

EXHIBIT NO. 2BY-LAWS
OF
BAY POINT GOLF VILLAS I ASSOCIATION, INC.ARTICLE I
NAME AND LOCATION

Section 1. The name of this corporation shall be BAY POINT GOLF VILLAS I ASSOCIATION, INC.

Section 2. The principal place of business shall be located at Delwood Beach Road, Panama City Beach, Florida.

ARTICLE II
PURPOSE

Section 1. This corporation has been organized as a non-profit corporation pursuant to the provisions of Chapter 617, Florida Statutes, for the purpose of operating and managing BAY POINT GOLF VILLAS I pursuant to the provisions of the Florida Condominium Act, Chapter 711, Florida Statutes. The condominium to be operated and managed by this corporation shall be located upon those lands located in Bay County, Florida, as described on Exhibit A which is annexed hereto and hereby made a part hereof.

Section 2. BAY POINT GOLF VILLAS I ASSOCIATION, INC., was duly incorporated in the Office of the Secretary of State of the State of Florida on the 20th day of March, 1973, and its Articles of Incorporation were duly filed in the Office of the Secretary of State of the State of Florida on the 20th day of March, 1973, which Articles of Incorporation are attached to the Declaration of Condominium, as Exhibit 3.

Section 3. These By-Laws shall be attached to the Declaration of Condominium of BAY POINT GOLF VILLAS I to be filed with the Clerk of the Circuit Court in and for Bay County, Florida, as Exhibit 2 thereto, and shall be considered a part thereof.

ARTICLE III
MEMBERS

Section 1. All of the owners of condominium parcels (apartment units) shall be members of the corporation. Upon recording of a deed or by any other means which establish a change of record title to a condominium parcel by operation of law or otherwise, the new owner shall become a member of the corporation and the membership of the prior owner shall be thereby terminated.

Section 2. The owners of individual condominium parcels shall be entitled to a vote in the affairs of the corporation as set forth in the original Declaration of Condominium.

Section 3. No other person or legal entity shall be a member of the corporation or vote in its affairs.

ARTICLE IV
MEMBERS MEETINGS

Section 1. The annual meeting of the members shall be held at 7:00 p.m. Central Standard Time on the third Monday in February of each year at the principal office of the corporation or at such other place as may be set forth in the notice of said meeting in Bay County, Florida. At such meeting the members shall elect Directors to serve until the next annual meeting of the members or until their successors shall be duly elected and qualified and for such other business as may be authorized to be transacted by the members.

Section 2. A special meeting of the members to be held at the same place as the annual meeting or such other place in Bay County, Florida, as may be set forth in the notice of said meeting, may be called at any time by the President, or in his absence, by the Vice President, or by a majority of the Board of Directors. It shall be the duty of the Directors, President or Vice President to call such a meeting whenever so requested by members holding thirty-three (33) percent or more of the voting rights of the corporation.

Section 3. Notice of the time and place of all annual and special meetings shall be mailed by the President or Vice President or Secretary to each member not less than ten days prior to the date of said meeting, to the address of said member as it appears upon the books of the corporation. A certificate of the officer mailing said notice shall be prima facie proof that said notice was given.

Section 4. The President or in his absence, the Vice President shall preside at all annual or special meetings of the membership.

Section 5. A quorum for members' meeting shall consist of persons entitled to cast fifty-one percent (51%) of the votes of the entire membership. In the event that a quorum is not present, the members present at any meeting, though less than a quorum, may adjourn the meeting to a future date.

The execution by any member of a copy of the minutes shall constitute the presence of such member for the purpose of determining a quorum and for the further purpose of validating all of the actions taken at said meeting.

Section 6. Votes may be cast in person or by proxy. All proxies shall be in writing and shall be filed with the Secretary and entered of record in the minutes of said meeting. No proxy shall be valid unless the same is executed by all members owning any interest in the individual condominium parcels.

Section 7. Annual or special meetings of the members may be held at any time or place without notice with the written consent of all members.

