

BY-LAWS OF

ISLE OF LOMBARDY NEIGHBORHOOD ASSOCIATION, INC.

ARTICLE I

GENERAL PLAN OF OWNERSHIP

S1. Name. The name of the Corporation is Isle of Lombardy Neighborhood Association, Inc., and is herein referred to as the "Association". The principal office of the Association shall be located in the State of Florida.

S2. By-Laws Applicability. The provisions of these By-laws are applicable to the Association.

S3. Personal Application. The Association existing is responsible for the administration, management and operation of the Homes created or to be created within the Project as more particularly defined in the Declaration of Covenants, Restrictions and Easements (the "Declaration") recorded or to be recorded among the Public Records of St. Lucia County, Florida. Guests and invitees of Homes within the Project, are subject to the provisions set forth in these By-Laws and in the Declaration. The mere acquisition or rental of any Home in the Project or the mere act of occupancy of any Home shall signify that these By-Laws are accepted, ratified, and shall be complied with.

S4. For convenience, these By-Laws shall be referred to as the "By-Laws" and the Articles of Incorporation of the Association shall be referred to as the "Articles" and the terms used herein shall have the meanings as described to them in the Declaration, unless the context indicates otherwise.

ARTICLE II

VOTING RIGHTS, MAJORITY OF QUORUM, QUORUM, PROXIES

S1. Voting Rights. The Association shall have two (2) classes of voting membership, as set forth in the Declaration, Articles and as follows:

A. Each Owner of a Home within the Project as defined in and which is subject by the Declaration to assessment by the Association, and Lennar Homes, Inc., a Florida corporation (the "Declarant") shall be a Member of the Association.

B. There shall be two (2) classes of Members as set forth in the Articles.

C. Each Member shall have voting power as set forth in the Articles.

S2. Majority of Quorum. Unless otherwise expressly provided in these By-Laws or the Declaration, any action which may be taken by the Association may be taken by a majority of a quorum of the Voting Members of the Association able to cast a majority of the votes of the Association.

S3. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of the Voting Members that can cast at least fifty-one (51%) percent of the total voting power of the Association shall constitute a quorum of the membership. Voting Members present at duly called or held meetings at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Voting Members to leave less than a quorum.

S4. Proxies. Votes may be cast in person or by proxy. Proxies must be in writing and filed with the Secretary at least twenty-four (24) hours before the appointed time of each meeting unless waived. Every proxy shall be revocable and shall automatically cease after completion of the meeting for which the proxy was filed.

Exhibit "C" to the Declaration

ARTICLE III

ADMINISTRATION

OR BOOK 0850 PAGE 0539

§1. Association Responsibilities. The Association shall have the responsibility of administering the Common Areas, approving the annual budget, establishing and collecting all assessments and arranging for the management of the Common Areas pursuant to an agreement, containing provisions relating to the duties, obligations, removal and compensation of the Manager.

§2. Place of Meetings of Members. Meetings of the Members shall be held within the Kings Isle Development or such other suitable place as close thereto as practicable in St. Lucie County, convenient to the Owners as may be designated by the Board of Directors.

§3. Annual Meetings of Members. The first annual meeting of Members, subject to Section 2 above, shall be held on the date at the place and at the time, as determined by the Board of Directors, provided, however, that said meeting shall be held, to the extent possible, within thirteen (13) months after the closing on title to the first Home within the Project. Thereafter, the annual meeting of the Association shall be held on the anniversary date of the first annual meeting; provided, however, that should the anniversary date fall on a legal holiday, then such annual meeting of the Members shall be held on the next day thereafter which is not a legal holiday. At each annual meeting after the Class B Member's right to appoint the Board of Directors terminates, there shall be elected by ballot of the Voting Members, a Board of Directors, in accordance with the requirements of Section 5 of Article IV of these By-Laws. Unless a Director resigns before the expiration of his term of office, each Director shall hold his office until his successor has been elected and the first meeting involving such successor is held. The term of office of any Director elected to fill a vacancy created by the resignation of his predecessor shall be the balance of the unexpired term of his predecessor. The Voting Members may also transact such other business of the Association as may properly come before them. Each first mortgagee of a Home may designate a representative to attend all annual meetings of the Members.

