BY-LAWS
OF
INDIGO LAKES MASTER ASSOCIATION, INC.

(A Corporation Not-for-Profit Under the Laws of the State of Florida)

1.0 GENERAL PROVISIONS.

1.1 Identity. These are the By-Laws of Indigo Lakes Master Association, Inc., a corporation not-for-profit, under the laws of the State of Florida (hereinafter referred to as the "Master Association").

1.2 By-Laws Subject to Other Documents. The provisions of these By-Laws are applicable to the Master Association, and are expressly subject to the terms, provisions, covenants, and conditions contained in the Articles of Incorporation of Indigo Lakes Master Association, Inc., as amended (hereinafter referred to as the "Articles"), and the Master Declaration of Covenants, Conditions and Restrictions for Indigo Lakes, as amended (hereinafter referred to as the "Declaration).

1.3 Applicability. All Lot and Tract Owners, their respective families, invitees, guests, and lessees, are subject to these By-Laws, the Articles and the Declaration.

1.4 Office. The office of the Master Association shall be at 255 East Drive, Melbourne, Florida 32904 or at any other place designated from time to time by the Master Association.

1.5 Seal. The seal of the Master Association shall bear the name of the Master Association, the word "Florida" the words, "Corporation Not-for-Profit," and the year of incorporation.

1.6 Fiscal Year. The fiscal year of the Master Association shall be the calendar year.

1.7 Definitions. Words and phrases, when used in these By-Laws, shall have the same meaning as defined in the Declaration.

2.0 MEMBERSHIP, VOTING, QUORUM, PROXIES.

2.1 Qualification of Members, Etc. The qualification of Members, the manner of their admission to Membership and termination of such Membership and voting by Members, shall be determined by the provisions set forth in the Articles of Incorporation, the provisions of which are incorporated herein by reference.

2.2 Quorum. Members entitled to cast fifty percent (50%) of the total votes available to be cast by the Members, whether present in person or by proxy, shall be required for and shall constitute a quorum at all meetings of the Members for the transaction of business, except as otherwise provided by law, the Articles or these By-Laws.

2.3 Voting. The votes of a Member shall not be divisible.

2.4 Majority Vote. The acts approved by two thirds (2/3) of the total votes available to be cast by the Members, whether present or by proxy at a meeting at which a quorum shall have been attained shall be binding upon all Members for all purposes, except as otherwise provided by law, the Article or these By-Laws.

3.0 ANNUAL AND SPECIAL MEETINGS OF MEMBERSHIP; PROVISO.

3.1 Annual Meeting. The Annual Meeting of Members shall be held at a time and place that the Board of Directors may designate, for the purpose of electing Directors and of transacting such other business as may be authorized to be transacted by the Members.

3.2 Special Meeting. Special Meetings of Members shall be held whenever called by the President or by two or more members of the Board of Directors. The business conducted at a special meeting shall be limited to the purpose or purposes stated in the notice of the meeting.

3.3 Notice of Meeting: Waiver of Notice. Notice of all meetings of the Members, whether regular or special, shall be given by the President, Vice President, or Secretary of the Master Association, or in the absence of such officers, by any other Officer of the Master Association to each Member unless such notice is waived in writing. Such notice shall be written and shall state the time, place, and purpose or purposes for which the meeting is called. Such notice shall be hand delivered or mailed to each Member not less than ten (10) days nor more than sixty (60) days prior to the date set for such meeting. Notice of a meeting, if mailed, shall be deemed to be properly given when deposited in the United States mail, first class, postage prepaid, and addressed to the Member at its post office address as it appears on the records of the Master Association. Notice of annual or special meetings may be waived by Members before or after the meeting and the attendance of any Member, or person authorized to vote for such Member, shall constitute such Member's waiver of notice of such meeting, except when his (or his authorized representative's) 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.

