

BYLAWS
OF
SHERMAN HILLS SUBDIVISION HOMEOWNERS' ASSOCIATION, INC.

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BYLAWS

of

SHERMAN HILLS SUBDIVISION HOMEOWNERS' ASSOCIATION, INC.

A corporation not for profit
existing under the laws
of the State of Florida

I. PRINCIPAL OFFICE

The initial principal office of the Association shall be located at 15436 North Florida Avenue, Suite 101, Tampa, Florida 33613. The address of the principal office may be changed at the discretion of the Board of Directors.

II. MEMBERSHIP

1. Members. All persons owning a vested present interest in the fee title to a Lot in the community know as "Sherman Hills" in Hernando County, Florida, which interest is evidenced by a duly recorded proper instrument in the Public Records of Hernando County, Florida, shall automatically be Members of this Association; their membership shall automatically terminate as their vested interest in the fee title terminates. Such membership may be evidenced by the issuance of a membership certificate which shall be deemed automatically canceled when the membership it evidences is terminated as provided herein.
2. Voting Rights. Subject to the provisions of the Articles of Incorporation and the Declaration regarding Class B membership, each Lot shall be entitled to one (1) vote at Association meetings and shall have such voting rights as are provided in the Articles of Incorporation and the Declaration. Subject to the provisions of Chapter 617, Florida Statutes, regarding the use of general and limited proxies, any vote may be cast in person or by proxy executed in writing and filed with the Secretary. To be valid, a proxy must be dated, must state the date, time, and place of the meeting for which it is given, and must be signed by the Voting Member for the Lot. A proxy is effective only for the specific meeting for which it was originally given, as the meeting may lawfully be adjourned and reconvened from time to time, and automatically expires ninety (90) days after the date of the meeting for which it was originally given. A proxy is revocable at any time at the pleasure of the person who executes it. If the proxy form expressly so provides, any proxy holder may appoint, in writing, a substitute to act in his place. Any otherwise properly executed proxy which does not appoint a specific person as the proxy holder shall automatically be deemed to designate the President of the Association as the proxy holder.
3. Annual Meeting. The annual meeting of the Members shall be held once each year at such time and place as may be designated by the board of Directors for the purpose of electing Directors of the Association and for the transaction of such other business as may come before the meeting.

4. Special Meetings. Special meetings may be called by the President or by the Board of Directors, or by the Secretary upon the written request of at least fifty percent (50%) of the voting interests of the Members, for any purpose and at any time. Business conducted at a special meeting is limited to the purposes described in the notice of the meeting.

5. Notices. Written notice of annual and special meetings of Members, which shall include an identification of agenda items, shall be provided to Members either personally or by first class mail at least fourteen (14) days prior to the date of the meeting. If mailed, such notice shall be deemed given when deposited in the U.S. Mail addressed to the Owner at his or her address as it appears in the books of the Association. Members may waive notice of any meeting and may act by written agreement without meetings. Attendance of a Member at a meeting shall constitute a waiver of notice of such meeting, except when the Member objects at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened.

6. Quorum and Voting. The presence of thirty percent (30%) of the total number of votes outstanding in Class A and Class B membership combined, in person or by proxy, shall constitute a quorum, and if a quorum is not present, a majority of the voting rights present may postpone the meeting from time to time by announcing the different date, time or place at that meeting before an adjournment is taken, without notice other than such announcement at the meeting, until a quorum shall be present. At any meeting that takes place on account of a previously adjourned meeting, any business that might have been addressed at the meeting as originally called may be addressed. A Member shall be deemed present for purposes of a quorum with respect to any question or election upon which his written and signed proxy shall have been received by the Secretary. A majority vote of the Class A and Class B membership combined, present in person or by proxy, shall decide any question brought before the meeting, except when otherwise required by Chapter 617, Florida Statutes, the Declaration, the Articles of Incorporation, or these Bylaws. Except as otherwise specifically set forth in the Declaration, the Articles of Incorporation or these Bylaws, the Class A and Class B Members shall vote together as one entity on all matters requiring a vote. The vote on any matter at a meeting shall be by secret ballot upon the request of the holder of ten percent (10%) of the votes represented at such meeting and entitled to be cast on such matter if such request is made prior to the vote in question.

