylaws may not be modified or superseded by amendment or other provision of these Bylaws or the Articles of Incorporation of the Association, except upon the affirmative vote of seventy-five percent (75%) of all votes entitled to be cast at a meeting duly called and held for such purpose in accordance with the provisions of these Bylaws. It is the intent of this paragraph that expenditure of Association funds in litigation should be made only upon the agreement by Members holding seventy-five percent (75%) of the votes entitled to be cast and only after bona fide attempts at negotiation and settlement have been unsuccessful.

ARTICLE VIII MEETINGS OF DIRECTORS

8.1 The organizational meeting of the newly elected Board of Directors, which shall also be the Board's annual meeting, shall be held within twenty (20) days of their election at such time and at such place as fixed by the Directors at the annual meeting of Members at which they were elected.

8.2 Regular meetings of the Board of Directors shall be held at such time and place as provided by a corporate resolution of the Board of Directors.

8.3 Special meetings of the Board of Directors shall be held when called by an officer of the Association or by any two directors.

8.4 Notice of regular or special meetings of the Board shall be given to each Director, personally or by mail, telephone, telegram or facsimile, at least two days prior to the day named for each meeting. Each notice shall state the time, place and purpose of the meeting, unless such notice is waived.

8.5 The transaction of any business at any meeting of the Board of Directors, however called and noticed, or wherever held, shall be as valid as though made at a meeting duly held at the regular call and notice, if either before or after the meeting, each of the Directors not present signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records and made a part of the minutes of the meeting.

8.6 A quorum at Director's meetings shall consist of a majority of the entire Board of Directors. The acts approved by majority of those present at a meeting at which a quorum is present shall constitute the act of the Board of Directors, except where the approval of a greater number of Directors is required by the Declaration or these Bylaws. The written joinder of a Director in the action of a meeting will constitute the concurrence of such Director for the purpose of determining necessary majorities on any action taken or to create a quorum.

8.7 Meetings of the Board of Directors are open to all Members.

ARTICLE IX OFFICERS

9.1 The officers shall be a President, Vice-President, Secretary and a Treasurer, and such other officers as may be elected in accordance with the Articles of Incorporation. The President shall be a member of the Board of Directors. An individual may simultaneously hold more than one office so long as the President is not also the Secretary.

9.2 All of the officers of the Association shall be elected by the Board of Directors. If the election of such officers shall not be held at such meeting, such election shall be held as soon thereafter as convenient. New officers may be created and filled thereafter as convenient. New officers may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until his or her successor shall have been duly elected and qualified or until earlier resignation or removal.

9.3 A vacancy of any office because of death, resignation, or other termination of service may be filled by the Board of Directors for the unexpired portion of the term.

9.4 All officers hold office at the pleasure of the Board of Directors.

9.5 The President shall preside at all meetings of the Board of Directors, shall see that orders and resolutions of the Board of Directors are carried out and shall sign all notes, leases, mortgages, deeds and other written instruments. The President, may, but need not, be a required signatory on checks of the Association.

9.6 The Vice-President shall perform all the duties of the President in his absence. The Vice-President shall perform such other acts and duties as may be assigned by the Board of Directors.

9.7 The Secretary shall be ex officio the Secretary of the Board of Directors and shall record the votes and keep the minutes of all proceedings in a book to be kept for that purpose. He or she shall sign all certificates of membership; shall keep the records of the Association, and shall record in a book for that purpose the names of all of the Members of the Association together with each Member's current address as registered by such Member.

9.8 The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution by the Board of Directors, provided, however, that a resolution by the Board of Directors shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of the budget adopted by the Board. The Treasurer may, but need not, be a required signatory on checks and notes of the Association.

9.9 The Treasurer, or the Treasurer's appointed agent, shall keep proper books of account, and shall prepare an annual budget, a statement of receipts and disbursements, and a balance sheet, and the same shall be available for inspection upon reasonable request of a member.

9.10 The salaries, if any, of the officers and any assistant officers of the Association shall be determined from time to time by the Board of Directors.

ARTICLE X COMMITTEES

10.1 The standing committees of the Association shall be:

- (a) The Nominating Committee; and
- (b) The Maintenance Committee.

Unless otherwise provided herein, each committee shall consist of a chairperson and two or more members and shall include a member of the Board of Directors. The committees shall be appointed by the Board of Directors within thirty (30) days after each annual meeting of the Board of Directors, and the members of each committee shall serve until the succeeding committee members have been appointed.

10.2 The Nominating Committee shall have the duties and function pertaining to the nomination of members to the Board of Directors as prescribed in Article 6 of these Bylaws.

10.3 The Maintenance Committee shall advise the Board of Directors of all matters pertaining to the maintenance, repair or improvement of Common Areas as contemplated by the Declaration and shall perform or see to the performance of such other functions as the Board, in its discretion, determines.

10.4 The Board of Directors may appoint such other committees from time to time as it deems desirable.

10.5 The committees appointed by the Board of Directors shall have power to appoint sub-committees from among their membership and may delegate to any such sub-committee any powers, duties, and functions.

10.6 It is the duty of each committee to receive complaints from Members on any matter involving Association functions, duties and activities within its field of responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other committee, director or officer of the Association which is further concerned with the matter presented.

ARTICLE XI ASSESSMENTS

11.1 The Association has the right to obtain funds with which to operate by assessing its Members in accordance with the provisions of the Declaration, the Articles of Incorporation and these Bylaws. Assessments not paid when due shall bear interest from the date when due until paid at the rate of eighteen (18%) percent per annum, or as set by the Board of Directors, and shall also result in the suspension of voting privileges during any period of such nonpayment. The method of assessment and the manner of enforcing collection thereof shall be as set forth in the Declaration.

