

EXHIBIT 11 TO PROSPECTUS

BY-LAWS OF LAGO GRANDE HOMEOWNERS' ASSOCIATION,
INC.

REC 114115 320

BY-LAWS
OF
LAGO GRANDE HOMEOWNERS' ASSOCIATION, INC.

ARTICLE I

DEFINITIONS

1.1 Association shall mean the LAGO GRANDE HOMEOWNERS' ASSOCIATION, INC.

1.2 Declaration shall mean the Declaration of Covenants and Restrictions for the LAGO GRANDE HOMEOWNERS' to be recorded among the Public Records of Dade County, Florida.

1.3 Articles shall mean the Articles of Incorporation for LAGO GRANDE HOMEOWNERS' ASSOCIATION, INC.

1.4 All definitions contained in the Declaration are incorporated herein by reference.

ARTICLE II

OFFICES

The principal office of the Association shall be at 2570 West 67th Place, Hialeah, Florida 33012, or such other place in Dade County, Florida as the Board of Directors may from time to time determine.

ARTICLE III

MEMBERS AND MEMBERSHIP MEETINGS

3.1 Members. Only record owners of fee interests in a Unit may be members of the Association, and every such record owner shall be a member. When the ownership of a fee interest in a Unit changes, the previous Owner's membership shall terminate and the new Owner's membership shall begin. Within ten (10) days of receipt of the instrument transferring title to him, the new Owner shall give the Association a copy of such instrument.

3.2 Transfer of Membership. A member's share in the assets of the Association and the right to membership are transferrable only as an appurtenance to a Unit.

3.3 Vote. The Owners of each Unit shall be entitled to one combined vote at members' meetings. The vote for each Unit owned by two or more persons shall be cast by one of its owners who has been designated as the "Voting Member" in a signed certificate filed with the Association. If a Unit is owned by a corporation or other type of entity, the entity shall designate one of its officers, directors, shareholders partners or other person appropriate to that type of entity as the Voting Member. If a husband and wife own a Unit, no Voting Member need be designated and either spouse may cast that Unit's vote. No Voting Member may vote during any period in which the assessment for his Unit is past due or during any period during which the owners of his Unit are in violation of any Association rules and regulations.

3.4 Annual Meeting. The annual members' meeting shall be held at 7:30 p.m. on the first Wednesday in October which is not a legal holiday. The first annual meeting shall be held in 1982. At annual meetings, officers shall give reports, elections of directors shall take place, a budget shall be adopted and the assessments for the next year determined and any other members' business property presented to the meeting shall be transacted.

3.5 Special Meetings. Special meetings of the members may be called by any officer, a majority of the Board of Directors or by one-third of the Voting Members.

3.6 Notice and Place of Meetings. Notice of all members meetings shall be given by the Secretary and shall state the time, place and purpose of the meeting. Unless notice is waived in writing, notice shall be sent to each member at his address as it appears on the books of the Association.

Notice shall be sent by regular mail or shall be delivered by hand at least 10 days prior to the date the meeting is to be held. Proof of such mailing or delivery shall be by affidavit of the person who mailed or delivered it. Notice of the meeting may be waived before, during or after meetings by the signing of a waiver.

3.7 Quorum. A quorum at a members' meeting shall be a majority of the Voting Members whether present in person or by proxy. In the event a quorum is not present at a meeting, then a majority of the Voting Members who are present may either:

(i) Adjourn the meeting to a date which is no later than seven (7) days from the date of the originally scheduled meeting, and at such rescheduled meeting twenty-five percent (25%) of the voting members shall constitute a quorum (and if a quorum is not then present, then those members in attendance may again reschedule the meeting to a time which is not later than seven (7) days from the first rescheduled meeting, and ten percent (10%) of the Voting Members shall then constitute a quorum); or

(ii) Take any authorized action subject to the written approval of a number of Voting Members equal to the difference between the minimum number of Voting Members necessary to constitute a quorum and the number of Voting Members in attendance who voted for such action.

3.8 Action. Unless otherwise stated in these By-Laws, the Declaration or the Articles and unless otherwise required by Statute, the act of a majority of the Voting Members present at a meeting in which a quorum was present shall constitute the act of the entire membership. In no event may any action be taken which would affect the Developer without first obtaining the Developer's written consent thereto. Any action which could under Florida law be taken at a meeting of members may be taken without a meeting if authorized in writing by a majority of all voting members and if thereafter filed with the Secretary of the Association.

3.9 Classes of Members. There shall be two (2) classes of membership, as follows:

(a) Class A. As long as there is a Class B membership, Class A members shall be all Unit Owners other than the Developer. Each Unit whose owners are Class A members shall be entitled to one vote at members' meetings.

(b) Class B. The Developer shall be the only Class B member and shall have one vote for every Unit it owns plus two votes for every Unit whose owners are Class A members. Upon the earlier of the following to occur, the Class B membership shall terminate and the Developer shall be a Class A member with regard to Units it owns.