7. Designation of Voting Member. If a Lot is owned by more than one Owner, the Member entitled to cast the vote for the Lot shall be designated by a certificate, signed by all of the record Owners of the Lot and filed with the Secretary of the Association. If the Lot is owned by a corporation, partnership or other entity, the officer, partner, agent or employee entitled to cast the vote for the Lot shall be designated by a certificate signed by the duly authorized officer, general partner or other authorized person and filed with the Secretary of the Association. The person designated in such certificate as being entitled to cast the vote for the Lot shall be known as the "Voting Member". Such certificate shall be valid until revoked or until superseded by a subsequent certificate, or until there is a change in the ownership of the Lot concerned. If such a certificate is not on file with the Secretary of the Association for a Lot owned by more than one person or by a corporation, partnership or other entity, the vote of the Lot concerned shall not be considered in determining a quorum, nor for any purpose during any meeting of the Members, except if said Lot is

owned solely by a husband and wife. If a Lot is owned jointly by a husband and wife alone, the following three provisions shall be applicable thereto:

- A. They may, but they shall not be required to, designate a Voting Member.
- B. If they do not designate a Voting Member and if both are present at a meeting but are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to vote on that subject at that meeting. As set forth in Article XII of the Articles of Incorporation, the vote of a Lot is not divisible.
- C. When they do not designate a Voting Member, and only one is present at a meeting, the person present may cast the vote for the Lot, just as though he or she owned the Lot individually, without establishing the concurrence of the absent person.

III. BOARD OF DIRECTORS

1. Powers. The Board of Directors shall have all powers necessary to manage the affairs of the Association and to discharge its rights, duties, and responsibilities as provided in Chapter 617, Florida Statutes, the Declaration, the Articles of Incorporation, and these Bylaws.
2. Number. There shall be three (3) Directors, until the Turnover Date, at which time the Members may vote to provide for at least three (3) but not more than five (5) Directors.
3. Qualification. Each Director shall be a Member, except that during such time as the Declarant has the right to appoint any Directors of the Association pursuant to the Declaration or the Articles of Incorporation, no Director appointed by Declarant need be a Member of the Association. All Directors shall act without compensation.
4. Election and Term. Except as hereinafter provided, the term of each Director shall expire upon the election of a successor at the next succeeding annual meeting of Members. Commencing with the Turnover Date, the two (2) candidates for Director receiving the highest number of votes shall each serve two (2) year terms, and the other elected Director(s) shall each serve a one (1) year term. At each annual meeting of Members thereafter, Directors shall be elected for two (2) year terms to fill the vacancies of those Directors whose terms are then expiring. All Directors shall serve until their respective successors shall have been duly elected and qualified, or until their earlier resignation, disqualification, removal or death. Directors appointed by the Declarant shall serve until their resignation or removal by Declarant.
5. Regular Meetings. An annual meeting of the Board of Directors shall be held immediately after, and at the same place as, the annual meeting of the membership. Additional regular meetings may be held as provided by resolution of the Board.
6. Special Meetings. Special meetings of the Board may be called by the President or a majority of the Directors for any purpose and at any time or place.

7. Telephone Conferences. Directors may attend meetings of the Board of Directors by means of telephone conference, provided that a telephone speaker shall be attached so that the discussion may be heard by all Board members and by any Member present in an open meeting.

8. Notices. Notice of any meeting of the Board shall be mailed by first class mail or delivered to each Director at their respective addresses shown in the Association records at least five (5) days before such meeting, unless notice is waived by such Director. If mailed, such notice shall be deemed given when deposited in the U.S. Mail addressed to the Director at his address as it appears in the records of the Association. Notices of special meetings shall state the purpose thereof. Adequate notice of any meeting of the Board shall specifically incorporate an identification of agenda items. Members are allowed to attend all meetings of the Board.

9. Quorum and Voting. A majority of Directors shall constitute a quorum. If a quorum is not present, a majority of those present may adjourn the meeting from time to time until a quorum is present. In the case of an adjournment of a meeting, no further notice of the adjourned meeting need be given unless otherwise determined by the Board of Directors. At any meeting that takes place on account of a previously adjourned meeting, any business that might have been addressed at the meeting as originally called may be addressed. The vote of a majority of Directors present shall decide any matter before the Board, except as may be otherwise required by the Articles of Incorporation, these Bylaws, or the Declaration. A Director may join by written concurrence in any action taken at a meeting of the Board of Directors, but such concurrence may not be used for the purposes of creating a quorum. Board members utilizing telephone conference calls may be counted toward obtaining a quorum, and may vote over the telephone. Directors may not vote by proxy or by secret ballot at Board meetings. A vote or abstention for each member shall be recorded in the minutes of the meeting.

10. Removal. Any Director appointed by the Declarant may be removed by the Declarant at any time by giving written notice to the Board of Directors, and the vacancy created by such removal shall be filled by appointment by the Declarant. Any Director elected by the Members may be removed by a majority vote of all the voting interests, and the vacancy created thereby shall be filled for the balance of the term of such Director by the election of a new Director at the same meeting.

