

BYLAWS  
OF

AVILA AT PALENCIA MASTER ASSOCIATION, INC.

**I. IDENTITY.**

A. These are the Bylaws of AVILA AT PALENCIA MASTER ASSOCIATION, INC., a non-profit Florida corporation. The Association has been organized for the purpose of administering the operation and management of the Common Property and improvements of AVILA AT PALENCIA in accordance with the Master Declaration of Restrictive Covenants, Conditions, Reservation and Easements for Avila at Palencia (the "Declaration") to be recorded in the public records of St. Johns County, Florida, subjecting the land described in Exhibit "1" thereto to the terms thereof.

B. The provisions of these Bylaws are subject to the provisions of the Articles of Incorporation for Avila at Palencia Master Association, Inc. (the "Articles"). A copy of the Articles and a copy of these Bylaws will be annexed, as exhibits, to the Declaration which will be recorded in the public records of St. Johns County, Florida. The terms and provisions used in the Articles and Declaration shall control wherever the same may conflict herewith and bear the same meaning herein as is given to them in such documents. All capitalized terms used herein have the same meaning herein as is given to them in such documents unless otherwise defined herein.

C. All members of the Association (the "Members") and their invitees, including, without limitation, all present or future Owners and tenants of units in the various phases of Avila at Palencia or any of the facilities thereof in any manner, are subject to these Bylaws, the Articles and the Declaration.

D. The office of the Association shall be at c/o 600 Corporate Drive, Suite 102, Fort Lauderdale, Florida 33334, or at such place as may be established by resolution of the Board of Directors.

E. The fiscal year of the Association shall be the calendar year.

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

**II. MEMBERSHIP, VOTING QUORUM, PROXIES.**

A. The qualification of Members, the manner of their admission to membership and termination of such membership, and voting by Members, shall be, as set forth in the Articles, the provisions of which are incorporated herein by reference.

B. A quorum at meetings of Members shall consist of persons present in person or by proxy entitled to cast thirty-five percent (35%) of the votes of the entire membership. The joinder of a Member in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such a person for the purpose of determining a quorum.

C. The vote of the Owner(s) by more than one (1) natural person, as tenants in common, joint tenants (except a husband and wife, as tenants by the entirety), a partnership, or any other association of natural persons, or by a corporation, a trust, or any other entity shall be cast or otherwise exercised, by one (1) natural person designated by the Owner(s) of such unit as the "Primary Votes" thereof. In each instance where title to any unit is proposed to be conveyed or is otherwise to become vested in more than one (1) natural persons (except a husband and wife, as tenants by the entirety), or a corporation, a trust, or any other entity, the prospective Owner(s) shall, by written instrument signed by all persons and entities who will hold title to the unit, designate one (1) natural person as the Primary Vote. The instrument designating the Primary Vote shall be filed with the Association. The Primary Vote of the unit shall be the only person entitled to cast or exercise, in person or by proxy, the vote of the Owner(s) of such unit at any meeting of Members or in connection with any action concerning which Members of the Association shall be required or allowed to vote or otherwise act.

D. Evidence of the approval or disapproval of the Owner(s) of any unit upon any matter, whether or not the subject of an Association meeting, shall be given to the Association by the same person who would cast the vote of such Owner as if in an Association meeting.

E. Except where otherwise required under the provisions of the Articles, these Bylaws or the Declaration, or where the same may otherwise be required by law, the affirmative vote of a majority of the votes of the membership represented in person or by proxy at any meeting of the Members duly called and at which a quorum is present, shall be binding upon the Members.

F. Votes may be cast in person or by proxy. Proxies may be made by any person entitled to vote and shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting.

G. Voting rights applicable to any unit shall be as set forth in the Articles of Incorporation and Declaration.

### III. ANNUAL AND SPECIAL MEETINGS OF MEMBERSHIP.

A. The annual meeting of Members shall be held, at the office of the Association or such other place in St. Johns County, Florida as may be specified in the notice of the meeting, at 2:00 P.M. on the 1st Tuesday in February of each year for the purpose of electing Directors and of transacting any other business authorized to be transacted by the Members; provided, however, that if that day is a legal holiday, the meeting shall be held at the same hour on the next succeeding business day.