1. Thirty (30) days after Developer terminates the Class B membership by so notifying the Association in writing; or

2. When the last Unit expected to be constructed is conveyed to a purchaser.

ARTICLE IV

DIRECTORS

4.1 Number. The first Board of Directors shall consist of three persons. The number of Directors may be increased or decreased from time to time by an amendment to these By-Laws, but in no event shall there be less than three directors.

4.2 Members. All Directors elected by the members must be members of the Association.

4.3 Election. Election of the Board of Directors shall be as follows:

(a) Election shall be by a plurality of the votes cast at the members' meeting.

(b) The Developer shall elect all Directors until the earlier of the time when the Developer no longer holds or intends to develop any Unit for sale to customers in the ordinary course or December 31, 1986, whichever first occurs. Within sixty (60) days of the earlier of the aforementioned times, the Developer shall call a special meeting of the members at which time new Directors shall be elected and the Directors elected by the Developer shall resign.

(c) Vacancies caused by death, resignation, incapacity or removal of a Director shall be filled by the remaining Directors who shall appoint a substitute to serve until the election and qualification of successors at the next annual members' meeting. However, as long as the Developer has elected any Director, the Developer shall fill any vacancy in the Board.

4.4 Term. Each Director shall serve until their successors are duly elected and qualified, until they resign or until they are removed.

4.5 Removal of Directors. A Director may be removed from office at a members' meeting upon the affirmative vote of a majority of the Voting Members for any reason deemed by the Voting Members to be in the best interests of the Association; provided, however, before any Director is removed from office, he shall be notified in writing that a motion to remove him will be made and if such Director is present, he or she shall be given an opportunity to be heard at such meeting prior to the vote on his or her removal and provided further that a Director elected or appointed by the Developer may be removed only by the Developer and his successor named only by the Developer.

4.6 Regular Meetings. 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 Directors and the meeting shall be open to all members of the Association. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegraph at least three days prior to the day named for such meeting unless such notice is waived.

4.7 Special Meetings. Special meetings of the Directors may be called by the President or Vice-President and must be called by the Secretary at the written request of one-third of the members of the Board of Directors; not less than three days' notice of the meeting shall be given. Notice shall be given personally, by mail, or by telegraph and shall state the time, place and purpose of the meeting and the meeting shall be open to all members of the Association.

4.8 Quorum. A majority of the Directors shall constitute a quorum at the Directors meeting. The acts of the Board approved by a majority of the Board present at a meeting at which a quorum is present shall constitute the act of the Board of Directors.

4.9 Waiver of Notice. Any Director may waive notice of the meeting before or after the meeting, and such waiver shall be deemed equivalent to his having received notice.

4.10 Presiding Officer. The presiding officer at a Board of Directors meeting shall be the President. In the President's absence, the Directors present shall designate any one of their number to preside.

4.11 Relinquishment of Control. The Developer may relinquish control of the Board of Directors at any time it chooses by calling a special meeting of members for that purpose at which meeting the members shall elect the new Directors.

ARTICLE V

OFFICERS

5.1 Officers. The executive officers of the Association shall be a President who shall be a member of the Board of Directors, a Vice-President, a Treasurer, and a Secretary. The officers shall be elected annually by the Board of Directors and, they each may pre-emptorily be removed by majority vote of the Directors at any meeting. The Board of Directors from time to time shall elect such other officers and assistant officers and shall designate such powers and duties as the Board of Directors shall determine are required to manage the affairs of the Association. The Board of Directors from time to time may eliminate certain of the offices enumerated hereunder and/or assign their functions to an agent. Any two or more offices may be held by the same person.

5.2 President. The President shall be the Chief Executive Officer of the Association. He shall have all of the powers and duties which are usually vested in the office of the President of an Association, including, but not limited to, the power to appoint committees from among the members and to assist in the conduct of the affairs of the Association. He shall preside at all meetings of the Board of Directors and of the members.

5.3 Vice President. The Vice-President, in the absence or disability of the president, shall 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. In the event there shall be more than one Vice-President elected by the Board, then they shall be designated "First" and "Second", etc. and shall exercise the powers and perform the duties of the Presidency in such order.

5.4 Secretary. The Secretary shall send notices of meetings and keep the minutes of all proceedings of the Directors and the members. He shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed. He shall keep the records of the Association, except those of Treasurer and shall perform all of the duties incident to the office of the Secretary of an Association as may be required by the Directors or the President. The Assistant Secretary, if any, shall perform the duties of the Secretary when the Secretary is absent and shall assist the Secretary.

5.5 Treasurer. The Treasurer shall have custody of all the property of the Association, including funds, securities and evidences of indebtedness. He shall keep the assessment rolls and accounts of the members; he shall keep the books of the Association in accordance with good accounting practices; and he shall perform all of the duties incident to the office of Treasurer. The Assistant Treasurer, if any, shall assist the Treasurer.