11. Committees. The Board of Directors may appoint such standing committees as may be necessary, desirable or required pursuant to the provisions of the Declaration, the Articles of Incorporation or these Bylaws, which committees shall exist for such period of time, have such authority, and perform such duties as the Board may, from time to time, determine in its sole discretion.

IV. OFFICERS

1. Number. The officers shall be a President, a Secretary, and a Treasurer, and such other officers as the Board of Directors may designate from time to time by resolution, each of whom shall be elected by the Board of Directors. The offices of President and Secretary may not be held by the same person. All officers shall act without compensation.

2. Election and Term. Each officer shall be elected annually by the Board of Directors at the first meeting of Directors following the annual meeting of Members and shall hold office until a successor shall have been elected and duly qualified, or until such officer's earlier resignation, disqualification, removal or death.
3. President. The President shall be the principal executive officer of the Association and shall supervise all of the affairs of the Association. He shall preside at all meetings of Members and Directors. He shall sign all agreements and recordable instruments on behalf of the Association, unless otherwise provided by resolution of the Board of Directors.
4. Vice President. In the absence of the President, the Vice President, if any, shall perform the duties of the President, and when so acting, shall have all the powers and responsibilities of the President. The Vice President shall also perform such duties as may be designated by the Board of Directors.
5. Secretary. The Secretary may attest to any agreement or recordable instrument on behalf of the Association, but such attestation shall not be required. The Secretary shall record the minutes of meetings of Members and Directors. The Secretary shall have the primary responsibility, but not the exclusive right, to give notices required by these Bylaws, and shall have custody of and maintain the records of the Association, other than those maintained by the Treasurer. The Board of Directors may elect an assistant Secretary, who shall perform the duties of the Secretary when the Secretary is absent.
6. Treasurer. The Treasurer shall have custody of all funds of the Association, shall deposit the same in such depositories as may be selected by the Board of Directors, shall disburse the same, and shall maintain the Association's financial records, which shall be available for inspection by any Member during business hours on any weekday. At the discretion of the Board of Directors, the functions of the Treasurer may be delegated to and performed by a managing agent or financial institution.
7. Fidelity Bonds. The Association may obtain and maintain adequate fidelity bonding of all persons who control or disburse funds of the Association. Such coverage is to be in the form of fidelity bonds which (a) name the Association as an obligee, (b) are written in an amount equal to at least one hundred fifty percent (150%) of the estimated annual operating expenses of the Association as set forth in the adopted budget for the then current fiscal year, and (c) contain waivers of any defense based upon the exclusion of persons who serve the Association without compensation from any definition of "employee" or similar expression. The bonds shall include a provision for ten (10) days written notice to the Association and each servicer of an FNMA owned mortgage in the Community before the bond can be canceled or substantially modified for any reason.
8. Removal. Any officer may be removed, with or without cause, by a majority vote of the Board of Directors present at any meeting of the Board, and the vacancy thereby created shall be filled by an election by the Board of Directors.

V. MANAGER AND EMPLOYEES

The Board of Directors may employ the services of a manager and other employees and agents as they shall determine appropriate to manage, operate, and care for the Community in accordance with the obligations of the Association pursuant to the Declaration, with such powers and duties and at such compensation as the Board may deem appropriate and provide by resolution from time to time. Such manager, employees, and agents shall serve at the pleasure of the Board. Any management agent that handles funds for the Association shall obtain a fidelity bond conforming to the requirements of Article IV, Section 7 hereof.

VI. CONTRACTS AND FINANCES

1. Contracts. In addition to the authority granted herein to the President and Vice President, if any, the Board of Directors may authorize any officer or agent to execute and deliver any contract or other instrument on behalf of the Association.
2. Loans. No loans shall be contracted on behalf of the Association and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors, and, where required by Chapter 617, Florida Statutes, or by the Articles of Incorporation, these Bylaws or the Declaration, said loans or indebtedness have been approved by the Members of the Association.
3. Checks and Notes. All checks, drafts, and other orders for payment of money issued in the name of the Association shall be signed by the Treasurer or such officers or agents of the Association as shall from time to time be authorized by resolution of the Board of Directors. All promissory notes or other evidences of indebtedness of the Association shall be signed by the President.
4. Deposits. All funds of the Association shall be deposited from time to time in the name of the Association in such banks, savings and loan associations, or other depositories as the Board of Directors may select from time to time, and shall be maintained separately in the Association's name.
5. Fiscal Year. Unless otherwise established by resolution of the Board of Directors, the fiscal year of the Association shall begin on the first (1st) day of January of each year.
6. Initial Contribution. At the time of closing, the Association may collect from the initial purchaser of a Lot an initial contribution in an amount equal to one (1) quarterly installment of the annual regular assessment as determined from time to time, which sum shall be in addition to the assessments otherwise due with regard to said Lot.

