

**DECLARATION OF COVENANTS AND RESTRICTIONS
 FOR
 THE TOWNHOMES AT RENAR RIVER PLACE**

THIS DECLARATION, for the Townhomes at Renar River Place (this "Declaration") is made by Renar River Place LLC, a Florida limited liability Company (hereinafter referred to as "Declarant" or "Developer") and joined in by the Townhomes at Renar River Place Homeowners Association, a Florida not-for-profit corporation (hereinafter "Association") ;

WITNESSETH

WHEREAS, Declarant is the owner of certain property in Martin County, Florida, more particularly described in Exhibit "A" affixed hereto and made a part hereof, and is desirous of subjecting such real property to the covenants, conditions and restrictions hereinafter set forth, each and all of which are for the benefit of such property and each present and future owner and shall apply to and bind every present and future owner of said property and their heirs, successors and assigns; and

NOW, THEREFORE, Declarant hereby declares, subject to prior easements, restrictions, reservations and limitations of record, that the real property described in Exhibit "A" is and shall be held, transferred, sold, conveyed, used and occupied subject to the covenants, conditions, easements, charges, burdens, assessments, affirmative obligations, and liens hereinafter set forth. This Declaration shall become effective on the date and at the time it is recorded in the Public Records of Martin County. **This Declaration does not and is not intended to create a condominium under the Florida Condominium Act.**

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- EXHIBIT A Legal Description
- EXHIBIT B Articles of Incorporation of Townhomes at Renar River Place Homeowners Association
- EXHIBIT C By-Laws of Townhomes at Renar River Place Homeowners Association

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ARTICLE I
DEFINITIONS AND DESCRIPTIONS OF PROPERTY

Section 1.1. Definitions. The following words and terms when used in this Declaration and any supplemental declaration, unless the context clearly indicates otherwise, shall have the following meanings:

“Articles and Bylaws” shall mean and refer to the Articles of Incorporation for the Association filed with the Secretary of the State of Florida, and the By-Laws for the Association adopted by the Board of Directors of the Association, copies of which are attached hereto as Exhibits “B” and “C”, respectively.

“Assessments” shall mean any assessments made in accordance with this Declaration or the Master Declaration of Covenants, Conditions, and Restrictions for Renar River Place.

“Association” shall mean and refer to the Townhomes at Renar River Place Homeowner’s Association, a Florida not-for-profit corporation, its successors and assigns.

“Association Documents” shall mean this Declaration, the Articles, the Bylaws, and the Rules and Regulations, as amended from time to time.

“Board” shall mean the Board of Directors of the Association.

“Common Area” shall mean all real property (and interests therein and improvements thereon) and personal property owned or leased by or dedicated to the Association for the common use and enjoyment of the Members, including, but not limited to, the dedications as depicted upon and dedicated to the Association, pursuant to the “Plat”, as hereinafter defined.

“County” shall mean and refer to Martin County, Florida.

“Declarant” shall mean and refer to Renar River Place LLC, a Florida limited liability Company, its specific successors and assigns.

“Dwelling” shall mean and refer to a townhouse unit constructed on a Lot. Each dwelling shall be located in a structure with two or more separate dwellings

“Institutional Mortgagee” shall mean a state or federal bank, savings and loan association or service company, a mortgage corporation, insurance company, real estate investment trust, union pension fund or an agency of the United States Government, FNMA, HUD, VA or any other lender generally recognized as an institutional-type lender, or Declarant and any related entity or person to Declarant, holding a mortgage on a Parcel.

“Lot” shall mean and refer to any tract of land located within the property which is designated as a “Lot” on the Plat of Renar River Place, Phase 1.

“Master Architectural Review Committee or MARC” Shall mean the body established by the Master Association Board to administer all alterations and modifications to existing Structures and improvements within the Property.

“Master Association” shall mean and refer to the Renar River Place Master Association of which each Owner is a member by virtue of the Master Declaration of Covenants, Conditions and Restrictions for Renar River Place.

“Master Association Assessment” shall mean and refer those assessments and charges made by the Master Association.

“Master Declaration” shall refer to the Master Declaration of Covenants, Conditions and Restrictions for Renar River Place.

“Member” shall mean a member of the Association.

“Owner” shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

“Party Wall” shall mean any fence or wall built as part of the original construction of two or more dwellings which is placed on the dividing line or platted lot line between such homes.

“Plat” shall mean and refer to the Plat entitled, “The Plat of Renar River Place, Phase 1”, as recorded in the Public Records of Martin County.

“Property” or “Properties” shall mean and refer to that certain real property described in Exhibit “A” affixed hereto and made a part hereof, also referred to as “The Townhomes at Renar River Place.”

“Public Records” shall mean the Public Records of Martin County, Florida, as recorded in the Clerk of the Circuit Court’s office thereof.

“Rules and Regulations” shall mean the rules and regulations governing the Townhomes at Renar River Place.

“SFWMD” shall mean the South Florida Water Management District.

“Turnover Date” shall mean the date on which transition of control of the Association from the Developer to Owners occurs.

Section 1.2. Property Subject to Covenants and Restrictions. The real property subject to this Declaration is that real property, and any plats or replats thereof, described in the Legal Description which is attached hereto as Exhibit "A", and any additional real property which is hereafter subjected to this Declaration (the "Property"). The real property subject to this Declaration is also subject to the Master Declaration of Covenants, Conditions, and Restrictions of Renar River Place.

ARTICLE II RESTRICTIVE COVENANTS

Section 2.1. Lot Usage. No Lot shall be used for any purpose other than a single family dwelling.

Section 2.2. Master Architectural Review Committee (MARC) Approvals. Except for Developer, no person or entity may erect on, place on, alter, or permit any Structure or improvement on a Lot, unless and until the site plan, floor plan, elevation, landscaping plan, abbreviated specifications, or such other information and materials as the Master Architectural Review Committee (MARC) may require, are reviewed and approved by the MARC on accordance with the procedures set forth in the Master Declaration of Covenants Conditions and Restrictions for Renar River Place. The Committee shall review proposed buildings or structures (including plans and specifications for same or alterations of prior approved buildings or structures) as to the harmony of the external design and location of the building or structure with respect to existing buildings and structures, with respect to topography, vegetation, and the finished grade or elevation of the Lot, and with respect to any other relevant considerations the Committee deems appropriate which are based upon acceptable standards of planning, zoning and construction, including considerations which are exclusively based on aesthetic factors. Owners will remain responsible for securing building permits as necessary after securing approvals from the Committee.

Section 2.3. Remodeling or Changes. In order to preserve the character of the Community, no exterior surfaces, walls or roofs of any structure (including materials and colors of walls and roofs) shall be changed or modified without specific prior written approval of the MARC.

Section 2.4. Non-Permitted Structures and Vehicles. No vehicles and no Structure of a temporary nature or character, including, but not limited to, trailers, house trailers, mobile homes, campers, recreational vehicles, tents, shacks, sheds, barns or similar Structure shall be used or permitted to remain on any Lot as a storage facility or residence, or other living quarters whether temporary or permanent.

Section 2.5. Parking. Operative licensed vehicles of a resident or resident's guest, employee, lessee or invitee may be parked in designated parking areas but in no event on grassed or landscaped areas. Inoperative or unlicensed cars, trucks, trailers, or other types of vehicles shall not be allowed to remain on any Lot, street or Common Area for a

period in excess of twenty-four (24) hours. No major repair shall be performed on any motor vehicle on any Lot, street or Common Area.