5.6 Vacancies. A vacancy in any office shall be filled in the manner provided for the election of officers.

ARTICLE VI

DUTIES OF DIRECTORS

The Association shall act through its Board of Directors which shall perform all of the obligations of the Association. These obligations include, but are not limited to, maintaining, repairing, and replacing any property it owns or has assumed the obligation to maintain; procuring insurance on such property; servicing or hiring employees to service the property; collecting and enforcing the collection of assessments needed to provide funds for the Association; keeping records of all Association affairs and presenting a statement thereof to the members at their annual meeting; managing the Association's funds; borrowing money and incurring indebtedness for Association purposes and executing all required documents in connection therewith; enforcing these By-Laws, the Articles of Incorporation and the

Declaration; and adopting and enforcing such Rules and Regulations as it deems necessary.

ARTICLE VII

FISCAL MANAGEMENT

7.1 General. The following shall govern the fiscal management of the Association:

- a. The fiscal year shall be the calendar year.
- b. The cash basis method of accounting shall be used.
- c. All Association income (including assessments) shall be used to pay expenses; the excess shall be held in reserve for future expenses.

7.2 Accounts. Association funds shall be held in such bank and savings accounts as the Board of Directors shall determine from time to time. Withdrawals from such accounts shall be made by checks or withdrawal requests signed by at least two of the officers of the Association.

7.3 Audit. An uncertified audit of the Association's accounts shall be prepared annually by an accountant, an auditor or a certified public accountant and shall be furnished to each member no later than the February 1, following the year to which it applies.

ARTICLE VIII

ASSESSMENTS

8.1 Fixing Assessments. The Owners of each Unit shall be obligated to pay their proportionate part of any annual assessment determined by the Board of Directors in accordance with the following:

- a. The Directors shall prepare a proposed budget which shall include all anticipated Association expenses for the following year including, but not limited to, the costs of:
 1. Maintaining, repairing, replacing (if needed), insuring, and servicing the property it owns or has agreed to maintain.
 2. Paying all taxes on the property it owns.
 3. Paying all utility charges for service rendered to the property it owns or has agreed to maintain.
 4. Hiring employees as needed.
 5. Establishing a contingency reserve for maintenance, repair and replacement.
- b. The budget shall be allocated to each Unit in accordance with the Declaration. Such sum shall be the annual assessment.
- c. The budget shall also set forth any proposed special assessment which shall be allocated equally among the Unit.
- d. The budget shall set forth the due date or dates for the assessments and the date when such assessments will be considered past due.
- e. A copy of the budget shall be furnished to each member at least 30 days before the year to which it applies.

8.2 Liens. If any Assessment is unpaid, the Association may file a Claim of Lien against the Unit whose Owners are delinquent and such lien may

be foreclosed in the same manner as a mortgage. The Association may also bring an action at law against the delinquent Owner personally.

ARTICLE IX

INDEMNIFICATION OF OFFICERS AND DIRECTORS

The Association shall indemnify every Director and every officer of the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon them in connection with any proceeding in which they may become involved by reason of being or having been a Director or officer of the Association, whether or not they are a Director or officer at the time such expenses are incurred. However, if the Director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties, the aforementioned indemnity shall not apply. The indemnification shall apply to any settlement which the Board approves as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all rights of indemnification to which such Director or officer may be entitled by statute or common law.

ARTICLE X

TRANSACTIONS IN WHICH DIRECTORS
OR OFFICERS ARE INTERESTED

No contract or transaction between the Association and one or more of its Directors or officers, or between the Association and any other corporation, partnership, association, or other organization in which one or more of its Directors or officers are Directors or officers or have a financial interest shall be invalid, void or voidable solely for this reason or solely because the Director or officer is present at or participates in the meeting of the Board or committee thereof which authorized the contract or transaction, or solely because his or their votes are counted for such purpose. No Director or officer of the Association shall incur liability by reason of the fact that he is, or may be interested in any such contract or transaction.

ARTICLE XI

PARLIAMENTARY RULES

Robert's Rules of Order (latest edition) shall govern the conduct of meetings of this Association when not in conflict with the Articles of Incorporation or these By-Laws.

ARTICLE XII

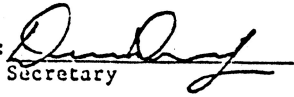
AMENDMENTS

12.1 These By-Laws may be amended in the manner provided in the Articles of Incorporation.

12.2 No modification or amendment to these By-Laws shall be adopted which would affect or impair the validity or priority of any approved mortgage or the rights of the Developer unless such approval has been evidenced by the written consent of an approved Mortgagee or the Developer.

Adopted by unanimous consent of the Board of Directors on 1981.

Attest:


Secretary

(SEAL)