BY LAWS OF

ISLANDER VILLAGE HOMEOWNERS' ASSOCIATION, INC.

ARTICLE I
IDENTITY

A. Scope. The By-Laws shall govern the operation of Islander Village Homeowners' Association, Inc. ("the Association"), a Florida not-for-profit corporation, organized and existing under the laws of the State of Florida for the purpose of administering the planned residential community to be known as Islander Village ("Islander Village") which will be located on land described in the Declaration of Protective Covenants and Restrictions for Islander Village ("the Declaration").

B. Definitions. All terms used herein which are defined in the Declaration shall be used herein with the same meanings as in the Declaration.

C. Principal Office. The principal office of the Association shall be at such place as may be subsequently designated by the Board of Directors of the Association.

D. Seal. The seal of the Association shall bear the name of the Association, the word "Florida," the words "Corporation not for profit," and the year of incorporation.

ARTICLE II
MEMBERSHIP AND VOTING

A. Membership. Membership in the Association shall be limited to every person or entity who is an Owner (i.e., a sublessee under the Ground Lease Agreement) of a Parcel in Islander Village. Any person or entity who holds an interest in a Parcel only as security for the performance of an obligation shall not be a member. Transfer of ownership in a Parcel, either voluntarily or by operation of law, shall terminate the transferor's membership in the Association and shall vest such membership in the transferee.

B. Voting. Each Parcel shall be entitled to one (1) vote to be cast by the Owner. When more than one person holds an interest in a Parcel, the vote for such Parcel shall be cast by the Owner designated in a certificate filed with the Association and signed by all persons owning an interest. The vote for each Parcel is indivisible. During the period of Declarant's control, all Owners other than Declarant shall have a non-voting membership in the Association unless this provision is waived in writing by Declarant. Non-payment of assessments and installments thereon shall result in the suspension of voting privileges during any period of such non-payment.

C. Majority Vote. The acts approved by a majority of the votes at a meeting at which a quorum shall be present shall be binding upon all members for all purposes except where otherwise provided by law, the Declaration of Covenants, the Articles of Incorporation or these By-Laws. The term "majority of the members" shall mean more than fifty percent (50%) of the total authorized votes of all members voting at a member's meeting at which a quorum shall be present.

D. Quorum. The presence, in person or by proxy, of at least thirty percent (30%) of the members shall constitute a quorum.

E. Proxies. Votes may be cast in person or by proxy. Each valid proxy shall be: (1) in writing and signed by the person entitled to vote; (2) filed with the Secretary of the Association prior to the meeting

in which to be used; and (3) valid only for the particular meeting designated therein. Where a Parcel is owned jointly by a husband and wife, and if they have not designated one of them as a voting member, a proxy must be signed by both husband and wife.

F. Designation of Voting Member. If a Parcel is owned by one person, his right to vote shall be established by the recorded title to the Parcel. If a Parcel is owned by more than one person, the person entitled to cast the vote of a Parcel shall be determined by the Owners and shall be designated in a certificate signed by all of the Owners of record and filed with the Secretary of the Association. If a Parcel is owned by a corporation, the officer or employee thereof entitled to cast the vote of the Parcel for the corporation shall be designated in a certificate, signed by the president or vice president and attested to by the secretary of the corporation and filed with the Secretary of the Association. The person entitled to cast a vote for a Parcel shall be known as the "voting member." Such certificate shall be valid until revoked or superseded by a subsequent certificate, or until a change in the ownership of the Parcel. If a certificate shall not be on file with the Secretary for a Parcel owned by more than one person or by a corporation, the vote of such Parcel shall not be counted for any voting purpose, except if the Parcel is owned jointly by a husband and wife, in which event, such husband and wife shall have the following options:

1. They may, but they shall not be required, to designate a voting member; or

2. If they do not designate a voting member, and if both are present at a meeting and are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to vote on the subject at that meeting; or

3. Where they do not designate a voting member, and only one is present at a meeting, the person present may cast the Parcel vote, just as though he or she owned the Parcel individually and without establishing the concurrence of the absent person.