Section 2.6. R.V. and Boat Storage and Parking. No house trailer, travel trailer, camper, motor home, boat trailer, boat or similar vehicle shall be permitted to remain or park on any Lot or parking space for a period of more than four (4) daylight hours

Section 2.7 United States Flags. In accordance with Chapter 720.304(2), Florida Statutes (2006), any Owner may display one portable, removable United States flag or official flag of the State of Florida in a respectful manner, and on Armed Forces Day, Memorial Day, Flag Day, Independence Day, and Veterans Day may display in a respectful manner portable, removable official flags, not larger than 4 1/2 feet by 6 feet, which represent the United States Army, Navy, Air Force, Marine Corps, or Coast Guard, regardless of any rules or requirements of the Association dealing with flags or decorations.

Section 2.8. Domesticated Animal Control. In order to maintain and preserve the peace and tranquility of the Community, the Association shall have the right to adopt reasonable rules and regulations regarding the keeping of dogs, cats and other domesticated household pets, including prohibiting the keeping and breeding of such animals for commercial purposes, and specifically shall have the right: (i) to require such animals to be leashed; (ii) to prohibit such animals from roaming at large beyond the confines of their Owner's grounds or left unattended in a yard or on a balcony, porch, or patio; (iii) to require that Owners keep their pets from making noises likely to disturb others; (iv) to limit the number of such animals; and (v) to adopt such other rules and regulations as may seem necessary to carry out the purposes of this Section.

Section 2.9. Livestock Prohibition. No livestock, swine, poultry or animals of any kind, other than those described in the preceding section, shall be raised, bred, or kept within the Community.

Section 2.10. Sign Control. No sign of any kind shall be erected, permitted to remain on or displayed to public view on or from any Lot, except an approved sign giving the name of the occupant of the residence located on said Lot or an approved sign advertising the premises for sale or rent. All signs must be approved by the Committee as a condition to their being erected or being allowed to remain. Political signs may only be erected and removed in accordance with applicable County ordinances.

Section 2.11. Offensive Activities. No noxious or offensive activity that may be or may become an annoyance or a private or public nuisance shall be carried on or suffered to exist on any Lot.

Section 2.12. Garbage Control. No Lot, Common Area, or any portion of the Property shall be used for dumping, discharge or storage of rubbish, trash, garbage, or other solid waste material. All portions of the Property shall be kept free of any accumulations of rubbish, trash, garbage, and other waste materials. All equipment used

for the collection, storage or disposal of solid waste materials shall be kept in a clean and sanitary condition.

Section 2.13. Fences. Fence or wall placement shall be subject to Master Architectural Review Committee (MARC) approval and in compliance with the provisions of applicable County ordinances.

Section 2.14. Cable Television. The Developer reserves unto itself, its successors, assigns, contractors, designees and nominees: (i) ownership of any communications and data transmissions equipment, closed circuit, master antenna or satellite, community antenna or cable television system, or other type of cable system, or pay-per-view system, or the like (including any and all related conduits, equipment, fixtures, wires, amplifiers, antennas, towers and other apparatus and equipment) which it (or one of its successors, assigns, contractors, designees or nominees) installs in part or whole on the Property (any such system and its related apparatus and equipment being hereinafter referred to as the "Telecommunications Facilities"); (ii) a perpetual easement over, through and across Common Areas and any other portions of the Property outside the perimeter walls of any Dwelling Unit, to the extent reasonably necessary for the installation, servicing, maintenance, repair, modification, replacement and removal of the Telecommunications Facilities or any part thereof; provided, however, in no event shall the rights reserved hereunder substantially interfere with the use of a Dwelling Unit by its Owner ; (iii) the right to connect the Telecommunications Facilities to whatever receiving source the owner of the Telecommunications Facilities deems appropriate; (iv) the exclusive right to provide (or cause to be provided) to Dwelling Units, to the fullest extent permitted under applicable law, as amended from time to time, all or any mandatory or non-mandatory telecommunications services, including, without limitation, "Basic Local Telecommunications Services" and "Non-Basic Service", as hereinafter defined, through the Telecommunications Facilities (and related ancillary services to Dwelling Units, including but not limited to, safety-related services) at charges similar to those normally paid for like services by residents of single family residences within the general vicinity of the Property, and to retain or assign all such charges; and (v) the right to require that any or all Dwelling Units constructed within the Property include outlets for telecommunications facilities equal to at least the number of bedrooms plus one. "Basic Local Telecommunications Services" shall mean "voice grade, flat residential and flat rate single-line business local exchange services which provide dial tone, local usage necessary to place unlimited calls within a local exchange area, dual tone multifrequency dialing and access to emergency services such as "911"; all locally available inter-exchange companies; directory assistance; operator services; relay services and an alphabetical directory listing. In addition, it shall provide any extended area service routes and extended calling services so provided. "Non-Basic Service" is any telecommunications service provided by a telecommunications company other than Basic Service. This provision shall not be construed as permitting access to the interior of any Dwelling Unit without the Owner's consent.

ARTICLE III OWNERS ASSOCIATION

Section 3.1. Formation. At or about the time of the recording of this Declaration, the Developer has caused the Association to be formed by filing the Articles of Incorporation therefor in the Office of the Secretary of State of Florida. The Association is formed to operate, maintain and ultimately own the common property; to enforce the covenants, conditions, restrictions, and other provisions set forth in this Declaration and to have such other specific rights, obligations, duties and functions as are set forth in this Declaration and in the Articles of Incorporation and the By-Laws of the Association. The Association is a Subassociation of the Renar River Place Master Association as defined and limited in the Master Declaration of Covenants, Conditions and Restrictions for Renar River Place.

Section 3.2. Membership. Each Owner shall automatically and mandatorily become a Member of the Association upon acquisition of any ownership interest in the title to any Lot. The memberships of such Owner shall terminate automatically at the time that such person divests himself or is divested of such ownership interest or title, regardless of the means by which such ownership may have been divested. The termination of membership in the Association shall not relieve or release a former member from liability or obligation incurred in, or in any way connected with, the former Owner's Lot or the Community during the period of the Owner's membership, nor shall it impair any rights or remedies that the Association may have against any former Owner arising out of, or in any way connected with, the ownership and membership and the covenants and obligations incident to the same.

No person, corporation or other entity holding any lien, mortgage or other encumbrance upon any Lot shall be entitled by virtue of such lien, mortgage or other encumbrance, to membership in the Association or to any of the rights and privileges of membership in the Association, or be charged with any of the duties of such membership; provided, however, that nothing contained herein shall be construed as prohibiting membership in the Association of a person, corporation, or other business entity which acquires title to a Lot either by foreclosure or by voluntary conveyance from a mortgagor or the mortgagor's successors or assigns.

Section 3.3. Management and Enforcement Authority. In the administration, operation and management designated to the Association and in the enforcement of the Association Documents, the Association, in addition to any authority granted elsewhere herein, shall have and is hereby granted with respect to areas of the Community within the Association's ownership or control, full power and authority: (a) to enforce all applicable provisions of this Declaration by an action at law for damages, or by proceeding in equity for injunctive or other relief; (b) to levy and collect Assessments in accordance herewith; and (c) in order to carry out the purposes of the Association, to adopt, promulgate, and enforce reasonable rules and regulations governing the use and enjoyment of the areas of the Community within the Association's ownership or control. In addition, notwithstanding any other provisions in this Declaration, the conditions and restrictions contained in the

Declaration shall be enforceable by the Developer so long as the Developer owns any portion of the Property. The County and the District also shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in this Declaration which relate to the maintenance, operation and repair of the Surface Water or Stormwater Management System.

