

Exhibit B

BYLAWS OF SCARBOROUGH ESTATES AT PGA VILLAGE HOMEOWNERS' ASSOCIATION, INC.

A non-profit corporation existing under the laws of Florida

ARTICLE I IDENTITY

1. The name of this corporation is SCARBOROUGH ESTATES AT PGA VILLAGE HOMEOWNERS' ASSOCIATION, INC. (the "Neighborhood Association").

2. The principal office of the Neighborhood Association is:

287 Goolsby Boulevard, Deerfield Beach, FL 33442.

The address of the principal office may be changed at the discretion of the Board of Directors.

3. The Fiscal Year of the Association shall be from January 1 to December 31.

4. 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 the incorporation.

5. These Bylaws are being adopted in connection with that certain Declaration of Covenants, Conditions and Restrictions for Scarborough Estates (the "Declaration") as recorded in the Public Records of St. Lucie County, Florida. All terms not otherwise defined herein shall be given the meanings ascribed to such terms in the Declaration.

ARTICLE II MEMBERSHIP

1. **MEMBERS.** Membership shall be determined in accordance with the Articles of Incorporation. Membership shall continue until the Member transfers or conveys its interest of record or the interest is transferred by operation of law, at which time the membership shall automatically be conferred upon the transferee. Such membership may be evidenced by the issuance of a membership certificate which shall be deemed automatically canceled when the membership terminates as provided herein.

2. **VOTING RIGHTS.** Voting rights shall be as provided in the Articles of Incorporation of the Association and any such vote may be cast in person or by proxy executed in writing and filed with the Secretary of the Association. In the event of a joint ownership of a Unit, the vote to which the Unit is entitled shall be apportioned between the owners as their interests may appear.

ARTICLE III MEETINGS

1. **ANNUAL MEETING.** The annual members' meeting shall be held at a date and time determined by the Board of Directors, provided that there shall be an annual meeting every calendar year and no later than thirteen (13) months after the last preceding annual meeting. Unless determined otherwise by the Board of Directors, the annual meeting shall be held at (i) the principal office of the Association; or (ii) such place within St. Lucie County as designated by the president of the Association. The purpose of such meeting shall be the election of Directors and the transaction of other business authorized to be transacted by Members. The order of business shall be as determined by the Board of Directors.

2. **SPECIAL MEETINGS.** Special meetings may be called by the president, a majority of the Board of Directors, or by written request of a majority of the voting rights of the Members, for any purpose and at any time within St. Lucie County. Business transacted at all special meetings shall be confined to the objects and action to be taken, as stated in the notice of the meeting.

3. **QUORUM.** One-third (1 /3) of the voting interests represented in person or by proxy shall constitute a quorum, and if a quorum is not present, a majority of the voting interests present may adjourn the meeting to a future date. A simple majority of all Voting Interests present in person or by proxy at a meeting where a quorum is present shall decide any question brought before the meeting, except when otherwise required by the Declaration of Covenants, Restrictions for Scarborough Estates (the "Declaration"), Articles of Incorporation or these Bylaws.

ARTICLE IV NOTICE

1. **ANNUAL MEETING.** Written notice of the annual meeting shall be mailed or delivered by the secretary, the manager hired by the Association, or such other person as the Board shall direct to deliver such notice, not less than ten (10) nor more than sixty (60) days before the date of such meeting, to each member at his address as listed in the Association records. An officer of the Association, the manager hired by the Association, or such other person as the Board shall direct, shall execute an affidavit, to be included in the official records of the Association, confirming that notices of the Association meetings were mailed or hand delivered in accordance with this provision, to each Owner at the address shown in the Association records.

2. **SPECIAL MEETINGS.** Notice of special meetings of the Members shall be mailed or delivered by the secretary at least two (2) days before such meeting to each member at his address as listed in the Association records, stating the purpose of such meeting.

3. **WAIVER.** Unit Owners may take action by written agreement, without conducting meetings, on all matters for which action may be taken at meetings. Nothing herein is to be construed to prevent Members from waiving notice of meetings or from acting by written agreement without a meeting.

ARTICLE V BOARD OF DIRECTORS

1. **ORIGINAL BOARD.** The original members of the Board of Directors shall be those persons set forth in the Articles of Incorporation, who shall serve until such time as the Developer relinquishes control of the Association, as described in the Declaration, or until replaced by the Developer.

