

EXHIBIT B

BY LAWS
OF
WATER OAK PROPERTY OWNERS' ASSOCIATION, INC.

I DEFINITIONS

All terms used herein which are defined in the Declaration of Covenants and Restrictions for Water Oak shall be used herein with the same meanings as in said Declaration.

II LOCATION OF PRINCIPAL OFFICE

The principal office of the Association shall be located at 5550 Glades Road, Boca Raton, Florida 33431, or at such other place as may be established by resolution of the Board of Directors of the Association.

III VOTING RIGHTS AND ASSESSMENTS

1. Every person or entity who is a record fee simple owner of a Lot, including the Developer at all times as long as it owns any Property subject to the Declaration, shall be a member of the Association, provided that any such person or entity who holds such interest only as a security for the performance of an obligation shall not be a member. Membership shall be appurtenant to, and may not be separated from, ownership of any Lot or other property which is subject to assessment.

2. Assessments and installments thereon not paid when due shall bear interest from the date when due until paid at the rate set forth in the Declaration of Covenants and Restrictions for Water Oak and shall result in the suspension of voting privileges during any period of such non-payment.

IV BOARD OF DIRECTORS

1. 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.

2. Any vacancy occurring on the Board of Directors because of death, resignation or other termination of services of any Director, shall be filled by the Board of Directors; except that Developer, to the exclusion of other members and/or the Board itself, shall fill any vacancy created by the death, resignation, removal or other termination of services of any Director appointed by Director. A Director appointed to fill a vacancy shall be appointed for the unexpired term of his predecessor in office and until his successor shall have been elected and/or appointed and qualified.

V ELECTION OF DIRECTORS

1. Nominations for the election of Board Members may be made by a Nominating Committee if one is appointed by the Board.

2. Developer shall within fourteen (14) days of the date set for the annual meeting of the Association, notify the Secretary and the Nominating Committee of the names of the Directors the Developer is appointing to the Board of Directors. Within thirty (30) days of such date, the Nominating Committee shall notify the Secretary of the names of the candidates nominated for election to the Board of Directors.

3. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion

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determine. In addition to nominations made by the Nominating Committee, petitions for nominees shall be accepted if signed by either fifteen (15) Class A Members or by one-third (1/3) of the Class A Membership, whichever is smaller. Nominations and notification of the vacancies being filled by the Developer shall be placed on a written ballot as provided in Section 4 of this Article and shall be made in advance to the time fixed for the annual meeting.

4. All elections to the Board of Directors shall be made on written ballots to be voted at the annual meeting, or in the direction of the Board of Directors, by mail thirty (30) days prior to the annual meeting, which shall (a) describe the vacancies to be filled by Class A Members, and (b) set forth the names of those nominated for each vacancy by the Nominating Committee or by petition for such vacancy and the names of those appointed to the Board by the Developer. Each member may, in respect to each vacancy on the Board, cast one (1) vote.

5. The members of the Board of Directors elected or appointed in accordance with the procedures set forth in this Article shall be deemed elected or appointed as of the date of the annual meeting.

VI POWERS AND DUTIES OF THE BOARD OF DIRECTORS

1. The Board of Directors shall have power:

A. To call meetings of the Members.

B. To appoint and remove at pleasure all officers, agents and employees of the Association, prescribe their duties, fix their compensation, and require of them such security or fidelity bond as it may deem expedient. Nothing contained in these By Laws shall be construed to prohibit the employment of any Member, officer or Director of the Association in any capacity whatsoever.

C. To establish, levy and 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.

D. To appoint committees, adopt and publish rules and regulations governing the use of the Common Area or any portion thereof and the personal conduct of the members and their guests thereon, including reasonable admission charges if deemed appropriate.

E. To authorize and cause the Association to enter into contracts for the day-to-day operation of the Association and the discharge of its responsibilities and obligations.

F. To exercise for the Association all powers, duties and authority vested in or delegated to this Association, except those reserved to members in the Declaration of Covenants for Water Oak or the Articles of Incorporation of the Association.

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

A. To cause to be kept a complete record of all of its acts and corporate affairs.

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

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C. With reference to assessments of the Association:

(1) To fix the amount of the assessment against each Member for each assessment period at least thirty (30) days in advance of such date or period;

(2) To prepare a roster of the Members and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Member; and

(3) To send written notice of each assessment to every Member subject thereto.

D. To issue or cause an appropriate officer to issue upon demand by any person, a certificate setting forth whether any assessment has been paid. Such certificate shall be prima facie evidence of any assessment therein stated to have been paid.

VII DIRECTORS AND MEETINGS

1. The annual meeting of the Board of Directors shall be held at 3:00 P.M. on the 5th day of May in Boca Raton, Florida, of each year at the principal office of the Association, unless some other time and/or place is designated by the Board. Regular meetings of the Board of Directors shall be held at such time and place as provided by appropriate resolution of the Board of Directors.