Section 8. In the event that any individual condominium parcels owned by more than one person or by a corporation or other entity, the owners of the same shall execute and deliver to the Secretary of the corporation or trustees, as the case may be, designating the person who shall be authorized to cast the vote allocated to such individual condominium parcel. Such certificate shall be valid until revoked by a subsequent certificate. Unless said certificate is filed with the Secretary of the corporation prior to the meeting in which said vote is to be cast, the vote of such owner shall not be considered for the purpose of determining a quorum or for any other purpose.

In the event that the approval or disapproval of the owner of an individual condominium parcel is required upon any subject, whether or not the same is the subject of any meeting, said approval or disapproval shall be executed by the same person who would be entitled to cast the vote of such owner at any corporation meeting.

Section 9. The order of business at all meetings of the members of the corporation where applicable shall be as follows:

- a. Election of chairman of the meeting.
- b. Call of the roll and certifying of proxies.
- c. Proof of notice of meeting or waiver of notice.
- d. Reading or waiver of reading of any unapproved minutes.
- e. Reports of officers.
- f. Reports of committees.
- g. Election of inspectors of election.
- h. Election of directors.
- i. Unfinished business.
- j. New business.
- k. Adjournment.

Section 10. PROVISIO. Provided, however, that until the third Monday in February, 1976, or until the developer elects to terminate its control of the condominium, whichever first occurs, there shall be no meeting of the members of the Association, unless a meeting is called by the Board of Directors of the Association, and should a meeting be called, the proceedings shall have no affect unless approved by the Board of Directors of the Association.

ARTICLE V DIRECTORS

Section 1. The business affairs of the corporation shall be managed by a Board of Directors who shall be elected by the members. Said Board of Directors shall consist of not less than three persons nor more than fifteen. The exact number of directors is to be set at the annual meeting.

Provided, however, that until the third Monday in February, 1976, or until the developer elects to terminate its control of the condominium, whichever shall first occur, all directors shall be designated by the developer and need not be owners of the units in the condominium and may not be removed by members of the Association, as elsewhere provided herein. After the third Monday in February, 1976, or when the developer elects to terminate his control of the condominium, whichever shall first occur, it shall be necessary for a member of the Board of Directors to be an owner of a condominium parcel or an official of any corporation owning an individual condominium parcel, or a trustee of a trust owning a condominium parcel.

Section 2. The original members of the Board of Directors shall be those persons set forth in the Articles of Incorporation and shall hold office until the third Monday in February, 1976, or when the developer elects to terminate his control of the condominium, whichever shall first occur. At the first annual meeting of the members occurring on the third Monday in February, or after the developer elects to terminate his control of the condominium, whichever shall first occur, the directors shall be annually elected by the members at said annual meeting, and such directors shall serve until the next annual meeting or until their successors are duly elected and qualified, or until they are removed in the manner elsewhere provided.

Section 3. In the event of a vacancy occurring in the Board of Directors for any reason whatsoever, prior to the third Monday in February, 1976, or prior to when the developer elects to terminate his control of the condominium, whichever shall first occur, the remaining directors shall elect a person of legal age to serve as a director for the unexpired portion of the term of the former director. In the event of a vacancy occurring in the Board of Directors for any reason whatsoever after the third Monday in February, 1976, or after the developer elects to terminate his control of the condominium, whichever shall first occur, the remaining directors shall elect one of the members to serve as a director for the unexpired portion of the term of the former director.

Section 4. After the third Monday in February, 1976, or after the developer has elected to terminate his control of the condominium, whichever shall first occur, a director may be removed from office with or without cause by a vote of the majority of all condominium parcel owners at any regular or special meeting duly called. At said meeting a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the members shall be given an opportunity to be heard at the meeting.

Section 5. No compensation shall be paid to directors for their services as directors. Compensation may be paid to a director in his or her capacity as an officer or employee or for other services rendered to the corporation outside of his or her duties as a director. In this case, however, said compensation must be approved in advance by the Board of Directors and the director to receive said compensation shall not be permitted to vote on said compensation. The directors

shall have the right to set and pay all salaries or compensation to be paid to officers, employees or agents or attorneys for services rendered to the corporation.