2. **BOARD ELECTIONS.** At the first annual meeting of Members immediately succeeding the date upon which Developer relinquishes control of the Association, and at each annual meeting thereafter, the Board of Directors shall be elected by the Members of the Association and such Directors shall serve until their successors are duly elected and qualified, or until they are removed in the manner elsewhere provided, or until they resign, whichever first occurs. The procedure for electing Directors by the member(s) shall be by written ballot and by a plurality of the votes cast, each person voting being entitled to cast his or her vote(s) for each of as many nominees as there are vacancies to be filled.

An Owner (other than Developer) elected to the Board of Directors shall hold office until the first annual meeting subsequent to the election of such Owner and, thereafter, the term of office shall be for one (1) year and subject to annual re-election. There shall in no event be less than three (3) nor more than nine (9) directors, and there shall always be an odd number. Except for those appointed or elected by the Developer, each director shall be (i) a member of the Association; or (ii) a person exercising the rights of an owner who is not a natural person. All Directors shall act without compensation unless otherwise provided by resolution of the membership.

3. **POWERS.** All of the powers and duties of the Association existing under the Declaration, the Articles of Incorporation and these Bylaws shall be exercised exclusively by the Board of Directors or its managing agents, subject only to approval by Members of the Association when such is specifically required. The Board of Directors shall have all of the common law and statutory powers of a corporation not for profit under Chapter 617, Florida Statutes, together with any powers granted to it pursuant to the terms of these Bylaws, the Articles of Incorporation of the Association, and the Declaration. Such powers shall include but not be limited to:

- A. The power to fix, levy and collect Assessments against Units, as provided for in the Declaration.
- B. The power to expend monies collected for the purpose of paying the expenses of the Association.
- C. The power to manage, control, operate, maintain, repair and improve the Common Area.
- D. The power to purchase supplies, material and lease equipment required for the maintenance, repair, replacement, operation and management of the Common Area.
- E. The power to insure and keep insured the Common Area and the improvements constructed thereon, as provided in the Declaration.
- F. The power to employ the personnel required for the operation and management of the Association, the Common Area.
- G. The power to pay utility bills for utilities serving the Common Area.
- H. The power to pay all taxes and assessments which are liens against the Common Area.
- I. The power to establish and maintain a reserve fund for capital improvements, repairs and replacements.
- J. The power to maintain and improve the Common Area and to maintain the lawns, driveways and exteriors of the Units, subject to the limitations of the Declaration.
- K. The power to control and regulate the use of the Common Area by the Owners, and to promote and assist adequate and proper maintenance of the Property.
- L. The power to make reasonable rules and regulations and to amend the same.
- M. The power to enforce by any legal means the provisions of these Articles of Incorporation, the Bylaws, the Declaration and the rules and regulations promulgated by the Association from time to time.
- N. The power to borrow money, mortgage the Common Area, and to select depositories for the Association's funds, and to determine the manner of receiving, depositing, and disbursing those funds and the form of checks and the person or persons by whom the same shall be signed.

O. The power to enter into a long term contract with any person, firm, corporation or management agent of any nature or kind to provide for the maintenance, operation, repair and upkeep of the Common Area. The contract may provide that the total operation of the managing agent, firm or corporation shall be at the cost of the Association. The contract may further provide that the managing agent shall be paid from time to time a reasonable fee.

P. The power to contract for the management of the Association and to delegate to the manager all of the powers and duties of the Association, except those matters which must be approved by Owners.

Q. The power to appoint all officers provided in the Bylaws, except as otherwise provided in these Bylaws.

R. The power to appoint committees as the Board of Directors may deem appropriate.

S. The power to collect delinquent Assessments by suit or otherwise to abate nuisances and to fine, enjoin or seek damages from Owners for violation of the provisions of the Declaration, these Articles of Incorporation, the Bylaws or the rules and regulations.

T. The power to bring suit and to litigate on behalf of the Association and the Owners.

U. The power to adopt, alter and amend or repeal the Bylaws of the Association as may be desirable or necessary for the proper management of the Association.

V. The power to possess, employ and exercise all powers necessary to implement, enforce and carry into effect the powers above described.

W. The foregoing enumeration of powers shall not limit or restrict the exercise of others and further powers which may now or hereafter be permitted by law.

4. FUNDS AND TITLES TO PROPERTIES. All funds and title to all properties acquired by the Association and the proceeds thereof shall be held for the benefit of the Owners in accordance with the provisions of the Declaration. No part of the income, if any, of the Association shall be distributed to the Owners, directors, or officers of the Association.

