

**BY-LAWS
OF
CARAWAY OWNERS ASSOCIATION, INC.**

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ARTICLE I - NAME AND LOCATION:

The name of the corporation is Caraway Owners Association, Inc., hereinafter referred to as the "Association". The principal office of the corporation shall be located at 20725 SW 46th Avenue, Newberry, Florida 32669, but meetings of members and directors may be held at such places within the State of Florida, as may be designated by the Board of Directors.

ARTICLE II - DEFINITIONS:

The following words when used herein, shall have the same meaning as used in the Articles of Incorporation and the Declaration of Covenants, Conditions and Resolutions.

1. "Association" shall mean and refer to the Caraway Owners Association, Inc., a Florida non-for-profit corporation.
2. "Common Area" shall mean and refer to the real property owned and controlled by the Association, for the common use and benefit of the Owners. Common Area is maintained by the Association and may include stormwater management facilities, landscaping, maintenance paths, fencing, walls, signage, irrigation, natural open areas, utilities, and other uses allowed by the Association or required by regulating authorities.
3. "Common Area Easement" shall mean and refer to a portion of residential real property, not owned by the Association, but provided to the Association, for the common use and benefit of the Association. Common Area Easement is property maintained by the owner of the real property, yet provided to the Association and its members for use as ingress/egress, drainage, or maintenance of structures constructed by the Association on the easement for the use and benefit of all the members jointly, such as a sign or landscape entry feature, or other similar feature or structure benefiting the Owners and Association.
4. "Declarant" shall mean and refer to Caraway of Gainesville, LLC, a Florida Limited Liability Company, and its successors and assignees. No successor or assignee of the Declarant shall have any rights or obligations of the Declarant hereunder unless such rights and obligations are specifically set forth in the instrument of succession or assignment, or unless such rights pass by operation of law.
5. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions for Caraway Owners Association, Inc., applicable to the properties recorded in the Office of the Clerk of the Courts of Alachua County, Florida.
6. "Lot" shall mean and refer to any plot of land described on the Record Plat of

Caraway Subdivision; that is designated for construction of a residential homesite.

7. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration and Articles of Incorporation of Caraway Owners Association, Inc.

8. "Owner" shall mean and refer to the record holder, whether one or more persons or entities, of fee simple title to each residential lot in Caraway Subdivision; but notwithstanding any applicable theory of the law of mortgages. Owner shall not mean or refer to any mortgagee unless and until such mortgagee has acquired title pursuant to a foreclosure proceeding or a conveyance in lieu of foreclosure.

9. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

ARTICLE III - MEETING OF MEMBERS:

1. Annual Meetings The first annual meeting of the members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday. The annual meeting shall be for the purpose of appointing directors and transacting any other business authorized to be transacted by the members.

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

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

4. Quorum The presence of the meeting of members entitled to cast, or of proxies entitled to cast, one-third (1/3) of the combined votes of Class A and B membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

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

6. Order of Business The order of business at annual Members' meetings, and as far as practical at all other Members' meetings, shall be:

- a. Calling of the roll and certifying of proxies.
- b. Proof of notice of meeting or waiver of notice.
- c. Reading and disposal of any unapproved minutes.
- d. Reports of officers.
- e. Reports of Committees.
- f. Appointment of directors.
- g. Appointment of Nominating Committee.
- h. Unfinished business.
- i. New business.
- j. Adjournment

7. Minutes of the Meetings The Association shall maintain minutes of each meeting of the membership and of the Board of Directors in a businesslike manner. The minutes shall be kept in a book, available for inspection by members or their authorized representatives at any reasonable time. The Association shall retain these minutes for a period of not less than three (3) years.

ARTICLE IV - BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE:

1. Number: The affairs of this Association shall be managed by a Board of at least three (3) but not more than five (5) directors, who need not be members of the Association.

2. Term of Office: At the first meeting the members shall elect directors for staggered terms of one and two years; and at each annual meeting thereafter the members shall elect eligible directors for terms of two years.

3. Removal: Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

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

5. Action Without a Meeting: The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though

taken at a meeting of the directors.

ARTICLE V - NOMINATION AND ELECTION OF DIRECTORS:

- 1. **Nomination:** Except for Declarant appointed directors per the Articles of Incorporation of the Association, nominations for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.
- 2. **Election:** Elections to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the most number of votes shall be elected.