Section 6. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the Directors at the meeting at which such directors were elected and no notice shall be necessary to the newly elected directors in order to legally constitute such meeting, providing a majority of the whole board shall be present.

Section 7. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Board of Directors. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone or telegraph, at least five (5) days prior to the day named for such meeting.

The Directors may establish a schedule of regular meetings to be held in the office of the corporation and no notice shall be required to be sent to said Directors of said regular meetings, once said schedule has been adopted.

Section 8. Special meetings of the Board of Directors may be called by the President on five (5) days notice to each Director, given personally or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least five (5) Directors.

Section 9. Before or at any meeting of the Board of Directors, said Directors may, in writing, waive notice of said meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 10. At all meetings of the Board of Directors, a majority of the Board of Directors shall constitute a quorum for transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called, may be transacted without further notice. The President of the Corporation shall act as Chairman of the Board of Directors and he shall be entitled to vote as a member of the Board of Directors on all questions arising before the Board of Directors.

Section 11. The Board of Directors shall have all the powers vested under common law and pursuant to the provisions of Chapter 617, Florida Statutes, and Chapter 711, Florida Statutes, together with any powers granted to it pursuant to the terms of the Articles of Incorporation of the corporation and the condominium documents, subject only to the approval of the owners of the individual condominium parcels that may be required under these By-Laws, the Articles of Incorporation and the condominium documents.

Such powers shall include but shall not be limited to the following:

- a. Management and operation of Bay Point Golf Villas I and its interests.
- b. To make and collect assessments from members for the purpose of operating and maintaining the condominium and interests.

- c. The maintenance, repair and replacement of the condominium property and interests.
- d. The reconstruction of improvements after any casualty in the further improvement of the property.
- e. The hiring and dismissal of any necessary personnel required to maintain and operate the condominium and its interests.
- f. Power to make and amend regulations respecting the use of the property and the condominium, provided however, that all such regulations and amendments thereto shall be approved by not less than 75% of the votes of the entire membership of the corporation before such shall become effective. Provided further, however, that until the third Monday in February, 1976, or until the developer elects to terminate his control of the condominium, whichever shall first occur, the Board of Directors shall have the authority to make and amend regulations respecting the use of the property in the condominium without the approval of the membership.
- g. To approve and disapprove proposed purchasers, lessees or assignees, sublessees and mortgagees of the condominium parcels in the manner provided in the Declaration of Condominium.
- h. To carry and pay the premium for such insurance as may be required for the protection of the owners of condominium parcels and the corporation against any casualty or any liability to third persons.
- i. To employ a management agent at a compensation established by the Board of Directors and to delegate to such management agent such powers and duties as the Board shall authorize, except those as are specifically required to be exercised by the Board of Directors or the membership.
- j. To enforce by legal means the provisions of the condominium documents, the Articles of Incorporation and the regulations for the use of the property in the condominium.
- k. To pay any taxes or special assessments against any condominium parcel where the same is in default, and to assess the same against the condominium parcel subject to said taxes and liens.
- l. To pay any taxes or special assessments on any condominium parcels acquired by the corporation through the enforcement of any lien held by the corporation against said condominium parcel.

ARTICLE VI OFFICERS

Section 1. The principal officers of the corporation shall be a President, one or more Vice Presidents, a Secretary, and a Treasurer, all of whom shall be elected by and from the Board of Directors. The Directors may appoint an assistant Treasurer and an Assistant Secretary and such other officers as in their judgement may be necessary. The office of the Secretary and Treasurer may be filled by the same person.

Section 2. The officers of the corporation shall be elected annually by the Board of Directors at the annual meeting of each new Board and shall hold office until the next annual meeting of the Board of Directors or until their successors shall be duly elected and qualified except as hereinabove or hereinafter provided.