G. Meetings.

1. Place. All meetings of the members shall be held in Monroe County, Florida, at such place and at such time as may be designated by the Board of Directors and stated in the notice of the meeting.

2. Notices. The Secretary shall mail or deliver written or printed notice of each annual or special meeting stating the time and place thereof to each member (unless waived in writing) at least fourteen (14) but not more than thirty (30) days prior to such meeting. All notices shall be mailed to or served at the address of the Owner as it appears on the books of the Association, or supplied by such member for the purpose of such notice. If the date for a regular meeting shall fall upon a holiday, the meeting shall be held at the same hour on the first day following which is not a holiday.

3. Annual Meetings. The annual meeting of the members shall be held once in each year at such time and on such date in each year as the Board of Directors shall determine. At the annual meeting, the members shall designate a Board of Directors and shall transact such other business as may properly be brought before the meeting.

4. Special Meetings. Special meetings of the members may be called by the President or Vice President of the Association, or at the written request of a majority of the Board, or at the written request of voting members representing twenty-five (25%) percent of the members' total

votes, which request shall state the purposes of the proposed meeting. Business transacted at all special meetings shall be confined to the subject(s) stated in the notice.

5. Waiver and Consent. Whenever the vote of members is to be taken in connection with any Association action, the meeting may be dispensed with if not less than seventy-five (75%) percent of the voting members shall consent in writing to such action being taken; provided, however, that notice of such action shall be given to all members.

6. Adjourned Meeting. If any meeting of members cannot be organized because a quorum of voting members is not present, either in person or by proxy, the meeting may be adjourned from time to time until a quorum is present.

ARTICLE III
BOARD OF DIRECTORS

A. Number, Term and Qualifications. The affairs of the Association shall be governed by a Board of Directors composed of three (3) persons until the Declarant no longer has the right to appoint directors as provided in the Declarant. At such time as Declarant no longer has the right to control the Association, there shall be five (5) Directors. The term of each Director's service shall extend until the next annual meeting of the members and thereafter, until his successor is duly elected and qualified, or until he is removed. All Directors shall be voting members of the Association; except that all Director(s) appointed by Developer need not be voting members.

B. Method of Election. All Directors not chosen by Developer shall be elected at the annual meeting of the members, in the following manner:

1. A nominating committee consisting of three (3) members shall be appointed by the Board not less than thirty (30) days prior to the annual meeting. The committee shall nominate one or more persons for each available position for Transient Unit representation on the board. Members also may be nominated from the floor at the annual meeting.

2. The election shall be by ballot and by a plurality of the votes cast. Each voting member shall be entitled to cast a vote for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

C. Vacancies. If the office of any Director not chosen by Developer becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the remaining Directors, shall, at the next scheduled Board meeting, choose a successor who shall hold office for the balance of the unexpired term. Only Parcel Owners may be chosen to fill the vacancy of a Parcel board member.

D. Removals. At any time after the first annual meeting of the membership, at any duly convened regular or special meeting, any one or more of the Directors may be removed, with or without cause, by a vote of not less than two-thirds (2/3) of the total votes present at the meeting, and the successor may then and there be elected by the membership to fill the vacancy thus created. Only Developer shall have the right to remove a Director appointed by it. Developer shall have the absolute right to replace any Director chosen by it.

E. Meetings.

1. Organizational Meetings. The organizational meeting of a newly elected Board shall be held within ten (10) days of their election at such place and time as shall be fixed by the Directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary, provided a quorum shall be present.

2. Regular Meetings. The Board may establish a schedule of regular meetings to be held at such time and place as the Board may designate. Notice of each regular meeting shall, nevertheless, be given to each Director and posted in a conspicuous place in the Common Properties at least three (3) days prior to the date of such meeting.

3. Special Meetings. Special meetings of the Board may be called by the President, and in his absence, by the Vice President, or by a majority of the Directors, upon at least three (3) days' written notice to all Directors of the time, place and purpose(s) of said meeting.