§4. Special Meetings of Members. Special meetings of the Members may be called at any time by a majority of a quorum of the Board of Directors, or (after the Class B membership terminates) upon a petition signed by Voting Members able to cast at least fifteen (15%) percent of the votes of the Class A Members having been presented to the Secretary. Notice of any special meeting shall state the time and place of such meeting and the purpose thereof.

No business shall be transacted at a special meeting except as stated in the notice, unless by consent of those Voting Members holding at least four-fifths (4/5ths) of the voting power of the Association, either in person or by proxy. Each first mortgagee of a Home may designate a representative to attend all special meetings of the Members.

§5. Notice of Meetings of Members. It shall be the duty of the Secretary to mail a notice of each annual or special meeting of Members, stating the purpose thereof as well as the day, hour, and place where it is to be held, to each Voting Member and to each first mortgagee of a Home which has filed a written request for notice with the Secretary, at least ten (10) but not more than sixty (60) days prior to such meeting. The notice may set forth time limits for speakers and nominating procedures for the meeting. The mailing of a notice, postage prepaid, in the manner provided in this Section, shall be considered notice served, after said notice has been deposited in a regular depository of the United States mail. If no address has been furnished to the Secretary, notice shall be deemed to have been given to a Member if posted in a conspicuous place on the Common Areas.

§6. Adjourned Meetings. If any meeting of Members cannot be organized because a quorum has not been attained, the Members who are present, either in person or by proxy, may adjourn the meeting to a time not less than five (5) days nor more than thirty (30) days from the time the original meeting was called, at which meeting the quorum requirement shall be the presence in person or by proxy of the Voting Members

holding at least thirty-three and one-third percent (33 1/3%) of the voting power of the Association. Such adjourned meetings may be held without notice thereof as provided in this Article III, except that notice shall be given by announcement at the meeting at which such adjournment is taken. If a meeting is adjourned for more than thirty (30) days, notice of the adjourned meeting shall be given as in the case of an original meeting.

**§7. Order of Business.** The order of business at all meetings of the Members shall be as follows: (a) roll call to determine the voting power represented at the meeting; (b) reading of minutes of preceding meeting; (c) reports of officers; (d) reports of committees; (e) election of inspector of election; (f) election of directors; (g) unfinished business; and (h) new business. Meetings of Members shall be conducted by the officers of the Association, in order of their priority.

**§8. Action Without Meeting.** Any action, which under the provisions of Florida law may be taken at a meeting of the Members, may be taken without a meeting if authorized by a writing signed by all of the Voting Members who would be entitled to vote at a meeting for such purpose, and such writing is filed with the Secretary.

**§9. Consent of Absentees.** The transaction of any meeting of Members, either annual or special, however called and noticed, shall be as valid as though had at a meeting duly held after regulation call and notice if a quorum be present either in person or by proxy, and if, either before or after the meeting, each of the Voting Members not present in person or by proxy, signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

**§10. Minutes. Presumption of Notice.** Minutes or similar record of the proceedings of meetings of Members, when signed by the President or Secretary, shall be presumed truthful to evidence the matters set forth therein. A recitation in the minutes of any such meeting that notice of the meeting was properly given shall be prima facie evidence that such notice was given.

#### ARTICLE IV

#### BOARD OF DIRECTORS

**§1. Number and Term.** The affairs 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. The number of Directors on the Board of Directors shall always be an odd number. The first Board of Directors shall have three (3) Members, who need not be Members of the Association.

At the first annual meeting following the cessation of the Class B Membership, the Voting Members shall elect two (2) directors for a term of one (1) year, two (2) directors for a term of two (2) years and one director for a term of three (3) years. The candidate receiving the second and third largest vote shall serve as directors for two (2) years; and the two candidates receiving the fourth and fifth largest vote shall serve as directors for one year. At each annual meeting thereafter the Voting Members shall elect the appropriate number of directors for a term of three (3) years.