VII. VACANCIES

A vacancy in the Board of Directors created by the death, disqualification, retirement or resignation of a Director elected by the Members shall be filled for the balance of the term by the

remaining Directors, even though they constitute less than a quorum. A vacancy in the Board of Directors created by the death, disqualification, removal or resignation of a Director appointed by the Declarant shall be filled by the Declarant. A vacancy in any office other than that of a Director created by the death, disqualification, removal or resignation of the person holding such office shall be filled for the balance of the term of the officer by vote of the Board of Directors.

VIII. AMENDMENTS TO BYLAWS

These Bylaws may be altered or repealed only by the affirmative vote of not less than two-thirds (2/3) of each Class of Members of the Association. No bylaw shall be revised or amended by reference to its title or number only. Proposals to amend existing bylaws shall contain the full text of the bylaws to be amended, new words shall be inserted in the text underlined, and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial rewording of bylaw. See bylaw for present text." Nonmaterial errors or omissions in the bylaw process shall not invalidate an otherwise properly promulgated amendment.

IX. REGULATIONS

The Board of Directors may from time to time adopt such uniform administrative rules and regulations governing and restricting the use and maintenance of the Lots and the Community and other property owned or operated by the Association as may be deemed necessary and appropriate to prevent unreasonable interference with the use thereof and to assure the enjoyment thereof by the Owners, residents and guests. Such rules and regulations shall not be inconsistent with the Declaration, the Articles of Incorporation, or these Bylaws. A copy of such rules and regulations shall be made available to each Owner and resident, although the failure to furnish a copy thereof in any instance shall not affect the enforceability of any such rule or regulation.

X. REMEDIES FOR VIOLATION

1. Legal Remedies. In the event of violation of any provisions of the Declaration, the Articles of Incorporation, these Bylaws, or any rules and regulations of the Association, the Association, on its own behalf, may, but is not required to, bring appropriate action to enjoin such violation or to enforce the provisions of such document or sue for damages, or take all such courses of action at the same time, or bring appropriate action for such other legal or equitable remedy as it may deem appropriate. Failure by the Association to enforce any such provision shall in no event be deemed a waiver of the right to enforce later violations. Initiation and conclusion of the hearing procedures described hereinbelow shall not be a condition precedent to an action under this section.

2. Hearing Procedures. In the event of violation of any of the provisions of Declaration, the Articles of Incorporation, these Bylaws, or any rules and regulations of the Association, the Association shall have the right to initiate in-house hearing procedures. These hearing procedures shall constitute a separate remedy for the Association, and they are not a condition precedent to the

remedies described in Section 1 above. In any such hearing procedure the alleged non-complying Owner, resident or guest, or other defendant, shall be given a reasonable opportunity to be heard. Said Owner, resident, guest or other defendant, shall be notified by certified mail, return receipt requested, or by hand delivery, of any hearing before a committee of at least three members appointed by the Board of Directors who are not officers, directors, or employees of the Association, or the spouse, parent, child, brother or sister of an officer, director, or employee at least fourteen (14) days in advance of such hearing. The notice shall include:

- A. A statement of the date, time and place of the hearing.
- B. A statement of the provisions of the document which have allegedly been violated; and
- C. A short and plain statement of the matters asserted by the Association.

The party against whom a remedy may be levied shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge, and respond to any material considered by the committee. At the conclusion of testimony, the committee shall deliberate the evidence. By a majority vote, the committee shall determine whether a violation has occurred. If the committee concludes that a violation has taken place, it shall have the right to elect any one or a combination of the following remedies:

- (1) Reprimand the appropriate party;
- (2) Levy a fine not in excess of \$50.00, however a fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing, provided that no such fine shall in the aggregate exceed \$1,000.00.
- (3) Authorize the initiation of action under Section 1 above.

3. Cumulative. The remedies contained in this Article are in addition to and not in lieu of other remedies otherwise provided by law.

4. Costs. In the event that the Association is the prevailing party in any action brought pursuant to Section 1 above, or in the event that the committee determines that a violation has occurred pursuant to Section 2 above, then all costs and expenses incurred by the Association in such enforcement action(s), including without limitation filing and service of process fees, and attorneys' fees and costs incident to the proceeding, before trial, during trial, upon any appeal and in any post judgment proceedings shall be paid to the Association by the Owner, resident, guest or other defendant, determined to be in violation.

XI. SEAL

The Board of Directors shall obtain a corporate seal, circular in form, showing the corporate name, the year and state of incorporation, and the words "corporation not for profit."

XII. COLLECTION OF ASSESSMENTS

Assessments for the payment of Operating Expenses shall be levied annually by the Board of Directors in the manner provided in the Declaration. Each Lot's annual assessment shall be due and payable in advance to the Association on the first day of each quarter of each fiscal year. Special assessments may be levied in the manner provided in the Declaration.