3.4 Adjourned Meeting. If any meeting of the Members cannot be convened because a quorum is not present, the Members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present. No further notice of the adjourned meeting is required if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, provided, that if, after the adjournment, the Board of Directors, in its sole discretion, fixes a new date for the adjourned meeting other than the date announced at the meeting at which the adjournment is taken, a notice of the adjourned meeting shall be given to each Member not less than ten (10) days nor more than sixty (60) days before the date of the meeting. Except as otherwise provided herein, proxies given for the adjourned meeting shall be valid for newly rescheduled meetings unless revoked.

3.5 Chairman. At meeting of the Members, the President of the Master Association shall preside. In the absence of the President, the Officers of the Master Association shall designate one of their number to preside.

3.6 Order of Business. The order of business at annual meetings of the Members and, so far as practical, at any other meetings of the Members, shall be:

a. Call to order by Chairman;
b. Roll call and quorum determination;
c. Proof of notice of meeting or waiver of notice;
d. Reading of minutes of prior meeting;
e. Reports of Officers, Committees, and employees or agents;
f. Elections;
g. Unfinished business;
h. New business; and
i. Adjournment.

3.7 Minutes of Meeting. The minutes of all meetings of the Members shall be kept in a book available for inspection at any reasonable time by Members of the Master Association or their representatives duly authorized in writing and by Board Members. The Master Association shall retain these minutes for a period of not less than seven (7) years.

4.0 BOARD OF DIRECTORS.

4.1 Membership. The affairs of the Master Association shall be managed by a Board of three (3) members who shall initially be appointed by the Declarant. The number of Board members may be amended by a resolution of the Board of Directors. Until turnover of control of the Association to Members other than the Declarant, the Declarant shall have the right to appoint a majority of the Board.

4.1.1 Nominations. After turnover of control of the Association, nomination for election to the Board of Directors shall be made by a Nominating Committee. The Nominating Committee shall consist of a chairman, who shall be a member of the Board of Directors, and two (2) more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to the annual meeting of the Association, 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, determine. A Member may nominate himself as a candidate for the Board at a meeting where the election is to be held.

4.1.2 Election. Election to the Board of Directors shall be by either open ballot or by secret written ballot, if any Member so chooses. The person receiving the largest number of votes shall be elected, except that a runoff shall be held to break a tie vote. Cumulative voting is not permitted.

4.2 Term. Each member of the Board of Directors shall serve a term of one (1) year or until his successor is appointed and qualified.

4.3 Removal and Replacement. Any Director, except a Director appointed by the Declarant, may be removed from the Board, with or without cause, by a majority of the Members entitled to vote. Until turnover of control of the Association, if the office of any Director becomes vacant for any reason, the Declarant shall appoint a successor Director. After turnover, if the office of any Director becomes vacant for any reason, a majority of the remaining Directors, though less than a quorum, shall promptly choose a successor or successors who shall hold office until the next annual meeting. At the next annual meeting, the Members shall elect a person or persons to fill the remaining unexpired term or terms, if any.

4.4 Organizational Meeting. The organizational meeting of a newly elected Board shall be held within ten (10) days of their election, at such time and at such place and upon such notice as shall be fixed by the Directors.

4.5 Regular Meetings. Regular meetings of the Board shall be held as determined by the Board, at such place and hour as may be fixed from time to time by resolution of the Board. Notice of all meetings shall be posted conspicuously on the Master Association property at least forty-eight (48) hours in advance, except in an emergency. In the alternative, if notice is not posted in a conspicuous place on the property, notice of each Board meeting must be mailed to or delivered to each Member at least seven (7) days before the meeting, except in an emergency. Notice of any meeting in which assessments against Lot or Tract Owners are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessment. Directors may attend all meetings in person or by telephone conference call.

4.6 Special Meetings. Special meetings of the Board may be called by the President, and must be called by the Secretary upon the written request of two-thirds (2/3) of the Members of the Board. Not less than three (3) days' notice of a meeting shall be given to each Director, personally or by mail, which notice shall state the time, place, and purpose or purposes of the meeting.