**§2. Powers and Duties.** The Board of Directors has the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or by these By-laws directed to be exercised and done exclusively by the Owners.

**§3. Special Powers and Duties.** Without prejudice to the foregoing general powers and duties and such powers and duties as are set forth in the Declaration and Articles, the Board of Directors is vested with, and responsible for, the following powers and duties:

- (a) To select, appoint, and remove all officers, agents and employees of the Association, to prescribe such powers and

duties for them as may be consistent with law, with the Articles, the Declaration and these By-Laws; to fix their compensation and to require from them security for faithful service when deemed advisable by the Board.

(b) To conduct, manage and control the affairs and business of the Association, and to make and enforce such rules and regulations therefor consistent with law, with the Articles, the Declaration, and these By-Laws, as the Board may deem necessary or advisable.

(c) To change the principal office for the transaction of business of the Association from one location to another within the State of Florida as provided in Article I hereof; to designate any place within said State for the holding of any annual or special meeting or meetings of Members consistent with the provisions of Article III, Section 2 hereof; and to adopt and use a corporate seal and to alter the form of such seal from time to time, as the Board, in its sole judgment, may deem best, provided that such seal shall at all times comply with the provisions of the law.

(d) To borrow money and to incur indebtedness for the purpose of the Association, and to cause to be executed and delivered therefor, in the Association's name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations or other evidences of debt and securities therefor.

(e) To fix and levy from time to time, Assessments upon the Owners, as provided in the Declaration; to determine and fix the due date for the payment of such Assessments, and the date upon which the same shall become delinquent; provided, however, that such Assessments shall be fixed and levied only to provide for the payment of the expenses of the Association and of taxes and assessments upon real or personal property owned, leased, controlled or occupied by the Association, or for the payment of expenses for labor rendered or materials or supplies used and consumed, or equipment and appliances furnished for the maintenance, improvement or development of such property or for the payment of any and all obligations in relation thereto, or in performing or causing to be performed any of the purposes of the Association for the general benefit and welfare of its Members, in accordance with the provisions of the Declaration. The Board of Directors is hereby authorized to incur any and all such expenditures for any of the foregoing purposes and to provide, or cause to be provided, adequate reserves for replacements as it shall deem to be necessary or advisable in the interest of the Association or welfare of its Members. Disbursements from such trust reserve fund shall be made only in accordance with the provisions of the Declaration. Such Assessments shall be fixed in accordance with the provisions of the Declaration. Should any Owner fail to pay such Assessments before delinquency, the Board of Directors in its discretion is authorized to enforce the payment of such delinquent Assessments as provided in the Declaration.

(f) To enforce the provisions of the Declaration covering the Common Areas, these By-Laws or other agreements of the Association.

(g) To contract for and pay fire, casualty, errors and omissions, blanket liability, malicious mischief, vandalism, and other insurance, insuring the Owners, the Association, the Developer, the Board of Directors and other interested parties, in accordance with the provisions of the Declaration, covering and protecting against such damages or injuries as the Board deems advisable, which may include without limitation, medical expenses of persons injured on the Common Areas, and to bond the agents and employees of any management

body, if deemed advisable by the Board. The Board shall review, not less frequently than annually, all insurance policies and bonds obtained by the Board on behalf of the Association.

(h) To contract for any pay maintenance, gardening, utilities, materials and supplies, and services relating to the Common Areas and to employ personnel necessary for the operation of the Common Areas; including legal and accounting services, and to contract for and pay for improvements to the Common Areas.

(i) To delegate its powers according to law, and subject to the approval of the Voting Members, to adopt these By-laws.

(j) To grant easements where necessary for utilities and sewer facilities over the Common Areas to serve the Development.