XIII. RIGHTS OF LENDERS

1. Upon written request to the Association, identifying the name and address of the holder, insurer or guarantor and the Lot number or address, any mortgage holder, insurer or guarantor shall be entitled to timely written notice of:
 - A. Any condemnation or casualty loss that affects either a material portion of the Community or the Lot securing its mortgage.
 - B. Any sixty (60) day delinquency in the payment of assessments or charges owned by the Owner of any Lot on which it holds the mortgage.
 - C. A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association.
 - D. Any proposed action that requires the consent of a specified percentage of mortgage holders.
2. The Association shall make available to Owners and lenders, and to holders, insurers or guarantors of any first mortgage, current copies of the Declaration, these Bylaws, other rules concerning the Community, and the books records and financial statements of the Association for inspection, upon request, during normal business hours or under other reasonable circumstances.
3. Any holder of a first mortgage is entitled, upon written request, to a financial statement for the immediately preceding fiscal year.

XIV. CERTIFICATE OF COMPLIANCE

A certificate of compliance from a licensed electrical contractor or electrician may be accepted by the Association's Board of Directors as evidence of compliance of the Lots to the applicable fire and life safety code.

XV. CONTROL OF CONFLICT

In the event of any conflict between the Articles of Incorporation and these Bylaws, the Articles of Incorporation shall control, and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

XVI. ACCOUNTING RECORDS: FISCAL MANAGEMENT

The Association shall use a cash basis method of accounting and shall maintain accounting records in accordance with generally accepted accounting practices. Such records shall be open to inspection by Members and Institutional Mortgagees or their respective authorized representatives at reasonable times. Such authorization as a representative of a Member or an Institutional Mortgagee must be in writing and signed by the person giving the authorization and date within sixty (60) days of the date of the inspection. Written summaries of the accounting records shall be available at least annually to the Members. Such records shall include, but not be limited to, (i) a record of all receipts and expenditures; and (ii) an account for each Lot which shall designate the name and address of the Owner thereof, the amount of regular and special assessments charged to the Lot, the amounts and due dates for payment of same, the amounts paid upon the account, and the balance due.

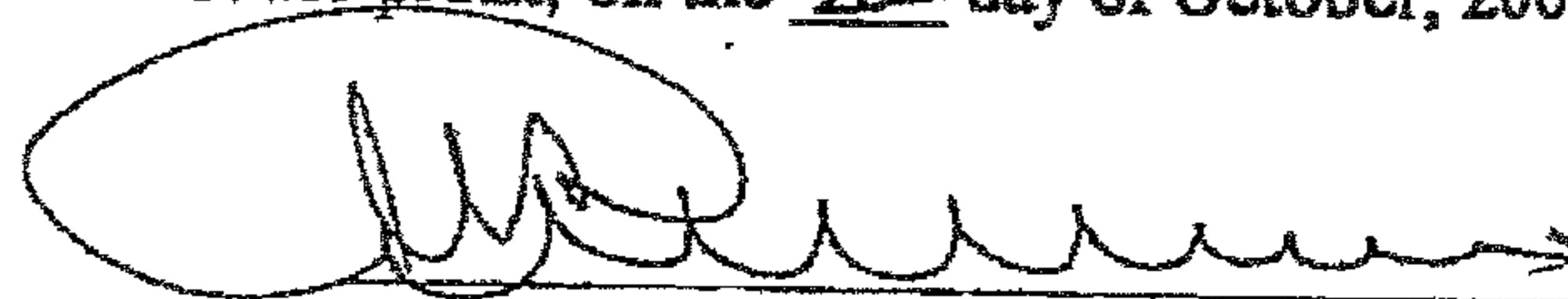
No Board shall be required to anticipate revenue from regular and special assessments or expend funds to pay for Operating Expenses not budgeted or which shall exceed budgeted items, and no Board is required to engage in deficit spending.

XVII. BOOKS AND RECORDS

Subject to the provisions of Article XVI above, the books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member or such Member's authorized representative. The Declaration, the Articles of Incorporation and the Bylaws shall be available for inspection by any Member at the principal office of the Association, or such other address as the Board of Directors may from time to time designate, and copies may be obtained at a reasonable cost to the Member requesting same.

CERTIFICATE

The foregoing were adopted as the Bylaws of SHERMAN HILLS HOMEOWNERS' ASSOCIATION, INC., a Florida corporation not for profit, on the 20th day of October, 2001.



Victor R. Fransen.