5. VACANCY. In the event of a vacancy occurring in the Board of Directors for any reason whatsoever, the remaining Directors shall elect a person to serve as a Director for the unexpired portion of the term of the former Director. In the event that there are no remaining members of the Board of Directors, the vacancies shall be filled by persons elected by the Members of the Association at a special meeting of the members called for that purpose.

6. REMOVAL. A Director may be removed from office, with or without cause, by the vote or agreement in writing by a majority of all votes of the Members of the Association at a special meeting of the members called for that purpose. The procedures for recall shall be in accordance with Section 617.0808 of the Florida Statutes.

7. COMPENSATION. No compensation shall be paid to Directors for their services as Directors, provided that nothing herein contained shall be construed to preclude any Director from serving the corporation in any other capacity and receiving compensation therefor. In this case, however, said compensation must be approved in advance by the Board of Directors and the Director to receive said

compensation shall not be permitted to vote on said compensation. The Directors shall have the right to set and pay all salaries or compensation to be paid to officers, employees, agents or attorneys for services rendered to the Corporation.

8. **REGULAR MEETING.** A regular meeting of the Board of Directors shall be held immediately after, and at the same place as, the annual meeting of the membership. Additional regular meetings may be held as provided by resolution of the Board of Directors. All regular meetings of the Board of Directors shall be open to all Members.

9. **SPECIAL MEETINGS.** Special meetings of the Board of Directors may be called by the president or a majority of the Directors for any purpose and at any time or place. Notice thereof stating the purpose shall be mailed by or delivered at least two (2) days before such meeting, to each director at his address as listed in the Association records unless such notice is waived. All special meetings of the Board of Directors shall be open to all Members.

10. **QUORUM.** A majority of Directors shall constitute a quorum. If a quorum is not present, a majority of those present may adjourn the meeting. A Director may join by written concurrence in any action taken at a meeting, but such concurrence may not be counted for the purposes of calculating a quorum. A majority vote of the Directors shall decide any matter before the Board, except as may be otherwise required in the Articles of Incorporation, these Bylaws or the Declaration.

11. **NOTICE.** Notice of all Board of Directors meetings shall be mailed or posted in a conspicuous place in the community, as required by the applicable provisions of Florida Statutes Chapter 720, as the same may be amended from time to time, or hand-delivered to each Member's residence in the community at least 48 hours in advance of the meeting. An assessment may not be levied at a Board of Directors meeting unless the notice of the meeting includes a statement that assessments will be considered and the nature of the assessment. Written notice shall also be provided with respect to meetings of the Modifications Committee to the extent required by Section 720.303(2) of the Florida Statutes.

12. **LIABILITY AND INDEMNIFICATION.** Provided the person proposed to be indemnified satisfies the requisite standard of conduct for permissive indemnification by a corporation not for profit as set forth in the applicable provisions of the Florida Not For Profit Corporation Act (currently, Sections 617.0830(1) and (2) of the Florida Statutes), as the same may be amended, the Association shall indemnify its officers and Directors, and may indemnify its employees and agents, to the fullest extent permitted by the provisions of such Law, as the same may be amended and supplemented, from and against any and all of the expenses or liabilities incurred in defending a civil, criminal, administrative or investigative action, suit or proceeding (other than in an action, suit or proceeding brought by this corporation upon authorization of the Board of Directors) or other matters referred to in or covered by said provisions, including advancement of expenses prior to the final disposition of such proceedings and amounts paid in settlement of such proceedings, both as to action in their official capacity and as to action

in any other capacity while an officer, Director, employee or other agent. Expenses (including attorneys' fees) incurred by an officer or Director in defending any civil, criminal, administrative or investigative action, suit or proceeding shall be paid by the Association in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such Director or officer to repay such amount if it shall ultimately be determined that he or she is not entitled to be indemnified by the Association as authorized in this Article. Such expenses (including attorneys' fees) incurred by other employees and agent shall also be so paid upon such terms and conditions, if any, as the Board of Directors deems appropriate. The indemnification and advancement of expenses provided for herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of stockholders or Directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office. Such indemnification shall continue as to a person who has ceased to be a Director, officer, employee or agent, and shall inure to the benefit of the heirs and personal and other legal representatives of such a person. Except as otherwise provided above, an adjudication of liability shall not affect the right to indemnification for those indemnified.