4.7 Waiver of Notice. Any director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice. Attendance by any director at a meeting shall constitute a waiver of notice of such meeting, 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.

4.8 Quorum. A majority of the directors of the Master Association, duly qualified and holding the office of director, either in person or by telephone conference call, shall be required for and shall constitute a quorum at all meetings of the Board of Directors for the transaction of business, except as otherwise provided by law, the Declaration, the Articles or these By-Laws.

4.9 Adjourned Meetings. If at any meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

4.10 Action by Directors Without a Meeting. Any action which may be taken at a meeting of the directors may be taken without a meeting, provided that consent in writing setting forth the action so to be taken is signed by all of the directors and is filed in the minutes of the proceedings of the Board.

4.11 Presiding Officer. The presiding officer of the directors' meetings shall be the President of the Master Association. In the absence of the President, the directors present shall designate one of their number to preside.

4.12 Order of Business. The order of business at directors meetings shall be:

a. Call to order by presiding officers;
b. Roll call and quorum determination;
c. Proof of notice of meeting or waiver of notice;
d. Reading of minutes of prior meeting;
e. Reports of officers, committees, and employees or agent;
f. Resignations and elections of officers;
g. Unfinished business;
h. New business; and
i. Adjournment.

4.13 Minutes of Meetings. The minutes of all meetings of the Board of Directors shall be kept in a book available for inspection at any reasonable time by Members of the Master Association or their representatives duly authorized in writing and by Board Members. The Master Association shall retain these minutes for a period of not less than seven (7) years.

4.14 Compensation. No director shall receive compensation for serving in such capacity; provided, however, this shall not be constructed to preclude a director from serving the Master Association in any other capacity (other than as an officer) and receiving compensation therefor. The compensation of all employees of the Master Association shall be fixed by the Board of Directors.

4.15 Powers and Duties. Except as otherwise provided herein, by law, in the Declaration, or in the Articles, all of the powers and duties of the Master Association shall be exercised by the Board of Directors.

4.16 Place of Meetings. Notwithstanding anything contained herein to the contrary, any meeting of Members or directors may be held at any place within the State of Florida.

4.17 Proviso. Notwithstanding anything contained herein to the contrary, the directors shall not have the right or authority to do any act or take any actions wherein the same would limit, modify, or abridge the rights, privileges, and immunities of the Developer or of the construction lender or its assigns in the event the construction lender has taken control of the project by foreclosure or deed in lieu of foreclosure, as set forth in the Declaration, the Articles or these By-Laws.

4.18 Committees.

4.18.1 The Board may, by resolution, also create other committees and invest such committee with such powers and responsibilities as the Board shall deem advisable, subject to the limitations of the Florida Statutes.

4.18.2 Notwithstanding anything contained herein to the contrary, an executive committee or any other committee created by the Board of Directors shall not have the power to determine the Common Expenses required for the affairs of the Master Association or to determine the Assessments payable by the Lot and Tract Owners to meet the Common Expenses of the Master Association.

5.0 OFFICERS.

5.1 Generally. The Officers of the Master Association shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected annually by the Board of Directors and who may be peremptorily removed by a majority vote of the directors at any meeting. The Board of Directors may from time to time elect other officers and designate appropriate powers and duties to them. Officers need not be Members or representative of Members. Any person may hold two or more offices, except that of the President shall not also be the Secretary or Vice President.

5.2 President. The President shall be the chief executive officer of the Master Association. He shall have all of the powers and duties which are usually vested in the office of president of a Master Association. The President shall be a member of the Board.

5.3 Vice President. The Vice President shall, in the absence or disability of the President, exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the directors or the President.

5.4 Secretary. The Secretary shall keep the minutes of all proceedings of the directors and the Members. He shall attend to the giving of all notices to the Members and directors and other notices required by law. He shall have custody of the seal of the Master Association and shall affix it to instruments requiring the seal when duly signed. He shall keep the records of the Master Association, except those of the Treasurer, and shall perform all other duties incident to the office of secretary of a Master Association and as may be prescribed by the directors or the President.