SECRETARY OF THE ASSOCIATION

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ARTICLES OF INCORPORATION

OF

SHERMAN HILLS SUBDIVISION HOMEOWNERS' ASSOCIATION, INC.
a Florida Corporation not for Profit

In compliance with the requirements of Chapter 617, Florida Statutes (2001), the undersigned has this day voluntarily executed these Articles of Incorporation for the purpose of forming a corporation not for profit and does hereby certify:

ARTICLE I

Name of Corporation

The name of this corporation is: SHERMAN HILLS SUBDIVISION HOMEOWNERS' ASSOCIATION, INC.

ARTICLE II

Principal Office and Registered Agent

The principal office of the Association is located at 15436 North Florida Avenue, Suite 101, Tampa, Florida 33613.

The Registered Agent of the Association is W. PARKINSON MYERS, whose address is 15436 North Florida Avenue, Suite 101, Tampa, Florida 33613.

ARTICLE III

Purpose

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for the operation, maintenance and preservation of the community known as "Sherman Hills" in Hernando County, and to provide, according to the provisions of the Declaration of Covenants, Conditions and Restrictions of Sherman Hills (the "Declaration")(unless otherwise defined herein, all capitalized terms shall have the meaning ascribed in the Declaration) recorded or to be recorded in Hernando County, Florida, for the promotion of the health, safety, and welfare of the residents within the Community, and in furtherance of these purposes to:

A. Exercise all of the powers and privileges and perform all of the duties and obligations of the Association as set forth in the Declaration, as the same may be amended from time to time, the provisions of said Declaration being incorporated herein by reference as though set forth in their entirety herein; and

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B. Have and exercise any and all powers, rights, and privileges which a corporation organized under Chapter 617, Florida Statutes, may now or hereafter have or exercise.

The Association is organized and shall be operated exclusively for the purposes set forth above. The activities of the Association will be financed by regular and special assessments against Members as provided in the Declaration and no part of any net earnings of the Association shall inure to the benefit of any Member.

ARTICLE IV
Members

The Declarant and every person or entity who is a record Owner of a fee or undivided fee interest in any Lot in the Community shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to, and may not be separated from ownership of any Lot.

Transfers of membership in the Association shall be made on the books of the Association and shall be established by recording among the Public Records of Hernando County, Florida, a deed or other instrument establishing or transferring fee simple title to a Lot. Thereupon the transferor's membership in the Association shall automatically terminate.

ARTICLE V
Duration

The period of duration of this Association shall be perpetual.

ARTICLE VI
Subscriber

The name and address of the subscriber to these Articles of Incorporation is:

W. PARKINSON MYERS

15436 North Florida Avenue, Suite 101
Tampa, Florida 33613

ARTICLE VII
Directors

The affairs and property of this Association shall be managed and governed by a Board of Directors composed of not less than three (3) nor more than five (5) persons who shall be

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Members of the Association except as provided below. The first Board of Directors shall have three (3) members, and in the future that number will be determined from time to time in accordance with the provisions of the Bylaws.

The names and addresses of the persons who are to act in the capacity of Directors until the election and qualification of their successors are:

<u>Name</u>	<u>Address</u>
W. Parkinson Myers	15436 N. Florida Avenue, Suite 101 Tampa, Florida 33613
Victor R. Fransen	8221 Old Courthouse Road, Suite 204 Vienna, Virginia 22182
Marc C. Hutchinson	8221 Old Courthouse Road, Suite 204 Vienna, Virginia 22182

These first members of the Board, who have been appointed by the Declarant, need not be Members of the Association and shall be the Board of Directors of the Association until the Turnover Date more particularly described in Article XII hereof. Thereafter, the Association Members shall elect Board members in accordance with the provisions of the Bylaws.

The Declarant shall have the right to appoint, designate, elect and replace all members of the Board of Directors, provided, however, the Declarant shall relinquish this right and shall cause the members of the Board of Directors appointed, designated, and elected by it to resign on the Turnover Date.

ARTICLE VIII Officers

The officers of this Association shall be a President, who shall at all times be a member of the Board of Directors, a Secretary, a Treasurer, and such other officers as the Board may from time to time by resolution determine. The election of officers shall take place at the first meeting of the Board of Directors which shall follow each annual meeting of the Members. The names of the officers who are to serve until the first election or appointments are:

W. Parkinson Myers	President and Treasurer
Victor R. Fransen	Secretary

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ARTICLE IX
Liability

No officer, Director or Member of the Association shall be or become personally liable for any debt or other obligation of this Association except as specifically provided in the Declaration, these Articles of Incorporation or the Bylaws.

