

BY-LAWS OF
LEGACY SQUARE HOMEOWNERS ASSOCIATION, INC., INC.

ARTICLE ONE
Offices

1.1 The address of the Registered Office of the Corporation is 5801 Abercorn Street, Savannah, Georgia 31405, and the name of the Registered Agent at this address is Jerome S. Konter

1.2 Other Place of Business. Branch or subordinate offices or places of business may be established at any time by the Board of Directors at any place or places where the Corporation is qualified to do business.

ARTICLE TWO
Directors

2.1 Subject to these By-Laws, the full and entire management of the affairs and business of the Corporation shall be vested in the Board of Directors, which shall have and may execute all of the powers that may be exercised or performed by the Corporation.

2.2 The Board of Directors shall consist of two (2) members who shall be elected at an Annual Meeting of the Members and serve for a term of one year and until their successors are elected. A majority of said Directors shall constitute a quorum for the transaction of business. All resolutions adopted and all business transacted by the Board of Directors shall require the affirmative vote of a majority of the Directors present at the meeting.

2.3 The Directors may fill the place of any director which may become vacant prior to the expiration of his term, such appointment by the Directors to continue until the expiration of the term of the Director whose place has become vacant.

2.4 The Directors shall meet annually. Special meetings of the Directors may be called at any time by the President or by any two Directors, on two (2) days notice. Notice of any such meeting may be waived by instrument in writing. Attendance in person at such meeting shall constitute a waiver of notice thereof. The signature of any Director approving the minutes of any meeting the Board of Directors, entered thereon, shall be effective to the same extent as if such Director had been present at such meeting. Any meeting of the Board of Directors may be held within or without the State of Georgia at such place as may be determined by the person or persons calling the meeting.

2.5 Any action to be taken at a Meeting of the Directors, or any action that may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all Directors.

ARTICLE THREE

Waiver

3.1 Any notice required by these By-Laws, the Certificate of Incorporation or the law of the State of Georgia may be waived in writing by any person entitled to notice. The waiver or waivers may be executed either before, at or after the event with respect to which notice is waived. Each Director attending a meeting without protesting the lack of proper notice, prior to the conclusion of the meeting, shall be deemed conclusively to have waived such notice.

ARTICLE FOUR

Officers

4.1 At its regular meeting following the Annual Meeting of membership, the Board of Directors shall elect a President and a Secretary. It may elect such other Officers, including one or more Vice Presidents, as it shall deem necessary. One person may hold two or more offices.

4.2 The President shall be the Chief Executive Officer of the Corporation and shall have general and active management of the operation of the Corporation. He shall be responsible for the administration of the Corporation, including general supervision of the policies of the Corporation, general and active management of the financial affairs of the Corporation, and shall execute Deeds to Secure Debt or other contracts under the Seal of the Corporation. He shall only borrow money on behalf of the Corporation pursuant to specific authority from the Board of Directors. The President shall have the authority to institute or defend legal proceedings when the Directors are deadlocked.

4.3 The Vice President shall be charged with the management of the Corporation in the absence of the President with the same duties and powers accorded to the President and shall perform other such functions as directed by the President and the Board of Directors.

4.4 The Secretary shall keep minutes of all meetings of the Members and Directors and have charge of the Minute Books and Seal of the Corporation and shall perform such other duties and have such other powers as may from time to time be delegated to him by the President or the Board of Directors.

4.5 The Treasurer shall be charged with the management of the financial affairs of the Corporation and shall have the power to recommend action concerning the Corporation's affairs to the President.

4.6 Assistants to the Secretary and Treasurer may be appointed by and shall have such duties as shall be delegated to them by the President or the Board of Directors.

4.7 Removal of Officers. The Board may remove any Officer if such action, in the judgment of the Board, is in the best interest of the Corporation. Appointment or election to a corporate office shall not, of itself, establish or create a contractual right.

4.8 The Board, in its absolute discretion, may fill all vacancies in offices, regardless of the cause of such vacancies, for the remainder of the term of the office.

ARTICLE FIVE

Seal

5.1 The Seal of the Corporation shall be in such form as the Board of Directors may from time to time determine. In the event it is inconvenient to use such a seal at any time, the signature of the Corporation followed by the word "Seal" enclosed in parenthesis or scroll, shall be deemed the Seal of the Corporation. The Seal shall be in the custody of the Secretary and affixed by him on the Certificates of Membership and such other papers as may be directed by law, by these By-Laws or by the Board of Directors.

ARTICLE SIX

Amendment to By-Laws and Articles of Incorporation

6.2 These By-Laws and the Articles of Incorporation of the Corporation may be altered, amended or repealed by a vote of 2/3 of the Lot owners within Legacy Square Subdivision. Each Lot shall have one (1) vote without regard to the number of fee simple title holders of the Lot. During such time as Konter Development Company, Inc. controls selection of the Board of Directors of the Association, any amendment to these By-Laws must be approved by the Department of Housing and Urban Development or the Department of Veterans Affairs.

ARTICLE SEVEN

Force and Effect of By-Laws

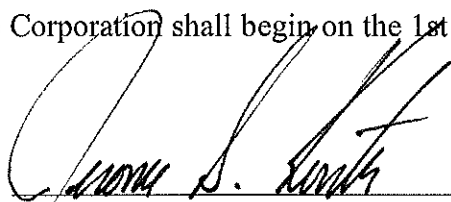
7.1 These By-Laws are subject to the provisions of the laws of the State of Georgia and the Corporation's Articles of Incorporation, as it may be amended from time to time. If any provision of these By-Laws is inconsistent with the provisions of the laws of the State of Georgia,

or the Articles of Incorporation, the provision of the State statute or the Articles of Incorporation shall govern.

7.2 Wherever in these By-Laws references are made to more than one Incorporator or Director, they shall, if this is a sole Incorporator or Director Corporation, be construed to mean the solitary person; in all provisions dealing with the quantum of majorities or quorums shall be deemed to mean the action by the one person constituting the Corporation.

ARTICLE EIGHT
Fiscal Year

8.1 The fiscal year of the Corporation shall begin on the 1st day of January of each year.



Jerome S. Konter, President