B. Special meetings of Members shall be held whenever called by the President or Vice President or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from Members owning a majority of the units, and must be called by such officers upon written petition calling for recall of one (1) or more Director's by at least ten percent (10%) of the Owners in Avila at Palencia.

C. Notice of all meetings of Members shall be given by the Secretary or, in the absence of the Secretary, another officer of the Association, to each Member (unless waived in writing). Each notice shall be written or printed and shall state the time and place of and purpose for which the meeting is called. Each notice shall be given to each Member not less than thirty (30) days nor more than sixty (60) days prior to the date set for the meeting, and shall be mailed by first class mail or delivered personally to each member. If delivered personally, receipt of the notice shall be signed by the Member, indicating the date received. If mailed, such notice shall be deemed properly given when deposited in the United States mail addressed to the Member at his or her post office address as it appears on the records of the Association, with postage thereon prepaid. Proof of mailing shall be given by the affidavit of the person giving the notice. Any Member, may in writing signed by such Member, waive such notice, and such waiver, when filed in the records of the Association, whether before, at, or after the holding of the meeting, shall be deemed equivalent to the giving of such notice to such Member. If any meeting of Members cannot be held because a quorum is not present, or because a greater percentage of the Membership required to constitute a quorum for particular purposes is not present, wherever the latter percentage of attendance may be required as set forth in the Articles, the Bylaws or the Declaration, the Members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum, or the required percentage of attendance if greater than a quorum, is present. When a meeting is adjourned to another date, time, or place and the date, time, and place to which the meeting is adjourned is announced at the meeting at which the adjournment is taken, no further notice shall be necessary.

D. At meetings of Members, the Chairman of the Board, or in his or her absence, the President, shall preside, or in the absence of both, the Members present shall select a chairman of the meeting.

E. The order of business at annual meetings of Members, and, as far as practical, at other meetings of Members, shall be:

- (1) Calling of the roll and certifying of proxies.
- (2) Proof of notice of meeting or waiver of notice.
- (3) Reading or waiver of reading of minutes of previous meeting of Members.
- (4) Reports of officers.
- (5) Reports of committees.
- (6) Appointment by Chairman of inspectors of election.
- (7) Election of Directors.
- (8) Unfinished business.
- (9) New business.
- (10) Adjournment.

#### IV. BOARD OF DIRECTORS.

A. The Articles control the election, number and qualification of the Board of Directors.

B. The organizational meeting of a newly elected or designated Board shall be held within a reasonable time after their election or designation, at such time and place as shall be fixed at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary, provided, that a quorum shall be present.

C. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegram, at least seven (7) days prior to the day named for such meeting, unless notice is waived. Owners shall have the right to attend all meetings of the Board, but no Owner shall have the right to speak or otherwise participate in the meetings without the permission of the Board.

D. Special meetings of the Board may be called by the President, and must be called by the Secretary at the written request of one-third (1/3) of the Directors. Not less than three (3) days' notice of a special meeting shall be given to each Directors, personally or by mail, telephone or telegram, which notice shall state the time, place and purpose of the meeting.

E. Adequate notice of all meetings of the Board shall be placed conspicuously on the Common Property at least forty-eight (48) hours in advance except in an emergency. Notice of meetings of the Board may be waived only in the event of emergency where circumstances exist which pose such a danger to person or property that prompt action is required. In such event, such notice shall be given as is practical under the circumstances. Any Director may waive notice of a meeting before, at or after the meeting, and such waiver shall be deemed equivalent to the giving of notice.

F. A quorum at meetings of the Board shall consist of the Directors entitled to cast a majority of the votes of the entire Board. The acts of the Board approved by a majority of the votes present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except as may be specifically otherwise provided in the Articles, these Bylaws or the Declaration. If any meeting of the Board cannot be held because a quorum is not present, or because the greater percentage of the Directors required to constitute a quorum for particular purposes is not present, wherever the latter percentage of attendance may be required as set forth in the Articles, these Bylaws or the Declaration, the Directors who are present may adjourn the meeting from time to time until a quorum, or the required percentage of attendance if greater than a quorum, is present. At any adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. No member of the Board may vote by proxy or secret ballot at a meeting of the Board, nor may a Director abstain from voting except in cases of conflict of interest. The Board may take action in meetings by telephone conference or by written agreement as permitted by law.