Section 3. By an affirmative vote of the majority of the vote of the members of the Board of Directors, any officer may be removed, either with or without cause and his successor elected at any regular meeting of the Board of Directors or at any special meeting of the Board called for such purpose.

Section 4. The President shall be the chief executive officer of the corporation. He shall preside at all meetings of the corporation and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of President of a corporation, including, but not limited to, the power of appointing committees among the members from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the corporation.

Section 5. The Vice President shall perform all the duties of President in his absence and such other duties as may be required of him from time to time by the Board of Directors.

Section 6. The Secretary shall issue notices of all Board of Directors' meetings and meetings of the membership and shall attend and keep minutes of the same; he shall have charge of all corporate books, records and papers; he shall be custodian of the corporate seal; he shall attest with his signature and press of the corporate seal all contracts or other documents required to be signed on behalf of the corporation and shall perform all other such duties as are incident to his office. The duties of the assistant secretary shall be the same as those of the Secretary in the absence of the Secretary.

Section 7. The Treasurer shall have the responsibility for corporation funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the corporation. He shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the corporation in such depositories as may from time to time be designated by the Board of Directors. The duties of the Assistant Treasurer shall be the same as those of the Treasurer in the absence of the Treasurer.

Section 8. Any vacancy in the office of President, Vice President, Treasurer, Assistant Treasurer, Secretary or Assistant Secretary, or any other officer or employee for any reason whatsoever may be filled by the Board of Directors who may elect a successor to the vacant office at any regular or special meeting, which successor shall hold office for the balance of the unexpired term.

ARTICLE VII FINANCE

Section 1. The funds of the corporation shall be deposited in such banks or depositories as may be determined by the Board of Directors from time to time, upon resolutions approved by the Board of Directors, and shall be withdrawn only upon checks and demands for monies signed by such officer or officers of the Association as may be designated by the Board of Directors.

Section 2. The fiscal year of the Association shall begin on the first day of January of each year; provided, however, that the Board of Directors is expressly authorized to change to a different fiscal year in accordance with the provisions and regulations from time to time prescribed by the Internal Revenue Code of the United States of America, at such times as the Board of Directors deem advisable.

Section 3. An audit of the accounts of the corporation shall be made annually and a copy of the report shall be furnished to each member not later than June 1st of the year following the year for which the report is made.

Section 4. The Board of Directors of the corporation shall maintain an assessment roll in a set of accounting books in which there shall be an account for each condominium parcel. Each account shall designate the name and address of the owner or owners, the amount of each assessment against the owners, the dates and amounts in which the assessments become due, the amounts paid upon the account, and the balance due upon the assessments.

Section 5. The Board of Directors shall adopt a budget each year for the following calendar year which shall contain estimates of the cost of operating and maintaining the corporation, including the following items:

- a. General expenses to be incurred in connection with the operation of the general common elements, and interests of the condominium, including the apartment building.
- b. A breakdown showing the proposed assessment against each owner for the above expenses.

Copies of the proposed budget and assessment shall be transmitted to each member on or before December 1st preceding the year for which the budget is made. If the budget is subsequently amended before the assessments are made, a copy of the amended budget shall be furnished to each member concerned.

Section 6. The Board of Directors may require that a fidelity bond may be obtained for all officers and employees of the corporation handling or responsible for corporation funds. The amount of such bond shall be determined by the Board of Directors and the premium on such bond shall be paid by the corporation as an item of general expense.

Section 7. All assessments paid by members of the corporation for the maintenance and operation of the condominium shall be utilized by the corporation for the purpose of said assessments. Any excess of monies received from said assessments paid by any members shall be held by the corporation for the use and benefit of the members. Any surplus held by the corporation after the payment of expenses for maintaining and operating the general common elements shall be considered as general surplus and held for the benefit of all members. No distributions of any surplus shall be made in cash to the members at any time.