ARTICLE VI OFFICERS

1. **NUMBER.** The officers shall include a president, vice-president, secretary and treasurer, each of whom shall be elected by the Board of Directors. Such assistant officers as deemed necessary may be elected by the Board of Directors. The president and secretary may not be the same person. Officers must be members of the Association or a person exercising the membership rights of an Owner who is not a natural person. All officers shall act without compensation unless otherwise provided by resolution of the membership.

2. **ELECTION AND TERM.** Each officer shall be elected annually by the Board of Directors at the first directors' meeting following the annual member meeting and shall hold office until his successor shall have been elected and duly qualified, unless removed by the Board.

3. **PRESIDENT.** The president shall be the principal executive officer of the Association and shall supervise all Association affairs. The president shall preside at all member and director meetings and sign all documents and instruments on behalf of the Association.

4. **VICE-PRESIDENT.** In the president's absence, the vice-president shall perform the president's duties and, in such capacity, shall have all the powers and responsibilities of the president. The vice-president shall, perform such additional duties as may be designated by the Board of Directors.

5. **SECRETARY AND ASSISTANT SECRETARY.** The secretary shall (i) countersign all documents and instruments on behalf of the Association; (ii) record the minutes of meetings of members and directors; (iii) give notices required by these Bylaws; and (iv) have custody of and maintain the records of the Association, other than those maintained by the treasurer. The assistant secretary is authorized to perform the same duties as the secretary.

6. **TREASURER.** The treasurer shall (i) have custody of all funds of the Association, (ii) deposit such funds in such depositories as may be selected as hereinafter provided; (iii) disburse funds, and (iv) maintain financial records of the Association, which shall be available for inspection by any member during the business hours on any week day. At the discretion of the Board of Directors, the treasurer's functions may be delegated to a financial institution located in St. Lucie County, Florida, and no bond shall be required.

7. **REMOVAL.** Any officer may be removed by a majority vote of the Board of Directors called for that particular purpose, and the vacancy shall be filled by a directors' election at the same meeting.

ARTICLE VII BOOKS AND RECORDS

This Association shall keep records of minutes of all meetings of its Board of Directors, a record of all actions taken by the Board of Directors, a record of all actions taken by the Board of Directors without a meeting, and a record of all actions taken by a committee of the Board of Directors in place of the Board of Directors on behalf of the Association. This Association shall keep a copy of the following reports: (a) its articles or restated articles of incorporation and all amendments thereto currently in effect; (b) its bylaws or restated bylaws and all amendments thereto currently in effect; (c) a list of the names and business street addresses of its current Directors and Officers; (d) its most recent annual report delivered to the Department of State; (e) a copy of the Declaration of Covenants and a copy of each amendment thereto; (f) a copy of the current Rules of the Association; (g) a current roster of all Members and their mailing addresses and parcel identifications; (h) a copy of all of the Association's insurance policies (which policies must be retained for at least 7 years); (i) the minutes of all meetings of the Board of Directors and of the Members (which minutes must be retained for at least 7 years); and (j) copies of any plans, specifications, permits and warranties related to any improvements that the Association is obligated to maintain, repair or replace. (k) a current copy of all contracts to which the Association is a party, (l) copies of all bids received for work to be performed for the Association within the last year, and (m) the financial and accounting records described in Article IX, Section 6 of these Bylaws. Any books, records and minutes may be in written form or in any other form capable of being converted into written form within a reasonable time. The official records shall be open for inspection and available for photocopying by Members or their authorized agents at reasonable times and places within ten (10) business days after receipt of a written request for access. The Association may adopt reasonable written rules governing the frequency, time, location, notice and manner of inspections and may impose fees to cover the costs of providing copies of the official records, including copying costs.

ARTICLE VIII MANAGER AND EMPLOYEES

The Board of Directors may employ the services of a manager and other employees and agents to actively manage, operate, and care for the Common Areas and may specify such powers, duties, and compensation as the Board may deem appropriate and provide by resolution. Manager, employees and agents shall serve at the pleasure of the Board of Directors.

ARTICLE IX CONTRACTS AND FINANCES

1. **CONTRACTS.** The Board of Directors may authorize any officer or agent to enter into any contract or execute and deliver any instrument in the name or on behalf of the Association, and such authority may be general or limited.

2. **LOANS.** No loans shall be contracted on behalf of the Association and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. The Board may authorize the pledge and assignment of the income from any regular or special assessment and, if a lien is filed, the lien position of the Association as security for the repayment of such loans. The Board may not assign its power to place a lien on a Unit for such assessments.