G. The presiding officer of meetings of the Board shall be the Chairman of the Board, if such officer has been elected, or, if not, the President of the Association. In the absence of the presiding officer, the Directors present shall designate one (1) of their number to preside.

H. All of the powers and duties of the Association shall be exercised by the Board, including those existing under the laws of Florida, the Articles, these Bylaws and the Declaration.

I. The first Board of Directors of the Association shall be comprised of the persons named as such in the Articles, who shall serve until their successors are designated by the Developer or elected at an annual meeting of the Members. Should any member of the first Board be unable to serve for any reason, Developer shall have the right to select and designate a successor to act and serve for the unexpired term of the Director who is unable to serve.

J. Directors who have been elected by Owners other than Developer may be removed from office with or without cause in the following manner:

(1) Upon a written petition calling for the recall or removal of one (1) or more of the members of the Board of Directors, ten percent (10%) of the Owners may call a special meeting of the Owners for that purpose.

(2) The first order of business at the meeting shall be the election of a person to preside over the meeting. The election shall be by vote of the majority of the Owners present at the meeting.

(3) If the petition calls for the recall or removal of more than one (1) member of the Board of Directors, the questions of removal shall be divided as to each recalled member of the Board of Directors upon the request of any one (1) Owner present at the meeting and eligible to vote.

(4) Any member of the Board of Directors who is the subject of the recall petition shall be given a reasonable opportunity to speak at the meeting, prior to the vote on the question of removal.

(5) The vote necessary for removal shall be a majority of all Owners, including those voting by proxy or absentee ballot.

(6) If any member or members of the Board of Directors is removed at the special meeting, the vacancy(ies) shall be filled by the Members of the class entitled to elect such Director(s). If all Directors are removed at the special meeting, an election shall be held at the special meeting to fill the vacancies for the remainder of the term or terms of office. The Members may for such purpose recess or adjourn the meeting for a period not to exceed thirty (30) days, with a call to reconvene for the purpose of the election at a specific date, time and place.

V. ADDITIONAL PROVISIONS - MEETINGS OF MEMBERS AND DIRECTORS.

Notwithstanding anything contained in these Bylaws to the contrary, any meeting of Members of the Board may be held at any place, within or outside the State of Florida, designated in the notice of any such meeting, or notice of which is properly waived.

VI. OFFICERS.

A. The Board shall elect a President, Secretary, Treasurer, and as many Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board shall deem advisable from time to time. The President shall be elected from the membership of the Board, but no other officer need be a Director. The same person may hold two (2) offices, the duties of which are not incompatible; provided, however, that the office of President and Vice President shall not be held by the same person, nor shall the office of President and Secretary or Assistant Secretary be held by the same person. The Board may from time to time elect such other officers, and designate their powers and duties, as the Board may deem necessary to properly manage the affairs of the Association. Officers may be removed from office by the Board.

B. The President shall be the chief executive officer of the Association. He or she shall have all of the powers and duties which are usually vested in the office of President of a corporation not for profit, including, but not limited, to the power to appoint committees from among the Members from time to time, as he or she may in his or her discretion determine appropriate, to assist in the conduct of the affairs of the Association. The President shall have such additional powers as the Board may designate.

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

D. The Secretary shall keep the minutes of all proceedings of the Board and the Members. He or she shall attend to the giving and serving of all notices to the Members and Board, and such other notices as may be required by law. The Secretary shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed. He or she shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of Secretary of a corporation not for profit and as may be required by the Board and the President. The Assistant Secretary shall perform the duties of Secretary when the Secretary is absent.

E. The Treasurer shall have custody of all of the property of the Association, including funds, securities and evidences of indebtedness. He or she shall keep the assessment rolls and accounts of the Members, shall keep the books of the Association in accordance with good accounting practices, and shall perform all other duties incident to the office of Treasurer.