5.5 Treasurer. The Treasurer shall have custody of all property of the Master Association, including funds, securities, and evidences of indebtedness. He shall keep books of account for the Master Association in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the Board of Directors for examination at reasonable times. He shall prepare and submit an annual report and such other treasurer's reports as are required by the Board of Directors at reasonable intervals and shall perform all other duties incident to the office of treasurer of a Master Association and as may be prescribed by the directors or the President. All monies and other valuable effects shall be kept

for the benefit of the Master Association in such depositories as may be designated by a majority of the Board of Directors.

5.6 Compensation. No officer shall receive compensation for serving in such capacity; provided, however, this shall not be construed to preclude an officer from serving the Master Association other than as a Director or officer and receiving compensation therefor. The compensation of all employees of the Master Association shall be fixed by the Board of Directors.

5.7 Resignation. Any Officer may resign at any time, by sending written notice of such resignation to the President or Secretary. Unless otherwise specified therein, such resignation shall take effect upon receipt thereof by the President or Secretary. The acceptance of a resignation shall not be required to make it effective.

6.0 FISCAL MANAGEMENT: COMMON EXPENSES.

6.1 The provisions for fiscal management of the Master Association set forth in the Declaration shall be supplemented by the following provisions:

6.2 Budget. The Board of Directors shall from time to time and at least annually, prepare a budget for the Master Association, determine the amount of Assessments payable by the Members to meet the Common Expenses of the Master Association, and allocate and assess such expenses among the Members in accordance with the provisions of the Declaration. In addition to annual operating expenses, the budget may include reserve accounts for capital expenditures and deferred maintenance. The purposes of such accounts shall include, but not be limited to, periodic maintenance, repair, improvements to and replacement of the Common Property and all other property which the Master Association is obligated to maintain. The budget shall be adopted upon a majority vote of the Directors present at a meeting of the Board at which a quorum is attained.

6.3 Assessments. Funds for the payment of Common Expenses shall be assessed against the Members in the proportions or percentages provided in the Declaration. For each year thereafter, the Master Association shall fix the amount and the due date of the annual Assessment. Initially, annual Assessments shall be payable in one annual installment. The Board shall notify the Owners of each Lot or Tract or their representative Neighborhood Association of the amount and the date on which the Assessments are payable and the place of payment of annual Assessments. The Board may authorize payment of annual Assessments on a monthly or quarterly basis, payable in advance on the first day of each month or quarter of the year for which the Assessments are made. If annual budgets are not made as required, the budget shall be presumed to have been made in the amount of the last prior budget, and such Assessments shall continue to be due until changed by an amended budget. In the event the annual Assessments prove to be insufficient, the budget and Assessments may be amended at any time by the Board of Directors. Unpaid Assessments for the remaining portion of the fiscal year for which amended Assessments are made shall be payable within thirty (30) days. Special Assessments, should such be required by the Board, shall be levied in the same manner as hereinbefore provided for regular Assessments, and shall be payable in the manner determined by the Board.

6.4 Depository: Withdrawals. The depository of the Master Association shall be such financial institution or institutions as shall be designated from time to time by the Board of Directors and in which the monies of the Master Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by such persons as are authorized by the Board. Should the Master Association employ a management firm or managing agent, and should in the course of such employment said management firm or managing agent be charged with any responsibilities concerning control of any of the funds of the Master Association, then and in such event, any such agreement with such management firm or managing agent pertaining to the deposit and withdrawal of monies shall supersede the provisions hereof during the term of any such agreement. All sums collected by the Master Association from Assessments or contributions to working capital or otherwise may be commingled in a single fund or divided into more than one fund, as determined by a majority of the Board of Directors.

6.5 Audit. An audit of the accounts of the Master Association may be made from time to time as directed by the Board of Directors. A copy of any audited report received as a result of an audit shall be kept with the Master Association's financial records.