(k) To fix, determine and name from time to time, if necessary or advisable, the public agency, fund, foundation or corporation which is then or there organized or operated for charitable purposes, to which the assets of this Association shall be distributed upon liquidation or dissolution, according to the Articles. The assets so distributed shall be those remaining after satisfaction of all just debts and obligations of the Association, and after distribution of all property held or acquired by the Association under the terms of a specific trust or trusts.

(l) To adopt such uniform and reasonable rules and regulations as the Board may deem necessary for the management of the Common Areas, which rules and regulations shall become effective and binding after (i) they are adopted by a majority of the Board at a meeting called for that purpose, or by the written consent of such number of directors attached to a copy of the rules and regulations of the Association, and (ii) they are posted in a conspicuous place or upon or near the Common Areas. For so long as Declarant controls the Board of Directors of the Association, such rules and regulations shall not materially adversely affect the rights, privileges or preferences of any Owner as established by the Declaration, the Articles and these By-Laws and such rules and regulations shall be enforceable only to the extent that they are consistent with the Declaration, the Articles and these By-Laws.

(m) The option to employ a managing agent to manage the Common Areas and the affairs of the Association who shall perform such duties and services as the Board shall authorize.

**S4. Election and Term of Office.** At the first annual meeting of the Association after the Class B membership terminates, and thereafter at each annual meeting of the Members, Directors shall be elected by the Members, each Member voting for himself. In the event that an annual meeting is not held, or the Board is not elected thereat, the Board may be elected at a special meeting of the Members held for that purpose. Each Director shall hold office until his successor has been elected or until his death, resignation, removal or judicial adjudication of mental incompetence. Any person serving as a Director may be re-elected, and there shall be no limitation on the number of terms during which he may serve.

**S5. Books. Financial Review.** The Board of Directors shall cause to be maintained a full set of books and records showing the financial condition of the affairs of the Association in a manner consistent with generally accepted accounting principles.

**S6. Vacancies.** Upon the occurrence of either of the events described in Article IV, Section 4 of these By-Laws, vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Members of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum. Each person so elected shall be a

Director until a successor is elected at the next annual meeting of the Members of the Association, or a special meeting of the Members called for that purpose. A vacancy or vacancies shall be deemed to exist in case of death, resignation, removal or judicial adjudication of mental incompetence of any Director, or in case the Members fail to elect the full number of authorized directors at any meeting at which such election is to take place.

§7. Removal of Directors. At any regular or special meeting of the Members duly called, any one or more of the Directors may be removed with or without cause by a majority vote of the Members of the Association, and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the Members shall be given an opportunity to be heard at the meeting. If any or all of the directors are so removed, new directors may be elected at the same meetings.

§8. Organizational Meeting. The first regular meeting of a newly elected Board of Directors (the "Organizational Meeting") shall be held within ten (10) days of election of the Board, at such place as shall be fixed and announced by the Directors at the meeting at which such Directors were elected, for the purpose of organization, election of officers and the transaction of other business. No notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, provided a majority of the whole Board shall be present.

§9. Other Regular Meetings. Other regular meetings of the Board of Directors shall be open to the Voting Members and may be held at such time and place in or near the Development as shall be determined, from time to time by a resolution adopted by a majority of a quorum of the Directors; provided, however, that such meeting shall be held no less frequently than quarterly. Notice of regular meetings of the Board of Directors shall be given to each director, personally or by mail, telephone or telegraph, at least forty-eight (48) hours prior to the date named for such meeting, and shall be posted at a prominent place or places upon the Common Areas and the Homes within the Project.

§10. Special Meetings. Special meetings of the Board of Directors shall be open to all Voting Members and may be called by the President (or, if he is absent or refused to act, by the Vice President) or by any two (2) Directors.

At least seventy-two (72) hours notice shall be given to each Director personally or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) and the purpose of the meeting, and shall be posted at a prominent place or places within the Common Areas and the Homes within the Project. If served by mail, each such notice shall be sent, postage prepaid, to the address reflected on the records of the Association, and shall be deemed given, if not actually received earlier, at 5:00 o'clock p.m. on the second day after it is deposited in a regular depository of the United States mail as provided herein. Whenever any Director has been absent from any special meeting of the Board, an entry in the minutes to the effect that notice has been duly given shall be conclusive and incontrovertible evidence that due notice of such meeting was given to such Director, as required by law and as provided herein.