ARTICLE X
Indemnification

Every Director and officer of the Association, and every Member of the Association serving the Association at its request, shall be indemnified by the Association against all expenses and liabilities, including reasonable attorneys' fees, reasonably incurred by or imposed upon such Director, officer or Member in connection with any proceeding or any settlement of any proceeding to which such person may be a party or in which such person may become involved by reason of being or having been a Director or officer of the Association or by reason of serving or having served the Association at its request, whether or not such person is a Director or officer or is serving at the time the expenses or liabilities are incurred; provided that in the event of a settlement before entry of judgment, and also when the person concerned is adjudged guilty of willful misfeasance or malfeasance in the performance of duties, the indemnification shall apply only when the Board of Directors approves the settlement and reimbursement as being in the best interests of the Association. The foregoing right of indemnification shall be in addition to and shall not be exclusive of all other rights to which that person may be entitled.

ARTICLE XI
Bylaws

The Bylaws of the Association may be made, altered or rescinded at any annual meeting of the Members of the Association, or at any special meeting of the Members called for such purpose, on the affirmative vote of seventy-five percent (75%) of the Members, except that the initial Bylaws of the Association shall be made and adopted by the Board of Directors.

ARTICLE XII
Voting Rights

A. The Association shall have two (2) classes of voting Members as follows:

Class A. Class A Members shall be all Owners, including the Declarant, who shall be entitled to one (1) vote for each Lot owned.

Class B. The Class B Member shall be the Declarant, which shall be entitled to the number of votes equal to the total votes outstanding in Class A plus one (1). The Class B

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membership shall cease on the happening of any of the following events, whichever occurs first (the "Turnover Date"):

(1) Three (3) months after ninety percent (90%) of the Lots in all phases of the Community that will ultimately be operated by the Association have been conveyed to Owners other than the Declarant; or

(2) At any time the Declarant shall elect, in its sole discretion, to terminate the Class B membership; or

(3) The date exactly twenty-five (25) years after the recording date of the Declaration.

A. The Declarant is entitled to elect at least one member of the Board of Directors of the Association as long as the Declarant holds for sale in the ordinary course of business at least five percent (5%) of the Lots in the Community.

B. When more than one person or entity holds an undivided fee interest in any Lot, all such persons or entities shall be Class A or Class B Members, as appropriate, and shall enjoy full membership rights, privileges and obligations as set forth herein, and the vote for such Lot shall be exercised as they, among themselves, determine, but in no event shall more than one (1) vote be cast with respect to any one Lot.

ARTICLE XIII Termination

The Association may be dissolved with the assent given in writing and signed by the holders of not less than seventy-five percent (75%) of the total number of votes outstanding in each Class of membership. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for the purposes similar to those for which this Association was created. In the event such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes, or distributed to the Members as appurtenances (if real property or any interest therein) to the Lots, subject to any and all applicable liens and encumbrances and restrictions of record. However, in the event of a dissolution of the Association other than incident to a merger or consolidation, the property within the Community consisting of the surface water management system shall be conveyed to an appropriate agency of local government, and, if not accepted by such agency of local government, the surface water management system shall be dedicated to a similar non-profit corporation. This Article XIII is expressly made subject to the applicable provisions of Chapter 617, Florida Statutes, as it exists on the date of any such dissolution.

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ARTICLE XIV
Amendment

Proposals for the alteration, amendment or recision of these Articles of Incorporation may be made by any of the following methods:

A. The following process:

(1) The Board of Directors shall adopt a resolution setting forth the proposed amendment and directing that it be submitted to a vote at a meeting of the Members, which may be either the annual meeting or a special meeting.

(2) Written notice setting forth the proposed amendment with new language underlined and deleted language lined through, or if the amendment is so extensive as to make underlining and lining through too complicated to clearly show the proposed changes, by a summary of the changes to be effected thereby, shall be given to each Member within the time and in the manner provided in the Bylaws for the giving of notice of meetings of Members (the "Required Notice").

(3) At the duly called meeting, a vote of the Members shall be taken on the proposed amendment. The proposed amendment shall be adopted upon receiving the affirmative vote of seventy-five percent (75%) of the total votes outstanding in each Class of membership. Any number of amendments may be submitted to the Members and voted upon them at one meeting; or

B. The Members may, without action by the Board, amend these Articles by an affirmative vote of two-thirds (2/3) of the total votes outstanding in each Class of membership at a duly called meeting for which the Required Notice has been given; or

C. An amendment may be adopted by a written statement signed by all Directors and all Members setting forth their intention that an amendment to the Articles be adopted.

No amendment may be made to these Articles which shall in any manner reduce, amend, affect or modify the terms, conditions, provisions, rights and obligations set forth in the Declaration.

A copy of each amendment shall be filed with and certified by the Secretary of State of the State of Florida.

Notwithstanding anything to the contrary contained herein, there shall be no amendment to these Articles which shall abridge, amend or alter the rights of the Declarant, including, but not limited to, the right to designate and select the Directors as provided in Article VII hereof, without the prior written consent thereof by the Declarant, nor shall there be any amendment to these Articles which shall abridge, alter or modify the rights of any Institutional Lender.