F. The compensation of all officers and employees of the Association shall be fixed by the Board. This provision shall not preclude the Board from employing a Director as an employee of the Association, nor preclude contracting with a Director for the management of the Condominiums.

## VII. FISCAL MANAGEMENT.

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

A. The assessment roll shall be maintained in a set of accounting books in which there shall be an account for each separate unit. Such account shall designate the name and mailing address of the Owner(s), the amount of each assessment against the Owner(s), the due date thereof, all amounts paid, and the balance due upon each assessment. For this purpose the Owner of each unit will be assessed one (1) share.

B. The Board shall adopt for, and in advance of, each calendar year, a budget showing the estimated costs of performing all of the functions of the Association for the year. Each budget shall show the total estimated expenses of the Association for that year and shall contain an itemized breakdown of the Common Expenses. Each budget shall also show the proportionate share of the total estimated expenses to be assessed against and collected from the Owner(s) of each separate unit and the due date(s) and amounts of installments thereof. Copies of the proposed budget and proposed assessments shall be transmitted to each Member on or before January 1 of the year for which the budget is made. If any budget is subsequently amended, a copy shall be furnished each affected Member. Delivery of a copy of any budget or amended budget to a Member shall not affect the liability of any Member for any such assessment, nor shall delivery of a copy of such budget or amended budget be considered as a condition precedent to the effectiveness of the budget and assessments levied pursuant thereto. Nothing herein contained shall be construed as a limitation upon the additional assessment in the event that any budget originally adopted shall appear to be insufficient to pay costs and expenses of operation and management, or in the event of emergencies.

C. A copy of the proposed annual budget of the Association shall be mailed to the Owners of all units not less than thirty (30) days prior to the meeting of the Board at which the budget will be considered, together with a notice of the time and place of the meeting. Such meeting of the Board shall be open to such Owners. If a budget is adopted by the Board which requires assessment of the Owners in any budget year exceeding one hundred fifteen percent (115%) of such assessments for the preceding year, then upon written application of Owners of units that are responsible for at least ten percent (10%) of all assessments, a special meeting of the Owners shall be held upon not less than ten (10) days' written notice to each Owner, but within thirty (30) days of the delivery of such application of the Board or any member thereof, at which special meeting Owners (by a vote of a majority of the Class A members present and voting) may consider only and enact only a revision of the budget. Any such revision of the budget shall require a vote of not less than fifty-one percent (51%) of the whole number of votes of all Members of the Association.

The Board may in any event first propose a budget to the Owners at any such meeting of Members or by writing, and if such budget or proposed budget be approved by a majority of the whole number of votes of all Members, such budget may not thereafter be reexamined by the Owners in the manner hereinabove set forth.

D. In determining whether assessments exceed one hundred fifteen percent (115%) of similar assessments in the prior budget year, there shall be excluded from the computation reasonable reserves made by the Board in respect of repair and replacement of Common Property, or in respect of anticipated expenses by the Association which are not anticipated to be incurred on a regular or annual basis, and there shall be excluded from such computation, assessments or betterments to the Common Property. Provided, however, that so long as Developer is in control of the Board of Directors the Board shall not impose an assessment for a budget year greater than one hundred fifteen percent (115%) of the prior budget year's assessments without approval of a majority of the whole number of votes of all Class A Members.

E. Upon adoption of budgets, the Board shall cause a written copy thereof to be delivered to each Owner. Assessments shall be made against Owners pursuant to procedures established by the Board, and in accordance with terms of the Declaration and the Articles. Owners shall be liable to pay assessments not less often than quarterly. Provided, however, that the lien or lien rights of the Association shall not be impaired by failure to comply with procedures established pursuant to these Bylaws.

F. The depository of the Association shall be such bank or banks as shall be designated from time to time by the Board in which all monies of the Association shall be deposited. Withdrawal of monies from such bank(s) shall be only by checks signed by such persons as are designated by the Board.

G. An accounting of the accounts of the Association shall be made annually by a certified public accountant, and a copy of the report shall be mailed or furnished by personal delivery to each Member not later than April 1 of the year following the year for which the report is made. The report shall show the amounts of receipts by accounts and receipt classifications and shall show the amounts of expenses by accounts and expense classifications.