§11. Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting. The transactions of any meeting of the Board, however called and notice or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present, and if, either before or after the meeting, each of the Directors not present signs such a written waiver of notice, a consent to holding such meeting, or an approval of the minutes thereof. All such waivers, consents and approvals shall be filed with the records of the Association or made a part of the minutes of the meeting.

§12. Quorum and Adjournment. Except as otherwise expressly provided herein, at all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If at any meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

§13. Action Without Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the vote or written consent of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

§14. Fidelity Bonds. The Board of Directors may require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Association.

§15. Committees. The Board of Directors by resolution may from time to time designate such committees as it shall desire, and may establish the purposes and powers of each such committee created. The resolution designating and establishing the committee shall provide for the appointment of its Members, as well as a chairman, shall state the purposes of the committee, and shall provide for reports, termination, and other administrative matters as deemed appropriate by the Board.

ARTICLE V

OFFICERS

§1. Designation. The principal officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint an Assistant Treasurer and an Assistant Secretary, and such other officers as in their judgment may be necessary. All Officers shall be Directors. The office of Secretary and Treasurer may be held by the same person, but the office of President and Secretary may not be held by the same person.

§2. Election of Officers. The officers of the Association shall be Members of the Board of Directors and shall be elected annually by the Board of Directors at the Organizational Meeting of each new Board of Directors, and each officer shall hold his office until he shall resign or be removed or otherwise disqualified to serve, or his successors shall be elected and qualified to serve.

§3. Removal of Officers. Upon an affirmative vote of a majority of the entire Board of Directors, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors, called for such purpose. Any officer may resign at any time by giving written notice to the Board or to the President or Secretary of the Association. Any such resignation shall take effect at the date of receipt of such notice or at any later time specified therein, and unless otherwise specified in said notice, acceptance of such resignation by the Board shall not be necessary to make it effective.

§4. Compensation. Officers shall receive no compensation. Agents and employees shall receive such reasonable compensation for their services as may be authorized or ratified by the Board. Appointment of any agent or employee shall not of itself create contractual rights of compensation for services performed by such agent, or employee, provided that no officer, employee or Director of Developer or any affiliate of Developer may receive any compensation.

§5. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of the President of a corporation, including but not limited to the power,

subject to the provisions of Article IV, Section 16, to appoint committees from among the Members from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association. The President shall, subject to the control of the Board of Directors have general supervision, direction and control of the business of the Association. The President shall be ex-officio a Member of all standing committees, and he shall have such other powers and duties as may be prescribed by the Board of Directors or these By-Laws of the Association.

**56. Vice President.** The Vice President shall take the place of the President and perform his duties whenever the President shall be absent, disabled, refuses or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other Member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors or these By-Laws of the Association.

**57. Secretary.** The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Association at the principal office of the Association or at such other places as the Board of Directors may order. The Secretary shall keep the seal of the Association in safe custody and shall have charge of such books and papers as the Board of Directors may direct; and the Secretary shall, in general, perform all of the duties incident to the office of Secretary. The Secretary shall give, or cause to be given, notices of meetings of the Members of the Association and of the Board of Directors required by these By-Laws or by law to be given. The Secretary shall maintain a book of record Owners listing the names and addresses of the Owners as furnished by the Association, and such books shall be changed only at such time as satisfactory evidence of a change in ownership of a Home is presented to the Secretary. The Secretary shall perform such other duties as may be prescribed by the Board of Directors.

**58. Treasurer.** The Treasurer shall have responsibility for Association funds and securities and shall be responsible for keeping, or causing to be kept, full and accurate accounts, tax records and business transactions of the Association, including accounts of all assets, liabilities, receipts and disbursements in books belonging to the Association. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors. The Treasurer shall co-sign all checks and promissory notes on behalf of the Association. The Treasurer shall disburse the funds of the Association as may be ordered by the Board of Directors, in accordance with the Declaration, shall render to the President and directors, upon request, an account of all of his transactions as Treasurer and of the financial conditions of the Association, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these By-Laws.