Section 3.4. Suspensions and Fines. In addition to all other remedies provided in this Declaration, the Association, through a Covenants Committee established as provided in the Bylaws, may suspend, for a reasonable period of time, the rights of an Owner or an Owner's family members, tenants, guests or invitees, or any of them, to use the Common Areas, and may levy reasonable fines, not to exceed the limits imposed by Florida law, on any Owner or the Owner's family members, tenants, guests or invitees, and may exclude the Owner's contractors, subcontractors, agents, guests and invitees from the Community for failure of the Owner, or the Owner's family members, tenants, contractors, subcontractors, guests or invitees, to comply with any provisions of this Declaration or the duly adopted rules and regulations of the Association; provided, however, the Association shall provide in its rules and regulations or under its Bylaws for reasonable notice and the opportunity to be heard before imposing any such suspension or fine, except that no notice or hearing shall be required before the imposition of a suspension or fine upon any Owner because of the failure by the Owner to pay Assessments or other charges when due. In accordance with Chapter 720.305, Florida Statutes (2006) a fine shall not become a lien against a parcel and in any action to recover a fine, the prevailing party is entitled to collect its reasonable attorney's fees and costs from the nonprevailing party as determined by the court. Notwithstanding the foregoing, no such fine, suspension or exclusion may be levied against the Developer or any of its Lots.

ARTICLE IV MAINTENANCE OF PROPERTY

Section 4.1. Association Responsibilities. The Association shall be responsible for maintenance of the Association Property, the Common Property, the exterior of each Dwelling, including without limitation, the maintenance and repair of the roof and exterior walls and the painting of the exterior surfaces of the Dwellings and the patio fences on or adjacent to each lot.

Section 4.2. Lot Owner Responsibilities. The Owner of each Lot shall be responsible for maintenance of the interior areas of the dwellings and maintenance of the party walls, as provided in Section 6 of this Declaration; provided, however, that Owners shall have no right to maintain any of the property to be maintained by the Association as set forth in Section 4.1. The expense of any maintenance, repair or construction of any portion of the Association Property or the Common Property, the exterior of any Dwelling, or fences located on or adjacent to a lot, necessitated by the negligent or willful acts of an owner, or his invitees, licensees, family or guests shall be borne solely by such owner, and his lot shall be subject to an individual assessment for such expense. Extraordinary repairs

or replacements beyond the normal maintenance performed by the Association, but not resulting from a casualty covered insurance, shall be performed by the individual owner at his own expense. The Board of Directors of the Association shall determine, in its sole discretion, which repairs are "normal" and assumed by the Association, and which are extraordinary and assumed by the Owner.

Section 4.3. Maintenance of Surface Water Management System. The Master Association shall be responsible for the maintenance, operation and repair of the Surface Water or Stormwater Management System. Maintenance of the Surface Water or Stormwater Management System(s) shall mean the exercise of practices which allow the systems to provide drainage, water storage, conveyance or other surface water or stormwater management capabilities as permitted by the District. Any repair or reconstruction of the Surface Water or Stormwater Management System shall be as permitted or, if modified, as approved in writing by the District.

Section 4.4. Maintenance of Preservation Areas. The Master Association shall be responsible for the maintenance of Preservation Areas in accordance with the Preservation Area Management Plan (PAMP) approved by Martin County.

Section 4.5. Easement for Access and Drainage. The Master Association shall have a perpetual non-exclusive easement over all areas of the Surface Water or Stormwater Management System for access to operate, maintain or repair the system. By this easement, the Association shall have the right to enter upon any portion of any lot which is a part of or provides access to the Surface Water or Stormwater Management System, at a reasonable time and in a reasonable manner, to operate, maintain or repair the surface Water or Stormwater Management System as required by the District Permit. Additionally, the Master Association shall have a perpetual non-exclusive easement for drainage over the entire Surface Water or Stormwater Management System. No person shall alter the drainage flow of the Surface Water or Stormwater Management system, including buffer areas or swales, without prior written approval of the South Florida Water Management District.

Section 4.6. Maintenance Easements. For the purpose of providing access to each Owner of a boundary line fence, and to permit painting, maintenance, repairs or reconstruction of such fences that abut an Owner's boundary lines, the adjoining Owner or Owners of each Lot which abuts such boundary line fence hereby give and grant a perpetual easement to the Owner or Owners of such fence to enter upon the property of such adjoining Owner or Owners for the specific purpose of painting, maintaining, repairing or reconstructing such fence. Such entry will be made in a reasonable manner and only at reasonable times, and any damage caused by such entry shall be repaired as soon as practicable and at the expense of the Owner of the fence who causes such entry to be made. In the event of controversy, the decision of the Board of Directors of the Association shall control.

Section 4.7. Special Maintenance Easements. In the event any portion of any structure constructed by the Developer, including any boundary line wall, shall encroach over an adjoining Lot or Common Area, such structure or boundary line wall shall not be deemed to be an encroachment upon the adjoining Lot or Common Area. In the event there is such an encroachment, the Owner or Owners of the Lot or Common Area on which such encroachment extends shall be deemed to have granted a perpetual easement to the adjoining Owner or Owners for continuing maintenance and use of such encroachment or boundary wall, including any replacement thereof.

ARTICLE V INSURANCE

Insurance, other than title insurance, that shall be carried on the Common Property, the Association Property, and the Dwellings shall be governed by the following provisions:

Section 5.1 Authority to Purchase; Named Insured. The Association shall purchase insurance on the following property: the Common Property, the Association Property and the townhouse buildings, including all exterior surfaces of such buildings, the unfinished interior surfaces of the perimeter walls, floors and ceilings of the individual Dwellings, the party walls and any patio fence located on or adjacent to each lot (the aforesaid property to be insured by the Association shall hereinafter collectively be referred to as the "Insurable Property"). The Association shall not purchase insurance on the interiors of the Dwellings, which shall mean and refer to all surfaces and structures within the interior unpainted finished surfaces of the ceiling, floor and perimeter walls of the Dwelling, nor shall the Association purchase insurance on the equipment, furniture or other personal property located within the Dwellings. All insurance policies upon the Insurable Property shall be purchased by the Association and shall be placed in a single agency or company, if possible. All insurance policies obtained by the Association shall be for the benefit of the Association, the Owners and their mortgagees, as their respective interests may appear, and shall provide that all proceeds covering property losses shall be paid to the Association as Insurance Trustee. An independent Insurance Trustee may be designated by the Board of Directors and which, if so appointed, may be a bank or trust company, attorney, or Certified Public Accountant. The Insurance Trustee (if appointed) shall not be liable for payment of premiums, nor for the renewal or the sufficiency of policies, nor for the failure to collect any insurance proceeds. The duty of the Insurance Trustee (if appointed) shall be to receive such proceeds as are paid and to hold the same in trust for the purposes elsewhere stated herein, and for the benefit of the Unit Owners and their respective mortgagees in the following shares, but which shares need not be set forth on the records of the Insurance Trustee

Provisions shall be made for the issuance of mortgagee endorsements and memoranda of insurance to any such institutional Mortgagees. The Owners may and should purchase insurance on the interiors of their Dwellings, as aforescribed, and their personal property, as they deem appropriate.

Section 5.2. Coverage.

Section 5.2.1. Casualty Insurance. All Insurable Property shall be insured for fire and extended coverage perils, excluding foundation and excavation costs, at their maximum insurable replacement value, except that all personal property owned by the Association shall be insured for its full insurable value, all as determined annually by the Board of Directors of the Association.

Section 5.2.2. Public Liability Insurance. The Association shall obtain public liability and property damage insurance covering all of the Common Property and the Association Property, and insuring the Association and Members as their interests appear in such amounts and providing such coverage as the Board of Directors of the Association may determine from time to time; provided, that the minimum amount of coverage shall be \$500,000 each person, and \$2,000,000 each incident. The liability insurance shall include, but not limited to, hired and non-owned automobile coverage.

Section 5.2.3. Workmen's Compensation Insurance. The Association shall obtain Workmen's Compensation Insurance in order to meet the requirements of law.