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IN WITNESS WHEREOF, the undersigned subscriber has executed these Articles of Incorporation this 2nd day of October, 2001.

W.P.M.
W. PARKINSON MYERS

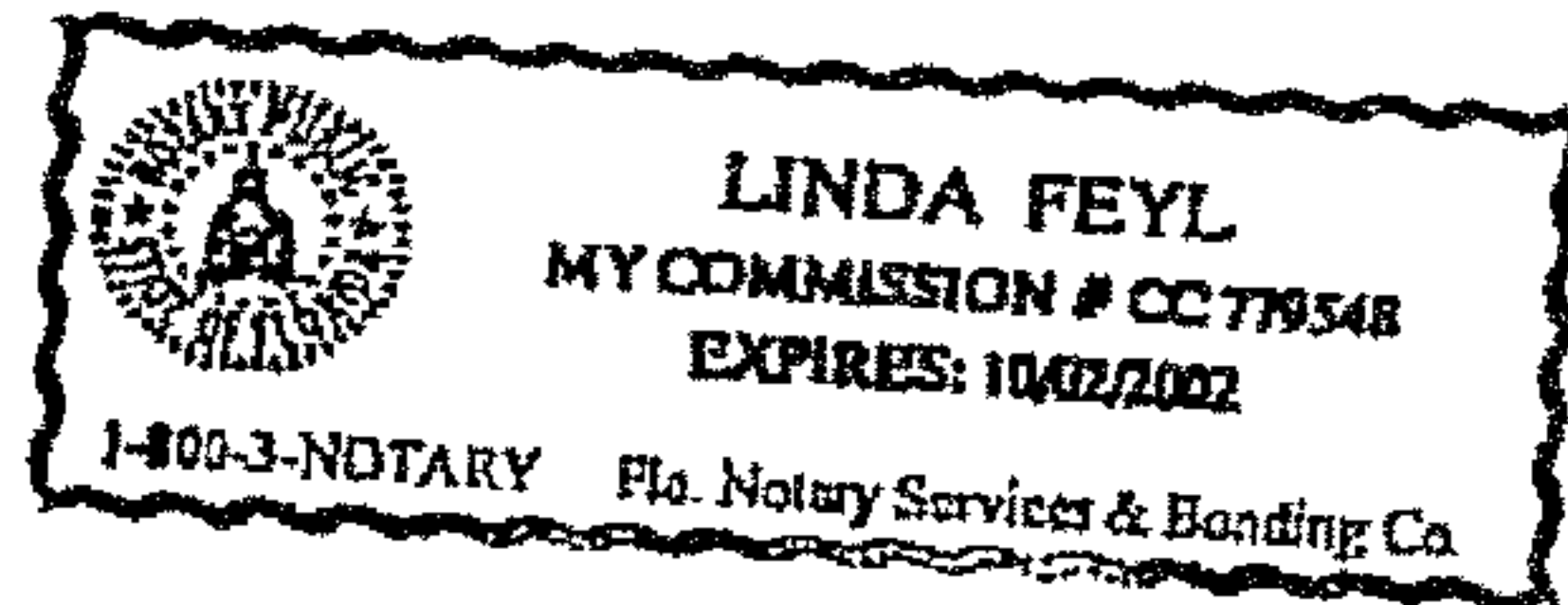
STATE OF FLORIDA
COUNTY OF HILLSBOROUGH

The foregoing instrument was acknowledged before me this 2nd day of OCTOBER, 2001, by W. PARKINSON MYERS, who is personally known to me ~~or who has produced~~ as identification.

Linda Feyl
Signature of Notary Public

LINDA FEYL
Printed Name of Notary Public

My Commission Expires:



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**CERTIFICATE DESIGNATING REGISTERED AGENT
AND STREET ADDRESS FOR SERVICE OF PROCESS
WITHIN FLORIDA**

Pursuant to Section 48.091, Florida Statutes, Sherman Hills Subdivision Homeowners' Association, Inc., a Florida corporation not for profit, desiring to organize under the laws of the State of Florida, hereby designates W. PARKINSON MYERS, whose address is 15436 North Florida Avenue, Suite 101, Tampa, Florida 33613, as its Registered Agent to accept service of process within the State of Florida.

ACCEPTANCE BY REGISTERED AGENT

Having been named Registered Agent and designated to accept service of process for the above named corporation, at the place designated herein, I hereby agree to act in this capacity, and I further agree to comply with the provisions of all statutes relative to the proper and complete performance of my duties as Registered Agent.

Dated the 2nd day of October, 2001.

W. Myers
W. PARKINSON MYERS