ARTICLE VI - MEETING OF DIRECTORS:

- 1. **Regular Meetings:** Regular meetings of the Board of Directors shall be held monthly, quarterly, or semiannually, as determined by the Board, without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday. Regular meetings of the Board of Directors shall be open to all members.
- 2. **Special Meetings:** Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two (2) directors.
- 3. **Notice of Meetings:** Written notice stating the place, day, and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called shall be delivered to each Member entitled to vote at such meeting not less than ten (10) or more than sixty (60) days before the date of the meeting, either personally or by first-class mail, by or at the direction of the President, the Secretary, or the officer or persons calling the meeting.
- 4. **Defects in Notice, etc. Waived by Attendance:** Attendance of a director at a meeting shall constitute a waiver of notice of such meeting and a waiver of any and all objections to the place of the meeting, the time of the meeting, or the manner in which it has been called or convened, except when a director states, at the beginning of the meeting, any objection to the transaction of business because the meeting is not lawfully called or

convened. Directors may participate in a meeting of such Board by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time. Participation by such means shall constitute presence in persons at a meeting.

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

6. Presiding Officer: The presiding officer of directors' meetings shall be the President. In the absence of the President, the Vice President shall preside, and in the absence of both, the directors present shall designate one of their numbers to preside.

7. Powers and Duties of Board of Directors: All of the powers and duties of the Association existing under Chapter 617, Florida Statutes, the Declaration, the Articles, and these By-laws, shall be exercised by the Board of Directors, subject only to approval by Members when such is specifically required.

8. Parliamentary Rules: Roberts' Rules of Order (late edition) shall govern the conduct of Association meetings, when not in conflict with these By-laws.

ARTICLE VII POWERS AND DUTIES OF THE BOARD OF DIRECTORS:

- 1. Powers: The Board of Directors shall have the power to:
 - a. adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;
 - b. suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for infraction of published rules and regulations;
 - c. exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserve to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;
 - d. declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and
 - e. employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

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

a. cause to be kept a complete record of the acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-third (1/3) of the Class A members who are entitled to vote;

b. supervise all officers, agents and employees of this Association and to see that their duties are properly performed;

c. as more fully provided in the Declaration to:

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

2. send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

3. foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same;

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

e. procure and maintain adequate liability and hazard insurance on property owned by the Association and Directors liability insurance as it may deem appropriate;

f. cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

g. cause the Common Area to be maintained;

h. cause the exterior of the dwelling to be maintained, including fencing, landscaping hardscape or other external building or lot features, that do not meet the aesthetic requirements established by the Association under its authority.

ARTICLE VIII OFFICERS AND THEIR RULES:

1. Enumeration of Officers: The officers of this Association shall be a President and Vice-President, who shall at all times be members of the Board of Directors, a Secretary, and a Treasurer, who are not required to be members of the Board, and such other officers as the Board may from time to time by resolution create.

- 2. Election of Officers: The election of officers shall take place annually at the first meeting of the Board of Directors following each annual meeting of the members.
- 3. Term: The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless each shall sooner resign, or shall be removed, or otherwise disqualified to serve.
- 4. Special Appointments: The Board may elect such officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.
- 5. Resignation and Removal: Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.
- 6. Vacancies: A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.
- 7. Multiple Officers: The officers of the Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.
- 8. Duties: The duties of the officers are as follows:
 - a. President: The President shall preside at all meetings of the Board of Directors and members; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes. The President shall be the Chief Executive Officer of the Association.
 - b. Vice-President: The Vice-President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.
 - c. Secretary: The Secretary shall record the votes and keep minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board. The Secretary may be fulfilled by a manager employed by the Association.

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

9. Compensation: The compensation, if any, of the officers shall be determined by the Board of Directors. In the event that managers are employed who are not members of the Board, their compensation and contractual agreement shall be approved annually at a Board Meeting.

ARTICLE IX COMMITTEES:

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

ARTICLE X BOOKS AND RECORDS:

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member or any representative of the Suwannee River Water Management District. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association where copies may be purchased at reasonable cost. In addition, the books, records, and papers of the Association shall at all times during reasonable business hours be subject to inspection by any Member

ARTICLE XI FISCAL MANAGEMENT:

1. Financial Reporting: The Association shall prepare an annual financial report within 60 days after the close of the fiscal year. The association shall provide each member with a copy of the annual financial report or a written notice that a copy of the financial report is available upon request at no charge to the member. The financial report must consist of either: (a) Financial statements presented in conformity with generally accepted financial principles; or (b) A financial report of actual receipts and expenditures, cash basis, which reports must show the amount of receipts and expenditures by classification and the beginning and ending cash balances of the Association.