#### VIII. PARLIAMENTARY RULES.

Roberts' Rules of Order (latest edition) shall govern the conduct of Association proceedings when not in conflict with the Articles, these Bylaws or the laws of Florida.

#### IX. AMENDMENTS TO BYLAWS.

Amendments to these Bylaws may be proposed and adopted in the following manner:



A. Amendments to these Bylaws may be proposed by the Board, acting upon vote of a majority of the Directors, or by Members owning twenty five percent (25%) of the units subject to the Declaration whether meeting as Members or by instrument in writing signed by them.

B. Upon any amendment or amendments to these Bylaws being proposed by the Board or Members, such proposed amendment or amendments shall be transmitted to the President of the Association, or acting Chief Executive Officer in the absence of the President, who shall thereupon call a special meeting of the Members for a date not sooner than twenty (20) days or later than sixty (60) days from receipt by such officer of the proposed amendment or amendments, and it shall be the duty of the Secretary to give each Member written or printed notice of such meeting in the same form and in the same manner as notice of the call of a special meeting of the Members is required as herein set forth; provided, that proposed amendments to the Bylaws may be considered and voted upon at annual meetings of the Members.

C. In order for such amendment or amendments to become effective, the same must be approved by an affirmative vote of Members of the Association. Thereupon, such amendment or amendments to these Bylaws shall be transcribed, certified by the President and Secretary of the Association, and a copy thereof shall be recorded in the public records of St. Johns County, Florida, within thirty (30) days from the date on which any amendment or amendments have been affirmatively approved by the Members.

D. At any meeting held to consider such amendment or amendments to these Bylaws, the written vote of any Member shall be recognized if such Member is not present at such meeting in person or by proxy, provided such written vote is delivered to the Secretary at or prior to such meeting.

E. Notwithstanding the foregoing provisions of this Article IX, no amendment to these Bylaws which shall abridge, amend and/or alter the right of the Developer to designate a majority of the members of each Board of Directors of the Association, as provided in the Articles, may be adopted or become effective without the prior written consent of Developer.

#### X. RULES AND REGULATIONS.

Rules and Regulations governing the use of the units and the Common Property and Restricted Common Property of the Association and the conduct of Owners, occupants and guests shall be adopted in the following manner:

A. **Initial Rules and Regulations.** At its first meeting the Board of Directors of the Association (all of whom shall have been designated by Developer in accordance with the Articles of Incorporation and these Bylaws) shall adopt an initial set of Rules and Regulations, which, after adoption, shall be annexed to these Bylaws in the form of an exhibit.

B. **Amendment to Rules and Regulations.** The Board of Directors may from time to time, by majority vote at a duly called meeting of the Board, modify, amend, add to, or detract from the Rules and Regulations. All changes to the Rules and Regulations made by the Board

shall be mailed by first class mail to each Owner not less than thirty (30) days prior to the effective date of the change. No modification, amendment, addition or subtraction to the Rules and Regulations may be adopted by the Board if it would conflict with a provision of the Declaration.

C. **Enforcement of Rules and Regulations.** All violations of Rules and Regulations or of any provisions of the Declaration, Articles and/or Bylaws shall be reported immediately to a member of the Board of Directors, an Association officer and/or the management agent. Disagreements concerning violations, including, but not limited to, disagreements regarding the proper interpretation and effect of Rules and Regulations or other provisions of the Declaration shall be presented to and determined by the Board of Directors of the Association, whose interpretation and/or whose remedial action shall be dispositive. In the event that any person, firm or entity subject to the Rules and Regulations, or other provisions of the Declaration, fails to abide by them, as they are interpreted by the Board of Directors, they shall be liable to be fined by the Association for each such failure to comply or other violation. Such fine shall be collected by the Association and shall be an asset of the Association. If the Board of Directors of the Association deems it necessary, it may seek all available remedies and may bring action at law or in equity to enforce the Rules and Regulations, or other provisions of the Declaration including the provision herein for fines. In the event any such action is instituted, and reduced to judgment in favor of the Association, the Association shall in addition be entitled to recover its costs and attorneys' fees, at the trial level and at all levels of appeal.

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