Section 8. Each member of the corporation shall maintain a working capital deposit with the corporation in a sum equal to the percentage of the member's ownership of the undivided elements multiplied by the sum of the annual insurance premium together with two monthly maintenance and operation assessments, as said insurance premium and monthly maintenance and operation assessment are established in the initial budget of the corporation. Such deposits are assignable but only with transfer of ownership of the unit in accordance with all requirements elsewhere stated.

ARTICLE VIII
AMENDMENTS

Section 1. The Articles of Incorporation of the non-profit corporation may be amended by the members at a duly constituted meeting for such purpose, provided, however, that no amendment shall take effect unless approved by members representing at least 75% of the votes in the condominium as set forth in the Declaration of Condominium.

RULES AND REGULATIONS

Passageways

1. The sidewalks, entrances, passages, vestibules, corridors and halls must not be obstructed or encumbered or used for any purpose other than ingress and egress to and from the premises.

Signs

2. No sign, advertisement, notice or other lettering shall be exhibited, inscribed, painted or affixed by any apartment owner on any part of the outside or inside of any condominium building without the prior written consent of the Association.

Window and Door Treatment

3. No awnings or other projections shall be attached to the outside walls of the buildings, and no blinds, shades or screens shall be attached to or hung in, or used in connection with any window or door of any condominium parcel or any portion of the common elements without the prior written consent of the Association.

Wheel Vehicles

4. No baby carriages, or bicycles shall be allowed to stand in the halls, passageways or public areas of the buildings.

Children

5. Children shall not play in the public halls.

Servant Areas

6. Servants and domestic help of the condominium unit owners may not gather or lounge in the public areas of the buildings or grounds.

Keys and Locks

7. The Association shall retain a pass key to the premises. No condominium parcel owner shall alter any lock or install a new lock or a knocker on any door of the premises without the written consent of the Association or the Association's agent. In case such consent is given, the apartment owner shall provide the Association with an additional key for the use of the Association pursuant to its rights of access to the premises.

Association Employees

8. No servants or employees of the Association shall be sent off the premises by any apartment owner at any time for any purpose.

Trash in Public Areas

9. No apartment owner shall allow anything whatsoever to fall from the window or doors of the premises, nor shall sweep or throw from the premises any dirt or other substance into any of the corridors or halls, ventilators or elsewhere in the buildings or upon the grounds.

Refuse Containers, etc. in Public Areas

10. No garbage cans, supplies, milk bottles or other articles shall be placed in the halls or landings, nor shall anything be hung from the windows, or balconies or placed upon the window sills. Neither shall any linens, cloths, clothing, curtains, rugs or mops be shaken or hung from any of the windows or doors. No fire exits shall be obstructed in any manner.

Nuisances

11. No apartment owner shall make or permit any disturbing noises in the buildings by himself, his family, servants, employees, agents, visitors and licensees, nor do or permit anything by such persons that will interfere with the rights, comforts or conveniences of other apartment owners. No apartment owners shall play upon or suffer to be played upon any musical instrument or radio in the demised premises between the hours of eleven o'clock p.m. and the following eight o'clock a.m. if the same shall disturb or annoy other occupants of the buildings. No apartment owners shall conduct or permit to be conducted vocal or instrumental practice, nor give or permit to be given vocal or instrumental instructions at any time.

Aerials

12. No radio or television installation shall be made without the written consent of the Association. Any aerial erected on a roof or exterior walls of the building without the consent of the Association in writing is liable to removal without notice.

13. Apartments shall be used for residential purposes exclusively. No building or other structure, or part thereof, at any time situate on said land shall be used as a hospital, professional office, sanitarium, church, charitable, religious or philanthropic institution, or for business or manufacturing purpose, or for any use whatsoever other than single family dwelling purposes as aforesaid.

14. No trailers or habitable motor vehicles of any nature shall be kept on or stored on any part of the property. No trucks of any nature shall be parked overnight on the property. No boats or canoes on or off trailers may be parked on any part of the property.

15. Any golfer may retrieve his or her errant golf ball from any yard area so long as destruction of property does not occur. If destruction of property develops into a nuisance, then the golf club and the apartment owners shall reach an agreement for additional covenants or restrictions to control the nuisance but not to the extent that hardships will be placed on either party.