2. Budget: The Association shall prepare an annual budget. The budget must reflect the estimated revenues and expenses for that year and the estimated surplus or deficit as of the end of the current year. The budget must set out separately all fees or

charges for recreational amenities, whether owned by the Association, the developer or another person. The Association shall provide each member with a copy of the annual budget or a written notice that a copy of the budget is available upon request at no charge to the member.

3. Depository: The depository of the Association will be such banks in Alachua County, Florida, as shall be designated from time to time by the directors. The withdrawal of monies from such accounts shall be only by checks signed by such persons as authorized by the directors; provided, however, that the provisions of a management agreement between the Association and a manager relative to the subject matter of this section shall supersede the provisions hereof.

ARTICLE XII ASSESSMENTS:

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments, which are secured by a continuing lien upon the property against which the assessment is made. Any assessments, which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of 10 percent (10%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees and any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Lot.

ARTICLE XIII CORPORATE SEAL:

The Association shall have a seal in circular form having within its circumference the words: Caraway Owners Association, Inc., a Florida Corporation non-for-profit - Corporate Seal, or other wording as appropriate based on the regulatory requirements of Florida Statutes.

ARTICLE XIV AMENDMENTS:

1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy, except that the Federal Housing Administration or the Veterans Administration shall have the right to veto amendments while there is a Class B membership. Any amendment, which would impair the security position of a holder of a mortgage on a lot; must be approved by the holder.

2. So long as the Declarant shall own any lands within Caraway Subdivision, no Declarant related amendment shall be made to the Declaration, or to the Articles or the By-laws of the Association unless such amendment is first approved in writing by the Declarant. Any amendment shall be deemed to be Declarant related if it does any of the

following:

- a. Directly or indirectly by its provisions or in practical application relates to the Declarant in a manner different from the manner in which it relates to other owners.
 - b. Modifies the definitions provided for in the Declaration in a manner, which alters the Declarant's rights or status.
 - c. Alters the character and rights of membership or affects or modifies in any manner whatsoever the rights of Declarant as a Member of the Association.
 - d. Alters any previously recorded or written agreement with any public or quasi-public agencies, utility company, political subdivision, public authorities or other similar agencies or bodies, respecting zoning, streets, roads, drives, easements, utilities, or facilities.
 - e. Denies the right of the Declarant to convey Association Common Area Property.
 - f. Modifies the basis or manner of assessment as applicable to the Declarant or any lands owned by the Declarant.
3. Any number of amendments may be submitted to the Members and voted upon by them at one meeting.
 4. Amendments to the By-Laws, which directly or indirectly impact operation and maintenance of the surfacewater management systems, including but, without limitation, all lakes, ditches, canals, retention or detention areas, drainage, other surface water management works, and preservation or conservation areas, wetlands and wetland mitigation areas, which are owned by the Association or the Owners in common, may be made only after approval by the Suwannee River Water Management District. Such approval shall be in the form of a modification to any and all permits issued by the Suwannee River Water Management District under the lawfully adopted rules of the Suwannee River Water Management District in effect at the time of application for such modification. Amendment to the By-Laws, which do not impact operation or maintenance of the surface water management system, may be made without authorization of the Suwannee River Water Management District; however, copies of any and all such amendments must be forwarded to the District.
 5. A copy of each amendment shall be recorded in the Public Records of Alachua County, Florida, as soon as possible after adoption.
 6. No amendment shall make any changes in the qualifications for membership nor the voting rights of Members without approval in writing by all Members. No amendment shall be made that is in conflict with Chapter 617, Florida Statutes, or with the Declaration or Articles of Incorporation.

ARTICLE XIIV MISCELLANEOUS:

- 1. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of Incorporation.
- 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles of Incorporation shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

IN WITNESS WHEREOF, we being all of the Directors of CARAWAY OWNERS ASSOCIATION, INC., have hereunto set our hands this 2nd day of May, 2005.

CARAWAY OWNERS ASSOCIATION, INC.

SVEIN H. DYRKOLBOTN, DIRECTOR

STEFAN M. DAVIS, DIRECTOR

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting Initial Registered Agent of Caraway Owners Association, Inc., a Florida Corporation, and

THAT the foregoing By-Laws constitute the Original By-Laws of said Association as duly appointed at a meeting of the Board of Directors thereof, held on this ___ day of January, 2005.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 2nd day of May, 2005.

Svein H. Dyrkolbotn