Section 5.2.4. Flood Insurance. The Association shall obtain flood insurance to meet the requirements of federal, state, or local law, or any regulation enacted pursuant to federal, state or local law.

Section 5.2.5. Other Insurance. The Board of Directors of the Association shall obtain such other insurance as they shall determine from time to time to be desirable.

Section 5.2.6. Subrogation Waiver. If available, the Association shall obtain policies which provide that the insurer waives its right to subrogation as to any claim against Members, the Association and their respective servants, agents and guests.

Section 5.3. Premiums. The cost of insurance premiums and other incidental expenses incurred by the Association in administering and carrying out any of the provisions of this Article shall be a Common Expense.

Section 5.4. Shares of Proceeds. The Insurance Trustee shall not be liable for the sufficiency of policies nor for the failure to collect any insurance proceeds. The duty of the Insurance Trustee shall be to receive such proceeds as are paid and to hold the proceeds in trust for the purposes elsewhere stated herein for the benefit of the Members and Institutional Mortgagees in the following shares, which shares need not be set forth on the records of the Insurance Trustee:

Section 5.4.1. Insurable Property. Proceeds on account of damage to any of the Insurable Property shall be an equal undivided share for each Member.

Section 5.4.2. Institutional Mortgagees. In the event a mortgagee endorsement has been issued regarding an Improvement which is Insurable Property, the share of the Owner shall be held in trust for the Institutional Mortgagee and the Owner as their interests may appear; provided, however, that no Institutional Mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged Improvement shall be reconstructed or repaired, nor any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except distribution of such proceeds made to the Owner and Institutional Mortgagee pursuant to the provisions of this Declaration.

Section 5.5. Distribution of Proceeds. Proceeds of insurance policies received by the Insurance Trustee shall be distributed to or for the benefit of the Members in the following manner:

Section 5.5.1. Expenses of the Trust. All expenses of the Insurance Trust shall be paid first, or provisions made for such payment.

Section 5.5.2. Reconstruction or Repair. If the damage for which proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost of such repairs, as hereinafter provided. Any proceeds which remain after defraying such costs shall be distributed to the Members.

Section 5.5.3. Failure to Reconstruct or Repair. If it is determined in the manner hereinafter provided that the damage for which proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the Members. There shall be no distribution of remaining proceeds until all debris, remains and residue have been cleared and removed, and the damage area has been properly landscaped. In the event of loss or damage to personal and/or real property belonging to the Association, and that the Board of Directors of the Associations determine not to replace such personal and/or real property as may be lost or damaged, the proceeds shall be distributed to the Members.

Section 5.5.4. Certificate. In making distribution to Members, the Insurance Trustee may rely upon a certificate of the Association made by its President and Secretary as to the names of the Members and their respective shares of the distribution.

Section 5.6. Association's Power to Compromise Claims. The Board of Directors of the Association is hereby irrevocable appointed agent for each Member and for each

Institutional Mortgagee or other lien holder, for the purpose of compromising and settling all claims arising under insurance policies purchased by the Association, and to execute and deliver releases therefor upon payment of claims.

Section 5.7. Owners' Personal Coverage. Each Owner is required to maintain liability insurance on their dwelling unit and casualty insurance for the improvements and all personal property which will be located in their unit in an amount equal to the full insurable value as to the loss or damage by fire or other casualty, as well as liability insurance and insurance insuring their personal property. Each owner shall furnish proof of such coverage to the association within thirty days of the purchase of the unit and of uninterrupted coverage on an annual basis thereafter on or before the anniversary of the original closing date. The Association has no responsibility or liability whatsoever for improvements, fixtures, betterments, appliances, wall or floor coverings or personal property within each owner's dwelling unit.

ARTICLE VI PARTY WALLS

Section 6.1. General Rules of Law to Apply. To the extent not inconsistent with the provisions of this section, the general rule of law regarding party walls and liability for personal damage due to negligence of willful acts or omissions shall apply to all Party Walls within The Townhomes at Renar River Place which are built by Developer as part of the original construction of the Townhomes and any replacement thereof. In the event any portion of any structure or facility, as originally constructed by Developer, including, without limitation, any Party Wall, shall protrude over an adjoining Townhome, it shall be deemed that such Owners have granted perpetual easements to the adjoining Owner or Owners for continuing maintenance and use of the project or Party Wall. The foregoing shall also apply to any replacements of any party Walls. The foregoing conditions shall be perpetual in duration and shall not be subject to amendment of this Declaration.

Section 6.2. Painting. Each Owner shall be responsible for painting the interior portion of any Party Wall which faces his or her Townhome.

Section 6.3 Sharing of Repair, Replacement, Maintenance of Party Walls.

Section 6.3.1 Generally. The cost of reasonable repair and maintenance of Party Walls (other than painting) shall be shared equally by the Owners of the Townhomes sharing such improvements without prejudice, however, to the right of any Owner to call for a larger contribution from the other under any rule of law regarding liability for negligent or willful acts or omissions.

Section 6.3.2. Failure to Contribute. In the event that an Owner shall fail or refuse to pay his pro rata share of costs of repair, maintenance or replacement of a Party Wall (whether or not through his own fault or the

failure of his insurance company to pay any claim), then and in that event, the Owner advancing monies therefor shall have a right to file a claim of lien for such monies advanced in the Public Records and shall have the right to foreclose said lien in accordance with the same procedural requirements as now provided for in Florida Statutes for foreclosure of a construction lien; provided, however, such claim of lien shall be filed within ninety (90) days from date repairs or replacements are made to the Party Wall and suit thereon shall be commenced one (1) year from date such lien is filed.

Section 6.3.3 Alterations. The Owner of a Townhome sharing a Party Wall with an adjoining Townhome shall not cut windows or other openings in the Party Wall, nor make any alterations, additions or structural changes in the Party Wall without the joint agreement of all of the Owners sharing the Party Wall.

Section 6.3.4 Weatherproofing. Notwithstanding any other provisions of this Declaration, an Owner who by his negligent or willful act causes a Party Wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 6.3.5 Easements. Each Owner sharing a Party Wall shall have all easement rights reasonably necessary to perform the obligations contained herein over the Townhomes sharing the Party Wall.

ARTICLE VII ASSESSMENTS

Section 7.1. Creations of Lien and Personal Obligation. There shall be assessed against each Lot or Dwelling Unit the sums provided in this Article for the purposes set forth in this Declaration. The Developer agrees to, and each Owner and each tenant of each Lot or Dwelling Unit shall, by acceptance of a deed or other instrument of conveyance or lease, whether or not it shall be so expressed in any such deed or instrument, be deemed to have agreed to all terms, covenants, conditions, restrictions, and other provisions of this Declaration and to have agreed to promptly pay to or on behalf of the Association, the following:

(a) An initial capital assessment in the amount of \$0 per Lot for working capital and capital expenditures of the Association and to reimburse the Developer for expenses and costs advanced by it for the formation and operation of the Association. Prior to Turnover of the Association, the Developer reserves the sole right to determine when and for what purpose the Association may disburse funds derived from the capital assessment and there is no representation that any portion of the funds derived from the capital assessment will remain as an asset of the Association at the time of Turnover;

(b) All regular assessments or charges (whether collected monthly or otherwise);

(c) All special assessments or charges for the purposes set forth in this Declaration that shall be fixed, established, levied, and collected from time to time as hereafter provided; and

(d) All service assessments for the purposes set forth in this Declaration that shall be fixed, established, levied and collected from time to time as hereafter provided.