4. Waiver of Notice. Any Director may waive notice of a Board meeting and such waiver shall be deemed equivalent to the giving of notice. Attendance by a Director at any meeting of the Board shall constitute a waiver of notice by him, except when his attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

5. Quorum. A majority of the Board shall constitute a quorum to transact business at any Board meeting, and the action of a majority present at a meeting at which a quorum is present shall constitute the action of the Board. If, at any Board meeting, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. Any business which might have been transacted at an adjourned meeting, as originally called, may be transacted at a subsequent meeting without further notice. The joinder of a Director in the actions taken at a meeting by signing and concurring in the minutes thereof shall constitute the presence of such Director for the purpose of determining quorum.

F. Compensation. Fees for Directors, if any, shall be determined by the voting members. Directors may be reimbursed for their actual expenses incurred in the performance of their duties.

G. Powers and Duties. The Board shall exercise all powers, duties and authority necessary for the administration of the affairs of the Association and may do all such acts and things as are not reserved to the Owners by other provisions of these By-Laws, the Articles of Incorporation or The Declaration or by law. These powers and duties specifically shall include, but shall not be limited to, the following:

1. to exercise all powers specifically set forth in The Declaration, the Articles of Incorporation, these By-laws and all powers incidental thereto;

2. to maintain, repair or replace the Common Properties;

3. to employ, dismiss, prescribe duties for and control the personnel necessary for the maintenance and operation of the Common Properties, including the right and power to employ attorneys, accountants, contractors and other professionals, as needed;

4. to make, enforce and amend Rules and Regulations governing the use of the Common Properties by members and their guests;

5. to authorize and cause the Association to enter into contracts for the management and maintenance of the Common Properties;

6. to establish, levy, assess and collect the assessments necessary to operate the Association and carry on its activities, and to create such reserves for extraordinary expenditures as may be deemed appropriate by the Board of Directors;

7. to set the date(s) assessments shall be due and to send written notice of each assessment to every Owner at least thirty (30) days in advance of the due date of the assessment;

8. to file and foreclose liens against any Parcels for which assessments are not paid within thirty (30) days after due date or to cause an action at law to be brought against the Owner personally obligated to pay the same;

9. to appoint one or more committees, including the Architectural Control Committee, which shall have the powers of the Board in the management and affairs and business of the Association;

10. to provide for further improvement of the Common Properties, both real and personal, subject to the provisions of The Declaration, Articles of Incorporation and these By-Laws;

11. to grant easements and rights of way, where necessary for utilities, over, through and under the Common Properties;

12. to maintain bank accounts for the Association;

13. to procure, review and maintain adequate liability and hazard insurance for the Common Properties;

14. to call meetings of the members; and

15. to cause to be kept a complete record of all Association actions and affairs.

F. Selection of Directors for Master Association. Directors shall elect from among the Board of Directors all director(s) to be elected by the Affordable Housing Parcel in the Master Association as provided in the Declaration of Protective Covenants, Restrictions and Easements for Islander Village and Estates Development.

ARTICLE IV
OFFICERS

A. Enumeration. The principal officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected by the Board. One person may hold more than one of the aforementioned offices, except for the following combinations: (1) President and Vice President; (2) President and Secretary. The President shall be Director, but the other officers need not be Directors. The Board also may elect such assistant secretaries, assistant treasurers and other officers as the Board deems necessary.

B. Election. The officers shall be elected annually by the Board at the organizational meeting of each new Board.

C. Term; Removal; Vacancies. Each officer shall hold office until his successor shall have been duly elected and qualified, or until he shall be removed, with or without cause, by a majority vote of the Board. Any officer may resign at any time upon written notice to the Board. A vacancy in any office because of death, resignation or other termination of service shall be filled by the Board for the unexpired portion of the term.