3. **CHECKS.** All checks, drafts or other orders for payment of money, notes, or other evidences of indebtedness issued in the name of the Association shall be signed by such officers or agents of the Association and in the manner as shall from time to time be determined by resolution of the Board of Directors.

4. **DEPOSITS.** All funds of the Association not otherwise employed shall be deposited from time to time in savings and loan associations, banks, trust companies, or other depositories as the Board of Directors may select.

5. **FISCAL YEAR.** The first fiscal year of the Association shall begin on the day the Articles of Incorporation of the Association are filed with the Secretary of State for the State of Florida and shall end on December 31 of the same year. Thereafter, a fiscal year shall be the consecutive twelve calendar-month period ending on December 31st.

6. **RECORDS.** The Association shall maintain financial and accounting records according to good practice which shall be open to inspection by Members at reasonable times. Such records shall include (a) a record of receipt and expenditures and accounts for each Member, which accounts shall designate the name and address of the Member, the due dates and amount of each Assessment, the amounts paid upon the account, and the balance due; (b) a copy of the then current annual budget of the Association; and (c) either (i) a copy of the then current financial report of the Association, showing the actual receipts and expenditures of the Association, or (ii) a copy of the most recent financial statements of the Association, presented in conformity with generally accepted accounting principles. A register for the names of all Institutional Mortgagees who have notified the Association of their liens, and to which lienholders the Association will give notice of default if required, shall also be maintained.

ARTICLE X VACANCIES

A vacancy in any office or the Board of Directors occurring between annual member meetings shall be filled by the Board, although a quorum may not exist by reason of such vacancy.

ARTICLE XI AMENDMENTS

These Bylaws may be altered or repealed by new bylaws adopted at the annual meeting or any special meeting of the Members having a majority of the Voting interests. No modification or amendment to the Bylaws shall be valid unless set forth in or annexed to an amendment to the Declaration and duly recorded in the public records of St. Lucie County in the manner provided in the Declaration. The Developer shall have the rights set forth in the Declaration regarding amendments to the Bylaws and Articles.

ARTICLE XII REGULATIONS

The Board of Directors may adopt such uniform rules and regulations governing the operation of the Common Areas as may be deemed necessary and appropriate to assure the enjoyment of all Members and to prevent unreasonable interference with the use of such areas. Such regulations shall be consistent with applicable law, the Declaration, the Articles of Incorporation, and these Bylaws. A copy of such regulations shall be furnished to each member and subsequent members and shall be posted and made available in the offices of the Association.

ARTICLE XIII ANNUAL BUDGET

1. **ADOPTION BY THE BOARD.** Pursuant to the Declaration, the Board of Directors shall annually adopt the budget for the Association. The Board shall mail written notice of the time and place of the Board meeting in which the budget will be considered, along with copies of the proposed budget of Community Expenses, which notice shall be given to Owners not less than fourteen (14) days prior to the meeting. The meeting shall be opened to all Owners.

2. **ADOPTION BY OWNERS.** At its option, the Board of Directors may propose a budget to the members at a meeting of members or in writing, and if the proposed budget is approved by the members having a majority of the Voting Interests, the budget shall be adopted.

ARTICLE XIV COLLECTION OF ASSESSMENTS

Assessments for the payment of Community Expenses shall be made and collected in the manner provided in the Declaration.

ARTICLE XV FINES

In connection with the sale, mortgage, lease, sublease or other transfer of property, the Association may charge the members a fee for the Association's approval of such transfer. The fee shall be the amount set by the Board of Directors from time to time but, in no event, shall exceed one hundred dollars (\$100.00). However, if a lease or sublease is a renewal with the same lessee or sublessee, no such charge shall be permitted. The Association may charge reasonable fines for the failure of the member or

its occupant, licensee or invitee to comply with any provisions of the Declaration, the Bylaws or Rules and Regulations adopted by the Association. However, such fines shall not become liens against the Units nor shall such fines exceed one hundred dollars (\$100.00) for each infraction. No fine shall be levied against a member, his occupant, licensee or invitee until:

The party against whom the fine may be levied is afforded an opportunity for hearing after reasonable notice of not less than fourteen (14) days, which notice shall include:

- (1) A statement of the date, time and place of the hearing;
- (2) A statement of the provisions of the Declaration, Bylaws, or rules which allegedly have been violated; and
- (3) A short and plain statement of the matters asserted by the Association.

The party against whom the fine may be levied shall have an opportunity to respond, present evidence, and provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge, and respond to any material considered by the Association.