Regular, special and service assessments (collectively, "Assessments") by the Association (together with such interest thereon and the cost of collection including reasonable attorneys' fees as hereinafter provided) shall be a charge and continuing lien on the Lot or Dwelling Unit against which such Assessment is made, whether or not a claim of lien is filed. Each such Assessment (together with such interest thereon and the costs of collection including reasonable attorneys' fees as above established) shall also be the personal obligation of the person who was the Owner of such Lot at the time when the Assessment first became due and payable, and also the joint and several personal obligation of any subsequent grantees who take title to the Lot without first obtaining a letter from the Association as herein provided to the effect that there are no outstanding Assessments against the Lot being purchased. In the case of co-ownership or co-tenancy of a Lot, each Owner or tenant shall be jointly and severally liable for the entire amount of the Assessments and the aforesaid interest, collection costs, and reasonable attorneys' fees. Prospective purchasers are hereby notified of the possible charge against Lots in the Community.

Section 7.2. Regular and Special Assessments. Regular assessments shall be for each Lot's share of the common expenses as set forth in the annual budget of the Association for proper operation and management of the Community and for the operation of the Association and for, but not limited to, the following purposes: (a) to improve, maintain, enhance, enlarge, protect, monitor and operate the areas within its ownership or control as specified in this Declaration; (b) to cover operating and administrative expenses; (c) to fund services and benefits which the Association is authorized to provide, including, but not limited to: insurance; construction; maintenance, repair and replacement of improvements; the escrowing of sufficient monies for specific purposes to satisfy the County; the acquisition of labor or services (including security services and professional services of attorneys, accountants, engineers, consultants, etc.); equipment, materials, management, and the supervision necessary to provide the authorized services or benefits; (d) for the payment of principal, interest and other charges connected with loans made to or assumed by the Association for the purpose of enabling the Association to perform its authorized functions (including the payment of mortgages upon areas of the Community owned by the Association, even though such mortgages were of record at the time the Association received title from Developer); (e) to pay the costs of social functions open to all members; and (f) to keep in force and pay for liability insurance on all areas of the Property within its ownership or control in amounts not less than required by this Declaration; (g) to be used for the maintenance and repair of the surface Water or Stormwater Management Systems including but not limited to work within retention areas, drainage structures and drainage easements.

Special assessments shall be for each Lot's share of the cost of any shortfall in the annual budgeted operating revenues, or for any repair or replacement of an existing capital improvement, or for the construction or acquisition of a new capital improvement, without concurrence of the Members unless the cost of such repair or replacement or acquisition or construction is major. "Major" shall be defined to mean that the amount of the proposed special assessment per Lot, plus any other special assessments levied during the same fiscal year, exceeds fifty percent (50%) of the then current year's annual assessment. Major capital improvements shall require the special assessment to be approved by a majority of a quorum of minimum of thirty percent (30%) of the total votes of the Association. The Association may also levy special assessments without limitation or the concurrence of any Owner to pay for the costs of maintenance or enforcement of this Declaration with regard to a specific Lot, and any such assessment shall be levied only against the Owner of such Lot. Special assessments shall be payable at such time and place determined by the Association and stated in the assessment notice.

No initiation fee may be charged to members of the Association as a pre-condition to use of such areas or facilities described in this Section. User fees, however, may be charged. The Association shall not be bound in setting Assessments in subsequent years by the amount of the Assessments set in earlier years. Notwithstanding any of the provisions of this Article, in no event shall Assessments and other revenues collected by the Association exceed its expenses and reasonable reserves to an extent which would violate the Association's not-for-profit status.

Section 7.3. Service Assessments. The Association may levy a Service Assessment upon any Lot which receives services through the Association for video, data and voice communications and transmissions, security, cable television, lawn and exterior home maintenance, valet, or other types of services, for which the amount of the assessment shall vary from Lot to Lot, depending upon the type or amount of benefit received by a Dwelling Unit.

Section 7.4. Assessment Amounts. Both regular and special assessments shall be fixed by the Board of Directors at a uniform rate per Lot subject to Assessments, except as otherwise provided in this Declaration.

The Association, upon proper resolution adopted by its Board of Directors, may bill and collect Assessments on a monthly or quarterly or less frequent basis.

Except as elsewhere provided herein to the contrary, each Owner shall be obligated to pay any delinquent or unpaid Assessments which accrued prior to taking title and shall be obligated to pay the Assessments continually from the date such Owner takes title.

The Developer shall not be obligated to pay any Assessments on the Lots owned by the Developer for the following time period, with the obligation of the Developer being limited to the payment of operating expenses incurred by the Association that exceed the assessments receivable from other Members and other income of the Association:

Beginning with the date of recording this Declaration and continuing until the date of Turnover, or such earlier date that the Developer may designate in a written notice to the Association stating the Developer's intention to discontinue the foregoing arrangement and pay the uniform assessments for each Lot owned by the Developer. For the purposes of this provision, the term "operating expenses" shall exclude capital expenditures, reserves and depreciation, and the Developer shall have the right to apply any surplus from any previous year to any subsequent year before funding the deficit. Also for the purposes of this provision, the term "other income" shall include but not be limited to capital contributions, if any, interest, fines, late fees and other fees collected by the Association.

Section 7.5. Late Charges and Suspension. Assessments which are not paid on or before the date the same become due shall be delinquent, and each delinquent Assessment shall bear simple interest at eighteen percent (18%) per annum calculated from the date due until paid in full. If any Assessment or installment thereof is not paid within thirty (30) days after the date due, there also shall be imposed a late charge equal to the greater of \$25.00 or five percent (5%) of the late payment. In addition to the accrual of interest and the imposition of a late charge, when an Assessment becomes delinquent in payment, the Association shall have the right to accelerate Assessment installment payments for the balance of the calendar year and, in such event, the Association's lien shall be for the full amount as accelerated. There shall be no exemption from the payment of any Assessment by waiver of the use of the Common Areas or by abandonment of the Lot or Dwelling Unit, or by extended absence from the Subdivision, or for any reason, except as provided for the Developer in this Declaration. If any Owner shall fail to pay the Assessments within ninety (90) days after the same become due, then the Board of Directors or the Committee may suspend the Owner's voting rights and rights to use and enjoy the Common Areas, without prior notice or hearing, until the Assessments are paid in full; provided, however, that such suspension shall not impair the right of an Owner or the Owner's family members, tenants, guests or invitees to have vehicular and pedestrian ingress to and egress from the Owner's Lot, including but not limited to the right to park. Notwithstanding the foregoing, no such interest, late charges or suspension may be levied against the Developer or any of its Lots.

Section 7.6. Statement for Assessments. The Association, upon written request of any Owner, shall furnish to a prospective purchaser or prospective mortgagee or any other authorized person a statement of the current status of the Association's Assessments on such Owner's Lot. When executed by the Secretary or Treasurer of the Association, a mortgagee, potential purchaser or title examiner may rely upon such statement as an accurate statement of the status of Assessments by the Association upon the Lot in question.

Section 7.7. Assignment of Membership. Although all funds and other assets of the Association, and any income derived therefrom, shall be held for the benefit of their respective members, no member of the Association shall have the right to assign, encumber, hypothecate, pledge, or in any manner transfer his, her or its membership or interest in or to said funds and assets, except as an appurtenance to a Lot. When an

Owner ceases to be a member of the Association by reason of divestment of ownership by whatever means that occurs, the Association shall not be required to account to said Owner for any share of the funds or assets it holds.