2. Notice of such meeting is hereby dispensed with. If the day for a regular meeting shall fall upon a holiday, the meeting shall be held at the same hour on the first (1st) day following which is not a holiday, and no notice thereof need be given.

3. Special meetings of the Board of Directors shall be held when called by the President or Vice President of the Association or by any three (3) Directors after not less than three (3) days' notice to each Director.

4. 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 through made at a meeting duly held after regular call and notice that a quorum is present and, if either before or after the meeting, each of the Directors not present signs a 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.

VIII OFFICERS

1. The officers shall be a President, a Vice President, a Secretary, and a Treasurer, and such other officers as may be determined by the Board, in accordance with the Articles of Incorporation, to be from time to time appropriate. The President shall be a member of the Board of Directors, but the other officers need not be.

2. Except for officers appointed by the Developer, no officer shall succeed himself/herself to a successive term in office.

3. The officers of the Association shall be elected by the Board of Directors at the annual meeting of the Board of Directors, which shall be held immediately following the annual meeting of the Association. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor shall have been duly elected and qualified.

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

5. All officers shall hold office at the pleasure of the Board of Directors.

6. 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 sign all notes, checks, leases, mortgages, deeds and all other written instruments.

7. The Vice President, or the Vice President so designated by the Board of Directors if there is more than one Vice President, shall perform all the duties of the President in his absence. The Vice President(s) shall perform such other acts and duties as may be assigned by the Board of Directors.

8. The Secretary shall be ex officio the Secretary of the Board of Directors, shall record the votes and keep the minutes of all proceedings in a book to be kept for that purpose. He shall sign all certificates of membership. He shall keep the records of the Association. He shall record in a book kept for that purpose all the names of the Members of the Association together with their addresses as registered by such Member.

9. 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, provided however, that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board. The Treasurer may, but need not be, a required signatory on checks and notes of the Association.

10. The Treasurer, or his appointed agent, shall keep proper records of account and cause an annual audit of the Association books to be made by a certified public accountant at the completion of each fiscal year. He or his appointed agent shall prepare an annual budget and an annual balance sheet statement and the budget and balance sheet statement shall be open for inspection upon reasonable request of a Member.

11. During the period in which the Developer has the right to appoint a majority of the Board of Directors, it shall appoint a Representative to vote the Association's interests in matters concerning Arvida Country Club Maintenance Association, Inc. This representative shall be elected at the same time and in the same manner as the Board of Directors. Subsequent to such time, the membership, by majority vote, shall elect the Representative.

IX COMMITTEES

1. The standing committees of the Association shall be:

The Nominating Committee(s)
The Maintenance Committee
The Architectural Review Board ("ARB")

Each Committee, other than the ARB, shall consist of a chairman and two (2) or more members and shall include a member of the Board of Directors. The Committees (except the ARB) shall be appointed by the Board of Directors within thirty (30) days after each annual meeting of the Board of Directors to serve until the succeeding committee members have been appointed. The Board of Directors may appoint such other committees as it deems advisable.

2. The Nominating Committee shall have the duties and functions described by these By Laws.

3. The Maintenance Committee shall advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of properties in Water Oak, and shall perform or seek the performance of such other functions as the Board, in its discretion, determines.

4. The ARB shall be appointed, shall serve, and shall have the duties and functions described in the Declaration of Covenants for Water Oak. A party aggrieved by a decision of the ARB shall have the right to make a written request to the Board of Directors, within thirty (30) days of such decision, that the Board review such decision. The determination of the Board upon reviewing such decision of the ARB shall in all events be dispositive.

5. The Maintenance Committee and other committees appointed and so empowered by the Board of Directors (but not the Nominating Committee or the ARB) shall have the power to appoint subcommittees from among their membership and may delegate to any such subcommittee any powers, duties and functions.

6. It shall be the duty of each committee to receive complaints from members on any matter involving Association functions, duties and activities within its scope 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.

X. BOOKS AND PAPERS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to the inspection of any members.

XI SEAL

The Association shall have a seal in circular form, having within its circumference the words: WATER OAK PROPERTY OWNERS' ASSOCIATION, INC., corporation not for profit, 19____, Florida.

XII AMENDMENTS

These By Laws may be altered, amended or rescinded by majority vote of the Directors present at a duly constituted meeting of the Board of Directors except that no amendment affecting Developer shall be effective without Developer's written consent. Any amendment with respect to Article VIII(2) of the By Laws shall require the written consent of the Developer, which may be withheld for any reason whatsoever.

CERTIFICATE

The foregoing were adopted as the By Laws of Water Oak Property Owners' Association, Inc., a corporation not for profit under the laws of the State of Florida, on _____, 19____.

Secretary

President

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