D. The President. The President shall preside at all Board meetings and members' meetings. The President shall have general supervision over the affairs of the Association and other officers, shall see that Board orders and resolutions are carried out and shall sign all leases, mortgages, notes, checks, deeds and all other written instruments necessary to perform all of the duties incident to the office and which may be required from time to time by the Board.

E. The Vice President. The Vice President shall perform all of the duties of the President in the President's absence, inability or refusal to act, and such other duties as may be required from time to time by the Board.

F. The Secretary and Assistant Secretary. The Secretary shall issue notices of all Board meetings and all members' meetings; attend, record the votes, and keep the minutes of the same; act as custodian of all Association books, records and papers, except those kept by the Treasurer; maintain current records showing names and addresses of the members of the Association; and perform such other duties as are required by the Board. The Assistant Secretary shall perform the duties of the Secretary in the Secretary's absence.

G. The Treasurer and Assistant Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all Association monies and disburse such funds as directed by Board resolution; keep full and accurate accounts of Association receipts and disbursements and books; render to the President and the Board at regular Board meetings, or whenever they may require, an account of all financial transactions and the financial condition of the Association; collect the assessments and promptly report the status of collections and of all delinquencies to the Board; give assessment status reports to potential transferees; sign checks, notes and contracts of the Association if required by the Board; and prepare an annual budget and balance sheet statement which shall be open for inspection upon reasonable request by any member. The Assistant Treasurer shall perform the duties of the Treasurer when the Treasurer is absent.

H. Compensation. The compensation of all officers, if any, shall be fixed by the Board.

ARTICLE V
FINANCE AND ASSESSMENTS

A. Depositories. The funds of the Association shall be deposited in such banks and depositories as may be determined by the Board from time to time upon resolutions approved by the Board, and shall be withdrawn only upon checks and demands for money signed by such officer(s) of the Association as may be designated by the Board.

B. Fiscal Year. The Association's fiscal year shall be the calendar year beginning with the calendar year in which the Association was incorporated, provided that the Board may change the fiscal year, at its discretion.

C. Determination of Assessments. The Board of Directors shall fix and determine from time to time the sum or sums necessary and adequate to pay for the expenses of the Association. Association expenses shall include those expenses as set forth in The Declaration. The Board specifically is empowered to make and collect assessments against the Parcels as provided in The Declaration. When the Board has determined the amount of any assessment, the Treasurer shall mail or present to each Owner a statement of assessment. All assessments shall be payable to the Treasurer and, upon request, the Treasurer shall give a receipt for each payment made to him.

D. Application of Assessment Installments Upon Defaults. If an Owner shall be in default in the payment of an installment upon any assessment, the Board may accelerate the remaining monthly installments for the year upon written notice thereof to the Owner and, thereupon, the unpaid balance of the assessment shall become due upon the date stated in the notice, but not less than fifteen (15) days after delivery of or the mailing of such notice to the Owner.

E. Fidelity Bonds. Unless required by law, fidelity bonds shall not be required for any director, officer or employee of the Association.

F. Commingling of Funds. All sums collected by the Association may be commingled in a single fund or divided into more than one fund as determined by the Board.

G. Applications of Payments. All assessment payments received by the Association shall be applied first to any and all costs of collection, second to accrued interest and late charges and third to the amounts originally assessed.

H. Audits or Reviews. An audit or a review of the accounts of the Association shall be made annually commencing with the year in which the first annual meeting takes place. Said audit or review shall not be required to be certified but shall be prepared by such accountant as the Board determines and a copy of said report shall be available to the members in the office of the Association and with the Treasurer. Such report shall be available not later than four (4) months after the end of the year for which the report is made.

ARTICLE VI
COMPLIANCE AND DEFAULT

A. Violations. In the event of a violation (other than the non-payment of an assessment) by an Owner of any of the provisions of The Declaration or these By-Laws, the Board may give the Owner written notice of said breach and if such violation shall continue for a period of thirty (30) days from the date of the notice, the Association, through the Board, shall have the right to treat such violation as an intentional and inexcusable and material breach of The Declaration and/or of the By-laws, and the Association then, shall have the following options:

1. Suspension of rights to use the Common Properties (except as to roadways) for a period not to exceed sixty (60) days;

2. An action at law to recover for its damages on behalf of the Association or on behalf of the other Owners;

3. An action in equity to enforce performance on the part of the Owner; and/or

4. An action in equity for such equitable relief as may be necessary under the circumstances, including injunctive relief.