11.2 Common Assessments and Neighborhood Assessments shall be made in advance on or before December 31st preceding the year for which the assessment is made. Such assessment shall be due in quarterly installments, which will be due on the first day of each quarter beginning as of the first day of the fiscal year for which the assessments are made, unless other payments are provided by the Board. If an assessment is not made as required, an assessment will be presumed to have been made in the amount of the last prior assessment, equal to the Common Assessments and the Neighborhood Assessments.

11.3 In the event the Common Assessment or the Neighborhood Assessment proves to be insufficient, the budget may be amended at any time by the Board of Directors and a Special Assessment levied as set further set forth in the Declaration. The Special Assessment shall be due on the first day of the month following the month in which the Special Assessment is made or as otherwise provided by the Board of Directors.

11.4 Special Assessments may also be made from time to time by the Board as provided in the Declaration with Association approval where required.

11.5 Upon default in payment of an assessment, the Board may elect to accelerate remaining installments due on any outstanding assessment. Such assessment will be considered accelerated ten days after delivery or receipt of written notice to or by the delinquent Member, or twenty days after mailing of written notice by certified or registered mail, whichever occurs first.

11.6 Any property which becomes subject to assessment during the fiscal year shall be assessed on a pro rata basis for that year.

11.7 The Association may post lists of Members who are delinquent in payment of assessments in such locations as the Board decides.

ARTICLE XII
FISCAL MANAGEMENT

The provisions of fiscal management of the Association, as set forth in the Declaration, Articles of Incorporation and Bylaws shall be supplemented by the following provisions:

12.1 The assessment roll, hereinafter called "Assessment Roll", shall be maintained in a set of accounting books in which there shall be an account for each Member. The account shall designate the name and address of the Member, the amount of each assessment, the dates in which such assessments become due, and the amounts paid on the account and the balance due on prior assessments.

12.2 The fiscal year of the Association shall begin on January 1. The Board of Directors shall adopt a budget for each fiscal year which shall contain estimates of the costs of performing the functions of the Association and which shall include, but not be limited to, the following items:

(a) Regular budget and neighborhood budgets, which shall include provisions for the accomplishment of those duties and objectives contemplated by the Declaration, Articles of Incorporation and these Bylaws.

(b) Water management budget, which shall pay for the operation and maintenance of the water management system serving the Lots and Dwelling Units.

(c) Proposed Common Assessments and Neighborhood Assessments against each member as set forth in the Declaration.

Copies of the proposed budgets and proposed assessments shall be transmitted to each Member at least thirty (30) days prior to the beginning of the year for which the budgets are made. If the budgets are subsequently amended before the assessments are made, a copy of any amended budget shall be furnished to each Member. Delivery of a copy of such budget or amended budget shall not be considered as a condition precedent to the effectiveness of said budget and assessments levied pursuant thereto, and nothing herein contained shall be construed as restricting the rights of the Board of Directors, at any time in their sole discretion, to levy any Special Assessment in the event that the budget originally adopted appears to be insufficient to pay costs and expenses of operation and management, or in the event of emergencies.

12.3 The depository of the Association shall be such Federally insured bank or banks as designated by the Directors and in which the monies of the Association shall be deposited. Withdrawal of money from such accounts shall be only by check or wire transfer signed or presented by such persons as are authorized by the Board of Directors.

12.4 Fidelity bonds may be required by the Board of Directors from all officers and employees of the Association and from any contractor handling or responsible for

- * Association funds. The amount of such bonds shall be determined by the Directors. The premiums of such bonds shall be paid by the Association and be a Common Expense of the Association.

ARTICLE XIII OFFICIAL SEAL

The Association shall have an official seal which shall be circular in form bearing the name of the Association, the words "Florida" the words "Corporation Not For Profit" and the year of incorporation.

ARTICLE XIV BOOKS AND RECORDS

The books, records and other papers of the Association shall be available at the Association's office and subject to the inspection of any of the Association Members during regular business hours.

ARTICLE XV AMENDMENTS

Except as provided in Article 7, these Bylaws may be altered, amended or repealed by a vote of seventy-five percent (75%) of the Directors present at a duly constituted meeting of the Board of Directors provided that the proposed alteration, amendment or repeal is contained in the notice of such meeting. No amendment affecting the Declarant shall be effective without the prior written consent of Declarant, or its successors or assigns.

ARTICLE XVI NOTICE; RECORDS

Upon written request to the Association, identifying the name and address of the holder or insurer and the property and address of any property encumbered or insured, any mortgage holder or insurer is entitled to timely written notice of:

- (a) Any condemnation or casualty loss that affects a material portion of the property.
- (b) Any sixty (60) day delinquency in the payment of assessments or charges owed by a Member on the property on which it holds the mortgage.
- (c) A lapse or cancellation of any insurance policy or fidelity bond maintained by the Association.

The Association is required to make available to Members and lenders, and to holders of any first mortgage, current copies of the Declaration, Articles, Bylaws, other rules concerning the Lots, Dwelling Units and Common Areas and the books, records, and financial statements of the Association. "Available" means available for inspection, upon request, during normal business hours or under other reasonable circumstances.

Any holder of a first mortgage is entitled, upon written request, to a financial statement of the Association for the immediately preceding fiscal year.

ARTICLE XVII
CONFLICTS

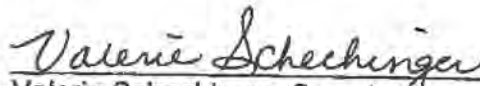
Any conflict between these Bylaws and the Declaration shall be governed by such Declaration.

The foregoing were adopted as the Bylaws of the PASEO MASTER HOMEOWNERS' ASSOCIATION, INC., a corporation not for profit under the laws of the State of Florida on this 29 day of August, 2006.



Blaine Spivey, President

Attest:



Valerie Schechinger, Secretary