Section 7.8. Foreclosure. In the event that any Institutional Mortgagee shall acquire title to any Lot by foreclosure, judicial sale, documents of transfer from a governmental entity or documents of transfer from the mortgagor or his receiver, trustee in bankruptcy, personal representative, successors or assigns, then such Institutional Mortgagee shall take title subject to the lien or liens of the Association, not to exceed the aggregate of Assessments charged by the Association to such Lot during the twelve month period immediately preceding the date such Institutional Mortgagee acquires title to the Lot; and neither such Institutional Mortgagee nor its successors in interest to the Lot shall be liable or obligated for the payment of any Assessments which were charged to the Lot more than twelve months prior to the date the Institutional Mortgagee acquired title to the Lot, except a pro-rata share as follows: In the event of the acquisition of title as aforesaid, any Assessment or Assessments as to which the Institutional Mortgagee so acquiring title shall not be fully liable, shall be absorbed and paid by all the Owners; provided, however, that nothing contained herein nor any action taken by the Institutional Mortgagee shall be construed as releasing the prior Owner from liability for such delinquent Assessments or construed as a waiver of the Association's right to legally enforce collection from the prior Owner. In the event that any Institutional Mortgagee shall acquire title to any Lot as described above in this Section, the mortgagee so acquiring title shall also be liable and obligated for such Assessments as may accrue to said Lot subsequent to the date of acquisition of such title.

Section 7.9. Liens for Assessments. Recognizing that proper management and operation of all the areas of the Community benefits all Owners of Lots, the Association is hereby granted a lien upon all Lots within the Community and the present and future interests of each Lot Owner in the Common Areas, Drainage Areas, Conservation Easement Areas and improvements thereof, to secure the prompt payment of each and all Assessments made and levied in accordance with this Declaration. Each Owner shall be liable for, and this lien shall secure, the full amount of the Assessments, including reasonable attorneys' fees, deposition costs (whether or not depositions are used at trial), reasonable expert witness fees and costs (whether or not expert testifies at trial), postage, long distance telephone, travel, lodging and meal costs which are incurred (either prior to trial, at trial, on appeal or on retrial) by the Association with respect to enforcement or interpretation of the provisions of this Declaration or of the Articles of Incorporation or the By-Laws of the Association.

Section 7.10. Foreclosure of Lien. The lien herein established may be foreclosed in the same manner as real estate mortgages may be foreclosed in the State of Florida. The lien granted herein shall also secure such payment of or advances for taxes and payments on superior mortgages, liens or encumbrances which are advanced by the Association in order to protect its interests, and the Association shall be entitled to interest

computed on the basis of advances made from time to time at the highest legal rate of interest on all such advances made by the Association.

Section 7.11. Ownership Subject to Existing Liens. All persons, firms, corporations, and other business entities, which shall acquire, by whatever means, any interest in the ownership of any Lot, or who may be given or who may acquire a mortgage, lien or other encumbrance on a Lot are hereby placed on notice of the lien rights granted to the Association under this Declaration (including the partial exception for Institutional Mortgagees) and all of such persons, firms, corporations, and other business entities shall acquire their rights, title and interest in and to said Lot expressly subject to the lien rights (and exceptions) provided herein.

Section 7.12. Lien Preparation and Recording. The lien created pursuant to this Declaration exists as of the date the Association sets the amount of its Assessments for each year. The lien shall continue in effect until all sums secured by the lien have been fully paid. Such lien shall be perfected for the purpose of determining priority among competing creditors by the recording in the public records of the County in which the Lot is located of a "claim of lien" stating the description of the Lot encumbered by the lien, the name of the record Owner of the Lot, the amounts due at that time and the date when any part of the unpaid amount first became due. If the Association accelerates the Assessments for the balance of the calendar year, the claim of lien shall perfect a lien for the total "accelerated" amount. The claim of lien shall perfect the lien not only for Assessments which are due and payable when the claim of lien is recorded, but also for interest, collection costs, reasonable attorneys' fees, and advances to pay taxes and prior encumbrances and interest thereon, all as provided herein. The claim of lien shall be signed and verified by the President or Vice President of the Association. When full payment of all sums secured by such lien is made, the claim of lien shall be satisfied of record by the President or Vice President of the Association. Notwithstanding the foregoing, no such claim of lien shall be filed against the Developer or any of its Lots.

ARTICLE VIII MORTGAGEE PROVISIONS

The following provisions are for the benefit of Institutional Mortgagees. The provisions of this Article apply to the Association Documents, notwithstanding any other provisions contained therein.

Section 8.1. Notices of Action. An Institutional Mortgagee who provides written request to the Association (such request to state the name and address of such Institutional Mortgagee and the Lot number, therefore becoming an "eligible holder"), will be entitled to timely written notice of:

(a) Any condemnation loss or any casualty loss which affects a material portion of the Community or which affects any Lot on which there is a first mortgage held, insured, or guaranteed by such eligible holder.

(b) Any delinquency in the payment of assessments or charges owed by an Owner of a Lot subject to the mortgage of such eligible holder, where such delinquency has continued for a period of sixty (60) days; provided, however, notwithstanding this provision, any Institutional Mortgagee, upon request, is entitled to written notice from the Association of any default in the performance by an Owner of a Lot of any obligation under the Association Documents that is not cured within sixty (60) days;

(c) Any lapse, cancellation, or material modification of any insurance policy maintained by the Association; or

(d) Any proposed action that would require the consent of a specified percentage of Institutional Mortgagees.

Section 8.2. Special FHLMC Provision. So long as required by the Federal Home Loan Mortgage Corporation, the following provisions apply in addition to and not in lieu of the foregoing. Unless at least two-thirds (2/3) of the Institutional Mortgagees or Members representing at least two-thirds (2/3) of the total Association votes entitled to be cast thereon consent, the Association shall not:

(a) by act of omission seek to abandon, partition, subdivide, encumber, sell or transfer all or any portion of the real property comprising the Common Areas that the Association owns, directly or indirectly (provided that the granting of easements for public utilities or other similar purposes consistent with the intended use of the Common Areas shall not be deemed a transfer within the meaning of this subsection);

(b) change the method of determining the obligations, assessments, or other charges which may be levied against an Owner of a Lot (provided that a decision, including contracts, by the Board of provisions of any declaration subsequently recorded on any portion of the Community regarding assessments shall not be subject to this provision where such decision or subsequent declaration is otherwise authorized by this Declaration);

(c) by act or omission change, waive, or abandon any scheme of regulations or enforcement thereof pertaining to the architectural design or the exterior appearance and maintenance of Structures and of the Common Areas (provided that the issuance and amendment of architectural standards, procedures, rules and regulations, or use restrictions shall not constitute a change, waiver, or abandonment within the meaning of this provision);

(d) fail to maintain insurance, as required by this Declaration; or

(e) use hazard insurance proceeds for any Common Areas losses for other than the repair, replacement or reconstruction of such property.

Institutional Mortgagees, may, jointly or singly, pay taxes or other charges that are in default and that may or have become a charge against the Common Areas and may pay

overdue premiums on casualty insurance policies or secure new casualty insurance coverage upon the lapse of an Association policy, and Institutional Mortgagees making such payments shall be entitled to immediate reimbursement from the Association.

Section 8.3. No Priority. No provision of the Association Documents gives or shall be construed as giving any Owner or other party priority over any rights of the Institutional Mortgagee of any Lot in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Areas.

Section 8.4. Notice to Association. Upon request, each owner shall be obligated to furnish to the Association the name and address of the Institutional Mortgagee holding any first mortgage encumbering such Owner's Lot.

Section 8.5. Failure of Mortgagee to Respond. Any Institutional Mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within thirty (30) days of the date of the Association's request.

Section 8.6. Amendment by Board. Should the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation subsequently delete any of their respective requirements which necessitate the provisions of this Article or make any such requirements less stringent, the Board, without approval of the Owners, may cause an amendment to this Article to be recorded to reflect such changes.