## ARTICLE VI

### OBLIGATION OF MEMBERS FOR ASSESSMENTS AND SPECIAL ASSESSMENTS.

**51. Payment.** The Association shall obtain funds with which to operate by assessment of its Members in accordance with the provisions of the Declaration as supplemented by the provisions of the Articles of the Association relating thereto. Said Assessments shall be payable monthly, in advance, without notice, and shall be due on the first day of each month. Unless otherwise required by the Board, Assessments may not be made payable less frequently than monthly. In event the annual Assessment proves to be insufficient, the budget and Assessments may be amended at any time by the Board of Directors.

**52. Special Assessments.** Special Assessments for charges by the Association against Members for other than common expenses or for common expenses for emergencies that cannot be paid from the annual Assessments for common expenses shall be levied in the same manner as herein provided for regular Assessments, except that notice thereof shall be given and they shall be payable in the manner determined by the Board.



53. Part Due Assessments. Assessments and Special Assessments and installments thereon not paid when due shall bear interest from the date when due until paid at the rate set forth in the Declaration.

54. Default. If a Member shall be in default in the payment of an installment upon any Assessment or Special Assessment, the Management Firm, if applicable, or the Board of Directors, may accelerate the remaining monthly installments for the fiscal year upon notice thereof to the Member and, thereupon, the unpaid balance of the Assessment or Special Assessment shall become due upon the date stated in the notice, but not less than fifteen (15) days after delivery of or the mailing of such notice to the Member.

In addition to the above and subject to the approval and ratification of the Board of Directors of the Association, the Management Firm if applicable, shall have the right to (a) suspend the use rights (or authorized user of the Home Owner) of the Member in and to any or all parts of the Common Areas for any infraction of the promulgated Rules and Regulations pertaining to said Common Areas, for a period not to exceed thirty (30) days, and during said period of suspension, there shall be no reduction in the Assessments or Special Assessments due and payable from said Member and/or authorized user(s) and (b) deny to the Member and/or the authorized user of the Common Areas the use and enjoyment of the Common Areas until such time as all Assessments are paid if a Member fails to pay an Assessment within ten (10) days after its due date.

ARTICLE VII

AMENDMENTS TO BY-LAWS

Amendments to these By-Laws shall be proposed and adopted in the following manner:

51. Proposal. An amendment or amendments to these By-Laws may be proposed by the Board of Directors of the Association acting upon a vote of the majority of the Directors, or by a majority of the voting interests of the Association. Whenever any amendment or amendments to these By-Laws are proposed by the Board of Directors or voting Members, such proposed amendment or amendments shall be transmitted to the President of the Association, or the acting Chief Executive Officer in the absence of the President, who shall thereupon call a Special Meeting of the Members of the Association not later than sixty (60) days from the receipt by him of the proposed amendment or amendments.

52. Notice. It shall be the duty of the Secretary to give each Member written notice of such meeting, stating the proposed amendment or amendments in reasonably detailed form, which notice shall be mailed or presented personally to each Voting Member not less than fourteen (14) days nor more than thirty (30) days before the date set for such meeting. If mailed, such notice shall be deemed to be properly given when deposited in the United States mail, addressed to the Voting Member at his Post Office address as it appears on the records of the Association, with postage thereon prepaid. Any Voting Member may, by written waiver of notice signed by such Voting Member, waive such notice, and such waiver when filed in the records of the Association, whether before, during or after the holding of the meeting, shall be deemed equivalent to the giving of such notice to such Member.

53. Resolution. At the meeting at which the amendment is to be proposed and considered, a resolution for the adoption of the proposed amendment may be made by any Member of the Board of Directors of the Association, or by any Member of the Association, present in person or by proxy.