THE FOREGOING WERE DULY ADOPTED AS THE RULES AND REGULATIONS OF BAY POINT GOLF VILLAS I ASSOCIATION, INC., A FLORIDA CORPORATION, NOT FOR PROFIT, AT THE FIRST MEETING OF THE BOARD OF DIRECTORS.

BAY POINT GOLF VILLAS I ASSOCIATION, INC.

BY: [Signature]
President

ATTEST:

BY: [Signature]
Secretary



Section 2. The By-Laws may be amended by the corporation at a duly constituted meeting for such purpose provided, however, no amendment shall take effect unless approved by members representing at least 75% of the total votes in the condominium as set forth in the Declaration of Condominium.

Section 3. The Declaration of Condominium may be amended in accordance with the provisions of the Declaration of Condominium.

Section 4. No amendment to the Articles of Incorporation, the By-Laws or the Declaration of Condominium shall be valid without the written consent of 100% of the members as to the following:

- a. No amendment may be made which in any way changes the percentage of ownership owned by any member of a condominium parcel in the general common elements of the condominium, or which in any way changes or modifies the vote which may be cast by any member or which in any way modifies the percentage of the assessment to be levied against any member for the operation and maintenance of the common elements of the condominium.

Section 5. Before any amendment shall be effective, it shall also be approved by a majority of the members of the Board of Directors.

Section 6. Notice of the subject matter of any proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

Section 7. No amendment to the Articles of Incorporation or the By-Laws of the corporation, or the Declaration of Condominium shall be effective until the same has been recorded with the Clerk of the Circuit Court in and for Bay County, Florida.

THE FOREGOING WERE DULY ADOPTED AS THE BY-LAWS OF BAY POINT GOLF VILLAS I ASSOCIATION, INC., A FLORIDA CORPORATION NOT FOR PROFIT, AT THE FIRST MEETING OF THE BOARD OF DIRECTORS.

BAY POINT GOLF VILLAS I ASSOCIATION, INC.

BY: *Cliff M. Averett Jr.*
President

ATTEST: *Tom P. Molloy*
Secretary

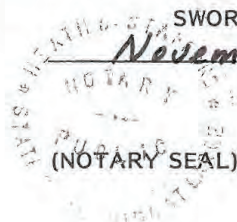


STATE OF FLORIDA

COUNTY OF BAY

BEFORE ME, the undersigned authority, personally appeared *Cliff M. Averett Jr.* and *Tom P. Molloy*, to me well known to be the President and Secretary, respectively, of Bay Point Golf Villas I Association, Inc. who, after being duly cautioned and sworn, depose and said that they executed the foregoing By-Laws for the purposes therein expressed.

SWORN TO AND SUBSCRIBED before me this *6th* day of *November*, 1973.



Keith B. Steppers
Notary Public, State of Florida
My Commission Expires:

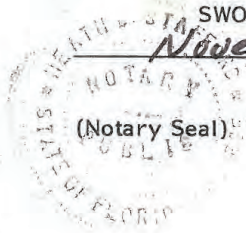
NOTARY PUBLIC, STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES AUGUST 5, 1977
BONDED BY U. S. FIDELITY AND GUARANTY

STATE OF FLORIDA

COUNTY OF BAY

BEFORE ME, the undersigned authority, personally appeared Cliff M. Avenett, Jr. and Tom P. Malloy, to me known to be the President and Secretary of BAY POINT GOLF VILLAS I ASSOCIATION, INC., who, after being duly cautioned and sworn, deposed and said that they executed the foregoing Rules and Regulations for the purposes therein expressed.

SWORN TO AND SUBSCRIBED before me this 6th day of November, 1973.



Heath B. Stepp
Notary Public, State of Florida

My Commission Expires: NOTARY PUBLIC, STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES AUGUST 5, 1975
BONDED BY U. S. FIDELITY AND GUARANTY CO.