ARTICLE IX AMENDMENT AND TERMINATION

Section 9.1. Developer Amendments. Subject to any required approval of the governmental agencies with jurisdiction over the Property, the Developer hereby reserves for itself, its successors and assigns, the right to amend, modify or rescind such parts of this Declaration or any recorded plat as it, in its sole discretion, deems necessary or desirable so long as: (a) it is the sole Owner of the property to which the plat or this Declaration (whichever is appropriate) applies; or (b) such amendment or modification is made before Turnover and does not substantially change the character, nature, or general scheme of development of the Subdivision. Subject to approval of the governmental agencies with jurisdiction over the subject area, Developer also reserves the following rights to amend, change or vary with respect to Subdivision units and phases within the Community: (a) the right to add more phases or units to the Community; (b) the right in future phases and units to vary the mix and location of housing types as dictated by market conditions; and (c) the right to provide in future units and phases only those amenities as are shown on the recorded plats for such future units or phases. Neither the foregoing amendments nor Developer's exercise of the foregoing rights require the concurrence of the Association or individual Owners.

Section 9.2. Owners' Right to Amend. In addition to the rights of the Developer reserved in the preceding Section, after Turnover, subject to any required approval of the governmental agencies with jurisdiction over the subject area and upon affirmative vote by sixty-seven percent (67%) of all Members of record in the Association, on a proper Resolution at a proper Association meeting, the Members of the Association may amend or modify such provisions of this Declaration as they deem necessary or desirable, except that (a) provisions relating to the rights, powers and duties of the Developer or the Committee may not be amended for a period of thirty (30) years without consent of Developer; and (b) the Owners shall not amend the Declaration in a manner which conflicts with or is inconsistent with Development Orders issued by the County or the District.

Section 9.3 District and County Approval for Amendment. There shall be no amendment of the Declaration in any manner which conflicts with or is inconsistent with Development Orders issued by the County or the District without the prior written approval of the County and the District.

No change in this Declaration which would materially alter the character of the Community or the permitted use of lands and structures within the Community shall be made without the prior approval of the County.

Any amendment to this Declaration which alters any provision relating to the Surface Water or Stormwater Management System, beyond maintenance in its original condition, including the water management portions of the Common Areas, must have the prior written approval of the District.

ARTICLE X USE OF COMMON AREAS

Section 10.1. Lot Owners Common Area Usage. The Common Areas, as specifically described herein, or hereafter designated by Developer (excluding areas within utility easements where above ground utilities structures are located) shall be, and the same are hereby declared to be, subject to a perpetual non-exclusive easement in favor of all Owners, for the use of such Owners and their immediate families, guests, tenants, invitees, and others similarly situated, for all proper and normal residential purposes, for the furnishing of services and facilities for which the Common Area can be reasonably utilized and for the quiet enjoyment of said Owners. Owners have the right to utilize the common areas of the Master Association, specifically including the pool facilities, subject to the provisions of the Master Declaration and such rules and regulations as are adopted by the Master Association.

Section 10.2. Developer's Common Area Usage. Until all areas subject to Development Orders issued by the County have been developed and transferred or conveyed to third parties, Developer shall have the right (at no charge or fee) to reasonably utilize Common Areas for promoting the Subdivision and marketing Lots and Dwelling Units, in a manner consistent with the Development Orders issued by the County and the

District, including, but not limited to, the right to maintain sales offices in any community buildings on the Property.

**ARTICLE XI
COVENANTS AGAINST PARTITION
AND SEPARATE TRANSFER OF COMMON AREAS**

It is recognized that the full use and enjoyment of any Lot within the Community is dependent upon the use, enjoyment, maintenance, protection and preservation of the Common Areas and the improvements made thereto, and that it is in the interests of all Lot Owners that the ownership of the Common Areas be retained by the Association as provided in this Declaration. Accordingly, no Owner shall have the right to transfer the Owner's interest in the Association other than as an appurtenance to and in the same transaction with a transfer of title to the Lot, and the Association shall have no right to transfer title to any part of the Common Areas without Developer's prior written consent. Nothing in this Article, however, shall: (a) preclude a conveyance by the Developer, its successors or assigns of any undivided interest in the Common Areas to the Association for the purpose of effectuating the purposes of this Declaration; or (b) preclude a conveyance by the Developer, its successors or assigns of any utility easements across, under, above or upon the Common Areas, Drainage Areas or Conservation Easement Areas.

**ARTICLE XII
CONTROL AND TURNOVER OF ASSOCIATION**

Section 12.1. Appointment of Directors by Developer. The Developer shall have the right at any time to appoint members to the Board of Directors of the Association to assure that Developer's appointed Directors constitute not less than seventy-five percent (75%) of the Association's Directors until: (i) three (3) months after such time as ninety percent (90%) of the total number of Lots allowed in all phases of the Community by applicable Development Orders issued by the County have been conveyed to Owners; or (ii) the occurrence of a different event or percentage as set forth in the Association Documents to comply with the requirements of a governmentally chartered entity that provides mortgage financing for the Lots; or (iii) such earlier date as the Developer may, in the Developer's sole discretion, elect by written notice to the Association to turn over control of the Association to the Members. The Developer shall further have the right to appoint at least one member to the Board of Directors of the Association as long as the Developer holds for sale in the ordinary course of business at least five percent (5%) of the Lots allowed in all phases of the Community by applicable Development Orders issued by the County. For purposes of determining when Developer's right of representation in the Association expires, Developer shall have the right to include such additional Lots within the calculation as may be permitted in future phases of the Community described in Development Orders issued by the County.

Section 12.2. Veto by Developer. During the time Developer still has a right of representation in the Association, the Developer shall have the right to veto any action taken by the Board of Directors of the Association at a time when more than twenty-five percent (25%) of the Directors of the Association are not appointed by the Developer, and no action of the Board of Directors or any committee shall become effective, nor shall any decision, policy or program be implemented until or unless the Developer has been given notice thereof as provided in the Bylaws.

**ARTICLE XIII
COVENANTS TO RUN WITH LAND**

The restrictions and burdens imposed by the provisions and covenants of this Declaration shall constitute covenants running with the Property, and each provision and covenant shall constitute an equitable servitude upon the heirs, personal representatives, successors and assigns of each Owner of a Lot, and the same shall likewise be binding upon the Developer and its successors and assigns. This Declaration shall be binding and in full force and effect for a period of thirty (30) years from the date this Declaration is first recorded in the Public Records of Martin County, Florida, after which time this Declaration shall be automatically extended for successive ten (10) year periods, unless (a) an instrument, signed by seventy-five percent (75%) of the then Owners of record of Lots in the Community, is recorded in the Public Records of Martin County, Florida, pursuant to which the said Owners repeal the provisions of this Declaration, and (b) approval for repeal of this Declaration is obtained from the County and the District.

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IN WITNESS WHEREOF, the Developer, Renar River Place, L.L.C., has hereunto set its hand and seal on the date indicated above.

Signed, sealed and delivered in the presence of:

RENAR RIVER PLACE, LLC

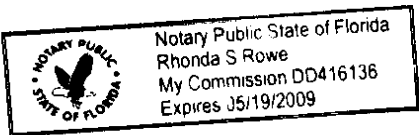
Rhonda Rowe
Maryanita Negron

By: Arden Doss, Jr.
Arden Doss, Jr., President

STATE OF FLORIDA
COUNTY OF MARTIN

I HEREBY CERTIFY that I am an Officer duly authorized in the State and County aforesaid to take acknowledgments and that on this day personally appeared Arden Doss, well known by me to be the President of Renar River Place, LLC, a Florida Limited Liability Company, and that he executed the same freely and voluntarily under authority duly vested in him by said company.

WITNESS MY HAND AND OFFICIAL SEAL in the County of Martin, State of Florida, this 8 day of MARCH, 2007.



Rhonda Rowe
Notary Public
RHONDA S. ROWE
(type or print name)
My commission expires: _____
Commission No. _____

IN WITNESS WHEREOF, the Developer, Renar River Place, L.L.C., has hereunto set its hand and seal on the date indicated above.