ARTICLE XVI COMMITTEES

1. The Board of Directors by resolution adopted by a majority of the directors in office, may designate one or more committees comprised of at least one Director which, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the Association. However, the designation of such committees and the delegation of authority thereto shall not operate to relieve the Board of Directors or any individual director of any responsibility imposed by law.

2. Other committees not having and exercising the authority of the Board of Directors in the management of the Association may be designated by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be Association members, and the president of the Association shall appoint the members thereof.

3. Each member of a committee shall serve until the next annual member meeting and until his successor is appointed, unless (i) the committee is terminated; (ii) such member is removed by the persons authorized to appoint such member, or (iii) such member shall cease to qualify as a member thereof.

4. One member of each committee shall be appointed chairman by the persons authorized to appoint the members thereof.

5. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided for original appointments.

6. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the entire committee shall constitute a quorum, and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

7. Each committee may adopt rules for its own governance not inconsistent with these Bylaws or with rules adopted by the Board of Directors.

ARTICLE XVII ARCHITECTURAL CONTROL COMMITTEES

1. The New Construction Committee (hereinafter referred to as "N.C.C.") consists of three (3) or more persons appointed by the board of the PGA Village Association. The Modifications Committee (hereinafter referred to as "Modifications Committee") shall consist of three (3) or more persons appointed by the Board. The Board shall have the authority and standing, on behalf of the Association, to enforce in courts of competent jurisdiction the decisions of the N.C.C. and the Modifications Committee. The Modifications Committee shall have such powers as are delegated to it by the N.C.C. in accordance with the PGA Village Declaration. This Article may not be amended without the Developer's written consent so long as the Developer owns any property subject to this Declaration or subject to annexation to this Declaration.

2. The N.C.C. and Modification Committee shall each regulate the external appearance, use, and maintenance of the General Plan of Development and of improvements thereon in such a manner as to comply with and meet the Community-Wide Standard, to best preserve and enhance values and to maintain a harmonious relationship among structures and the natural vegetation and topography. As regards the Developer, or any successor Developer, nothing herein shall give to the N.C.C. or Modifications Committee the authority to regulate, control or determine external appearance, use or maintenance of property to be developed or Under development, or dwellings to be constructed or under construction.

3. In the event plans and specifications submitted to the Modifications Committee are disapproved, the party or parties making such submission may appeal in writing to the Board. The written request must be received by the Board not more than thirty (30) days following the final decision of the Modifications Committee. The Board shall have forty-five (45) days following receipt of the request for appeal to render its written decision. The Board may reverse or modify the Modifications Committee decision by a majority vote of the Directors. The failure of the Board to render a decision within the forty-five (45) day period shall be deemed a decision not in favor of the appellant.

ARTICLE XVIII AMENDMENT OF BYLAWS

These Bylaws may be amended, altered or rescinded by a majority vote of the Board of Directors at any regular or special meeting; provided, however, that at no time shall the Bylaws conflict with the terms of the Declaration or the Articles of Incorporation. Any Member of the Association may propose an amendment to the Board, and the Board shall act upon such proposal at its next meeting.


ARTICLE XIV DEVELOPER'S CONTROL

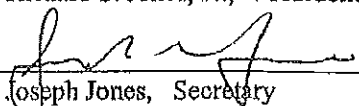
Anything contained herein to the contrary notwithstanding, SCARBOROUGH ESTATES, LLC, a Florida limited liability company, which is the Developer of the development known as SCARBOROUGH ESTATES, shall have full right and authority to manage the affairs and exclusive right to elect the directors of the Association (who need not be Owners) until the earliest of the following shall occur;

(i) ninety (90) days after the Developer has conveyed to Members ninety (90%) percent of the Lots or Units contemplated by the General Plan of Development, (ii) the date required by Section 720.307, Florida Statutes as amended, or (iii) on the date when Developer voluntarily elects to relinquish its control of the Association.

The foregoing were adopted as the Bylaws of SCARBOROUGH ESTATES AT PGA VILLAGE HOMEOWNERS ASSOCIATION, INC., a corporation not for profit under the laws of the State of Florida, at the first meeting of the Board of Directors on the 5th day of September, 2004.

**SCARBOROUGH ESTATES AT PGA VILLAGE
HOMEOWNERS' ASSOCIATION, INC.**

By: 
Richard S. Jones, Jr., President

Attest: 
Joseph Jones, Secretary