B. Negligence or Carelessness of Owner. Each Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, or by that of any member of his family, or his or their guests, employees, agents or lessees, but only to the extent that such expense shall not be met by the proceeds of insurance carried by the Association. Such liability shall include any increase in insurance rates occasioned by use, misuse, occupancy or abandonment of any Parcel or its appurtenances. Nothing herein contained, however, shall be construed so as to modify any waiver by an insurance company of its rights of subrogation. The expense for any maintenance, repair or replacement required, as provided in this Section, shall be charged to Owner as a specific item, which shall be a lien against said Parcel with the same force and effect as if the charge were a part of the Association expenses.

C. Costs and Attorneys' Fees. In any proceeding arising because of an alleged default by an Owner, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees, including costs and reasonable attorneys' fees on appeal, as may be determined by the Court.

D. No Waiver of Rights. The failure of the Association or of an Owner to enforce any right, provision, covenant or condition which may be granted by The Declaration or these By-Laws shall not constitute a waiver of the right of the Association or Owner to enforce such right, provision, covenant or condition in the future.

E. Survival of Liability. The termination of membership in the Association shall not relieve or release any former Owner from liability or obligations incurred under or in any way connected with the Association during the period of such ownership, or impair any rights or remedies which the Association may have against such former Owner arising out of or in any way connected with such ownership and the covenants and obligations incidental thereto.

ARTICLE VI
ACQUISITIONS UPON FORECLOSURE

At any foreclosure sale of a Parcel, the Board may acquire the Parcels in the name of the Association or its designee if the lien being foreclosed is the Association's lien for unpaid assessments.

ARTICLE VII
AMENDMENTS

These By-Laws may be altered, amended or added to at any duly called meeting of the membership, provided:

A. Notice of the meeting shall contain a statement of the proposed amendment; and

B. The amendment shall be approved by the affirmative vote of the voting members casting not less than sixty-six (66%) percent of the total votes of the members; and

C. The amendment shall be recorded and certified as required by The Declaration; and

D. The amendment shall not change Developer's rights and privileges without Developer's prior written approval.

ARTICLE VIII
CONFLICTING PROVISIONS

In the case of conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; in the case of conflict between The Declaration and these By-Laws, The Declaration shall control.

ARTICLE IX
NOTICES

All notices required to be sent hereunder shall be delivered or mailed to the last known address of the Owner or other addressee on the records of the Association at the time of such mailing.

ARTICLE X
INDEMNIFICATION

Every Director and every Officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding or any settlement of any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a Director or Officer of the Association, whether or not he is a Director or Officer of the Association at the time such expenses are incurred, except when 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 shall apply only when the Board approves such settlement and reimbursement as being for the best interests 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.

ARTICLE XI
LIMITATION OF LIABILITY

Notwithstanding the Association's duty to maintain and repair the Common Properties, the Association shall not be liable for injury or damage caused by a latent condition in the Common Properties, nor for injury or damage caused by the elements or by Owners or other persons.

ARTICLE XII
PARLIAMENTARY RULES

Roberts' Rules of Order (latest edition) shall govern the conduct of all meetings when not in conflict with The Declaration, these By-Laws or the laws of the State of Florida.

ARTICLE XIII
PARAMOUNT RIGHTS OF DECLARANT

All of the applicable terms and provisions of these By-laws shall be subject and subordinate to The Declaration pertaining to Declarant's rights and powers.

WE HEREBY CERTIFY that the foregoing By-Laws of the above-named corporation were duly adopted by the Board of Directors of said Association on the 11 day of June, 2008

President

Secretary