54. Approval. Except as elsewhere provided, the approval of a resolution for the adoption of a proposed amendment to By-Laws shall require the affirmative vote of a majority of the Members of the Board of Directors of the Association, and the affirmative vote of not less than seventy-five (75%) percent of the total voting interests of the Association. Members of the Board of Directors and Voting Members of the Association not present in person or by proxy at the meeting at which the amendment is to be considered may express their approval (or disapproval) of the amendment in writing, provided that such approval is

delivered to the Secretary of the Association prior to the commencement of the meeting.

55. Limitation. Provided, however, that no amendment shall make any changes in the qualifications for membership nor in the voting rights or property rights of Members without approval in writing by all Members and the joinder of all record owners of mortgages upon Homes. No amendment shall be made that is in conflict with the Act or the Declaration, nor shall any amendment make any changes which would in any way affect any of the rights, privileges, powers or options herein provided in favor of or reserved to the Developer or an affiliate of the Developer, unless the Developer shall join the execution of the Amendment.

56. Compliance with Governmental Regulations. Notwithstanding anything to the contrary set forth in this Article VII, an amendment may be made upon the approval of all of the members of the Board of Directors without the consent of the Members of the Association to bring the Articles of Incorporation in compliance with any governmental regulations including, without limitation, those of the Department of Housing and Urban Development, Federal Housing Administration and Federal National Mortgage Association.

57. Recording. Such amendment or amendments of these By-Laws shall be transcribed and certified in such form as may be necessary to file the same in the office of the Association and shall be recorded in the Public Records of St. Lucie County, Florida within thirty (30) days from the date on which the same is approved.

ARTICLE VIII

MORTGAGES

51. Notice to Association. An Owner of a Home in the Project who mortgages his Home shall notify the Association through the Management Company or the Secretary of the Association in the event there is no Management Company, the name and address of his Mortgagee, and the Association shall maintain such information in a book entitled "Mortgages of Homes". Any such Owner shall likewise notify the Association as to the release or discharge of any such mortgage.

52. Notice of Unpaid Assessments or Special Assessments. The Board of Directors of the Association shall at the request of a Mortgagee of a Home in the Project report any unpaid Assessments or Special Assessments due from the Member administering the affairs in which the Home is located in accordance with the provisions of the Declaration.

ARTICLE IX

MEANING OF TERMS

All terms appearing herein initially capitalized shall have the same meanings as are applied to such terms in the Declaration, which terms include without limitation: "Developer", "Management Company", "Owner", "Board", "Home", "Articles", "Member", "Voting Member", "Mortgage", "Mortgagee", and "Assessments" and "Special Assessments".

ARTICLE X

CONFLICTING PROVISIONS

In case any of these By-Laws conflict with any provisions of the laws of the State of Florida, such conflicting By-Laws shall be null and void upon final Court determination to such effect, but all other By-Laws shall remain in full force and effect. In case of any conflict between the Articles and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XI

MISCELLANEOUS

OR BOOK 0850 PAGE 0548

S1. Execution of Documents. The Board of Directors, except as otherwise provided in these By-Laws, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name and on behalf of the Association, and such authority may be general or confined to specific instances, and unless so authorized by the Board of Directors, no officer, agent, committee member, or employee shall have any power or authority to bind the Association by any contract or engagement or to bind the Association by any contract or engagement or to pledge its credit or to render it liable for any purpose or in any amount.

S2. Inspection of By-Laws. The Association shall keep in its office for the transaction of business the original or a copy of these By-Laws as amended or otherwise altered to date, certified by the Secretary, which shall be open to inspection by the Members and all First Mortgagees at all reasonable times during office hours.

S3. Fiscal Year. The fiscal year of the Association shall be determined by the Board of Directors and having been so determined, is subject to change from time to time as the Board of Directors shall determine.

I HEREBY CERTIFY that the foregoing By-Laws of the Association were duly adopted by the Board of Directors of the Association at a meeting held for such purpose on the 15<sup>th</sup> day of July, 1993.

*Marshall Ames*

President

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