6.6 Fidelity Bonds: Proviso. Fidelity bonds may be required by the Board from all Directors, Officers, employees, and agents of the Master Association handling, controlling, disbursing, or otherwise responsible for the Master Association's funds, and from any contractor handling or responsible for the Master Association's funds. The amount of such bonds shall be determined by the Directors, in accordance with the provisions of the Declaration.

6.7 Fiscal Year. The fiscal year of the Master Association shall begin on the first day of January of each year; provided, however, the Board of Directors, in its sole discretion, is expressly authorized to adopt a different fiscal year.

6.8 Acceleration of Payment of Installments of Assessments. If a Member shall be in default in the payment of an installment upon any Assessment, the Board may accelerate the remaining installments for the fiscal year upon notice thereof to the Member and, thereupon, the unpaid balance of the Assessment shall become due upon the date stated in the notice, but not less than ten (10) days after the delivery of or the mailing of such notice to the Member.

6.9 Accounting Records and Report. The Master Association shall maintain accounting records in the State of Florida, according to the generally accepted accounting practices, consistently applied. The records shall be open to inspection by Members of the Master Association and institutional first mortgagees or their representatives duly authorized in writing at reasonable times. The Master Association shall comply with any applicable financial reporting requirements established by Florida Statutes.

6.10 Application of Payment. All payments made by a Member shall be applied as provided in these By-Laws and in the Declaration or as otherwise determined by the Board.

6.11 Violation by Member: Remedies. In the event of a violation (other than the nonpayment of an Assessment) by a Member of any of the provisions of the Declaration, the Articles, these By-Laws, or any Rules and Regulations adopted pursuant to the same, as the same may be amended or added to from time to time, the Master Association by direction of its Board,

may notify the Member by written notice of said breach, transmitted by mail, and if such violation shall continue for a period of fifteen (15) days from the date of the notice, the Master Association, through its Board, shall have the right to treat such violation as an intentional, inexcusable, and material breach of the Declaration, Articles, these By-Laws, or the Rules and Regulations, and the Master Association may then pursue any remedy available at law or in equity to correct the violation. The offending Member shall reimburse the Master Association for all of its costs, including its reasonable attorneys' fees and court costs incurred in enforcing the Land Use Documents. Any violations which are deemed by the Board to be a hazard to public health or safety may be corrected immediately as an emergency matter by the Master Association, and the cost thereof shall be charged to the Member as a specific item, which shall be a lien against said Lot or Tract with the same force and effect as if the charge was a part of the Common Expenses attributable to such Member.

6.12 Liability of Lot or Tract Owners. All Lot or Tract Owners shall be liable for the expense of any maintenance, repair, or replacement rendered necessary by their act, neglect, or carelessness or by that of any member of his family, or his or their guests, invitees, employees, agents, or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Master Association. Such liability shall include any increase in insurance rates occasioned by such act, neglect, or carelessness. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance companies of rights of subrogation. The expense of any maintenance, repair, or replacement required, as provided herein, shall be charged to said Lot or Tract Owner as a specific item, which shall be a lien against said Lot or Tract with the same force and effect as if the charge was a part of the Common Expenses attributable to such Member.

6.13 No Waiver. The failure of the Master Association or of a Member to enforce any right, provision, covenant or condition, which may be granted by any of the provisions of any of the Articles, Declaration or in these By-Laws, as amended, shall not constitute a waiver of the right of the Master Association or Member to enforce such right, provision, covenant, or condition in the future.

6.14 Acquisition of Lots or Tracts. At any foreclosure sale of a Lot or Tract, the Board may acquire in the name of the Master Association, or its designee, the Lot being foreclosed. The term "foreclosure", as used in this Section, shall mean and include, but not be limited to, any foreclosure of any lien, including a lien for Assessments. The power of the Board to acquire a Lot or Tract at any foreclosure sale shall never be interpreted as a requirement or obligation on the part of the Board or of the Master Association to do so at any foreclosure sale, the provisions hereof being permissive in nature and for the purpose of setting forth the powers of the Board.

6.15 Default in Payment of any Assessments: Lien. In the event of a default by a Member in the payment of any Assessment, the Master Association shall have all rights and remedies as set forth in the Declaration and in addition, all rights and remedies as provided by law. The liability of the Member shall include liability for a late charge to be determined by the Board, all of the Master Association's costs, including reasonable attorneys' fees, and court costs incurred by the Master Association incident to the collection of such Assessment or the enforcement of its lien. Nothing herein contained shall be construed to limit the rights of the

Master Association as provided for in the Declaration, Articles or otherwise in these By-Laws, as amended.

7.0 PARLIAMENTARY RULES; ROBERTS RULES OF ORDER. Parliamentary Rules, Roberts Rules of Order (latest edition) shall govern the conduct of the Master Association proceedings when not in conflict with the Articles, Declaration, By-Laws of this Master Association, as amended, or the laws of the State of Florida.

8.0 AMENDMENTS TO BY-LAWS. These By-Laws may be altered, amended, or rescinded in the same manner as is provided in the Articles of Incorporation for the amendment of said Articles. Provided, however, these By-Laws may be unilaterally amended by the Declarant prior to turnover of control of the Association from the Declarant to Members other than the Declarant, by recording an amendment, signed solely by the Declarant, in the public records of Collier County, Florida.

9.0 INDEMNIFICATION. The Directors and Officers of the Master Association shall be indemnified by the Master Association pursuant to the indemnification provisions of contained in the Articles of Incorporation, which by this reference are incorporated herein and made a part hereof.

10.0 RULES AND REGULATIONS. The Board may, from time to time, adopt or amend previously adopted Rules and Regulations governing the details of the operation, use, maintenance, management, and control of the Master Association Property and any facilities or services made available to the Members.

11.0 CONSTRUCTION.

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

11.2 Severability. Should any of the provisions contained herein (or portion thereof) be void or be or become unenforceable at law or in equity, the remaining provisions of this instrument shall, nevertheless, be and remain in full force and effect.

12.0 CONFLICT. If any irreconcilable conflict should exist, or hereafter arise, with respect to the interpretation of these By-Laws and the Declaration or Article of Incorporation, the provisions of the Declaration or Articles of Incorporation shall prevail.

13.0 CAPTIONS. The captions herein are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of these By-Laws or the intent of any provisions hereof.

14.0 TURNOVER. Members other than the Declarant are entitled to elect at least a majority of the Members of the Board not later than three (3) months after ninety percent (90%) of the parcels in all phases of Indigo Lakes that will ultimately be operated by the Master Association have been conveyed to Members. The Declarant may, in its sole discretion, turn over control of

the Board at an earlier date. For the purposes of this section, the term "Members Other Than the Declarant" shall not include builders, contractors, or others who purchase a parcel for the purpose of constructing improvements thereon for resale.

Witnesses:

Print Name: C. Perry Peepler

Print Name: MATTHEW GRABINSKI

INDIGO LAKES MASTER ASSOCIATION, INC.

By: Kenneth P. Saundry, J

Kenneth P. Saundry, Jr., President

(Corporate Seal)

STATE OF FLORIDA
COUNTY OF COLLIER

I HEREBY CERTIFY that on this day personally appeared before me, an officer duly authorized to take acknowledgments, Kenneth P. Saundry, Jr., as President of Indigo Lakes Master Association, Inc., a Florida corporation not-for-profit, and he acknowledged that the execution hereof was his free act and deed as such President for the uses and purposes herein expressed, that the said instrument is the act and deed of said corporation. He is personally known to me or has produced a Florida driver's license as identification.

WITNESS my hand and official seal in the County and State aforesaid this 1st day of June, 2000.

Notary Public
Printed Name: C. Perry Peeples

(Seal)

My Commission Expires:

C. PERRY PEEPLES
MY COMMISSION # CC 808386
EXPIRES: 03/30/2003
1-800-3 NOTARY Fla Notary Services & Bonding Co

6279v1