Signed, sealed and delivered in the presence of:

RENAR RIVER PLACE, LLC

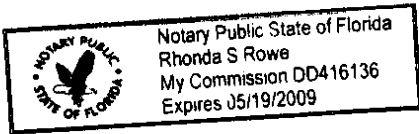
Rhonda Rowe
Maryanita Negron

By: Arden Doss, Jr.
Arden Doss, Jr., President

STATE OF FLORIDA
COUNTY OF MARTIN

I HEREBY CERTIFY that I am an Officer duly authorized in the State and County aforesaid to take acknowledgments and that on this day personally appeared Arden Doss, well known by me to be the President of Renar River Place, LLC, a Florida Limited Liability Company, and that he executed the same freely and voluntarily under authority duly vested in him by said company.

WITNESS MY HAND AND OFFICIAL SEAL in the County of Martin, State of Florida, this 8 day of MARCH, 2007.



Rhonda Rowe
Notary Public
RHONDA S. ROWE
(type or print name)
My commission expires: _____
Commission No. _____

EXHIBIT A


Legal Description

Lots 1-4, Block 2, Lots 1-6, Block 3, and Lots 1-2, Block 4 of the Plat of Renar River Place, Phase 1, as recorded in Plat Book 16, Page 51, of the public records of Martin County, Florida.

G:\Renar River Place RE81\HOA.Townhomes\Declaration of Covenants.3.wpd

Copy
Copy
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State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of TOWNHOMES AT RENAR RIVER PLACE HOMEOWNERS ASSOCIATION, INC., a Florida corporation, filed on March 13, 2007, as shown by the records of this office.

I further certify the document was electronically received under FAX audit number H07000066068. This certificate is issued in accordance with section 15.16, Florida Statutes, and authenticated by the code noted below.

The document number of this corporation is N07000002648.

Authentication Code: 307A00017961-031407-N07000002648-1/1

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
Fourteenth day of March, 2007



Kurt S. Browning
Secretary of State

**ARTICLES OF INCORPORATION OF
TOWNHOMES AT RENAR RIVER PLACE HOMEOWNERS ASSOCIATION, INC.**
(A Florida Corporation Not For Profit)

The undersigned hereby executes these Articles of Incorporation for the purpose of forming a corporation not for profit under Chapter 617 of the Florida Statutes (the "Florida Not For Profit Corporation Act") and certifies as follows:

ARTICLE I
NAME AND ADDRESS

The name of the corporation shall be, TOWNHOMES AT RENAR RIVER PLACE HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as the "Association" and its duration shall be perpetual. The mailing address of the Corporation shall be 3350 NW Royal Oak Drive, Jensen Beach, Florida 34957.

ARTICLE II
PURPOSE

The purpose for which the Association is organized is to engage as a non-profit organization in protecting the value of the property of the Members of the Association, to exercise all the powers and privileges and to perform all of the duties and obligations of the Association as defined and set forth in that certain Declaration of Covenants and Restrictions for the TOWNHOMES AT RENAR RIVER PLACE (the "Declaration") to be recorded in the office of the Clerk of the Circuit Court in and for Martin County, Florida, including the establishment and enforcement of payment of charges and Assessments contained therein, and to engage in such other lawful activities as may be to the mutual benefit of the Members and their property. All terms used herein which are defined in the Declaration shall have the same meaning herein as therein.

ARTICLE III
POWERS

The powers of the Association shall include and be governed by the following provisions:

Section 1. Common Law and Statutory Powers. The Association shall have all of the common law and statutory powers of a corporation not-for-profit which are not in conflict with the terms of these Articles and the Declaration.

Section 2. Necessary Powers. The Association shall have all of the powers reasonably necessary to implement its purpose, including, but not limited to, the following:

- A. To operate and manage the Common Areas in accordance with the purpose and intent contained in the Declaration;
- B. To make and collect Assessments against Members to defray the Common Expenses;
- C. To use the proceeds of Assessments in the exercise of its powers and duties;

D. To maintain, repair, replace and operate the Common Areas and to maintain such other property which the Association is required to maintain pursuant to the Declaration;

E. To reconstruct Improvements upon the Property after casualty and to further improve the Property;

F. To make and amend Bylaws for the Association and regulations respecting the use of the Property;

G. To pay all taxes and other assessments which are liens against the Common Areas;

H. To enforce by legal means the provisions of the Declaration, these Articles, the Bylaws and the Rules and Regulations for the use of the Property;

I. To insure and keep insured the buildings and Improvements of the Association and other Improvements within the Property, as provided in the Declaration and Bylaws.

J. To provide for management and maintenance and to authorize a management agent or other entity to assist the Association in carrying out its powers and duties by performing such functions as the collection of Assessments, preparation of records, enforcement of rules and maintenance of such other property as the Association is required to maintain pursuant to the Declaration. The Association shall, however, retain at all times the powers and duties granted it by common law, Florida Statutes and local ordinances including, but not limited to, the making of Assessments, the promulgation of rules, and the execution of contracts on behalf of the Association.

K. To possess, enjoy and exercise all powers necessary to implement, enforce, and carry into effect the powers above described, including the power to acquire, hold, convey, and deal in real and personal property.

Section 3. Funds and Title to Properties. All funds and title to all properties acquired by the Association and the proceeds thereof shall be held only for the benefit of the Members in accordance with the provisions of the Declaration. No part of the income, if any, of the Association shall be distributed to the Members, directors, or officers of the Association.

Section 4. Limitations. The powers of the Association shall be subject to and be exercised in accordance with the provisions of the Declaration.

ARTICLE IV **MEMBERSHIP**

Every owner, as defined by the Declaration, shall be a member of the Association.

ARTICLE V **BOARD OF DIRECTORS**

The affairs of the Association shall be managed by a Board of Directors consisting of not less than three (3) nor more than five (5) directors. Until such time as Declarant

relinquishes control of the Association, as described in the Declaration, Developer shall have the right to appoint all members of the Board of Directors and to approve the appointment of all officers of the Association and no action of the membership of the Association shall be effective unless, and until, approved by the Developer. Further, until turnover of control by Developer, as aforesaid, no director or officer need be a Member of the Association. After the right of the Developer to appoint any members of the Board of Directors terminates, all officers and directors shall be Members of the Association. The number of directors constituting the initial Board is three (3) and they shall serve until such time as Developer relinquishes control of the Association or until replaced by Developer. Commencing with the first annual meeting of Members following the date on which Developer relinquishes control of the Association, the directors other than those appointed by Developer, shall be elected by the Members of the Association at the annual meeting. The Developer shall be entitled at any time, and from time to time, to remove or replace any director originally appointed by the Developer. The Developer may waive or relinquish in whole or in part any of its rights to appoint any one or more of the directors it is entitled to appoint. The following persons shall constitute the initial Board of Directors:

| <u>NAME</u> | <u>ADDRESS</u> |
|--------------------|---|
| Renee Mottram Doss | 3350 NW Royal Oak Drive Jensen Beach, FL 34957 |
| Arden Doss, Jr. | 3350 NW Royal Oak Drive Jensen Beach, FL 34957 |
| Rhonda Rowe | 3350 NW Royal Oak Drive Jensen Beach, FL 34957 |

ARTICLE VI
OFFICERS

Officers shall be elected by the Board of Directors at the annual meetings of the Directors, as provided in the Bylaws. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary. Until such time as Developer relinquishes control of the Association, as provided in the Declaration, however, Developer shall have the right to approve all of the officers elected. The names and titles of the Officers who shall serve until removed or until the first election are as follows:

| | |
|------------|--------------------|
| PRESIDENT: | Arden Doss, Jr. |
| SECRETARY: | Renee Mottram Doss |
| TREASURER: | Renee Mottram Doss |

ARTICLE VII
INDEMNIFICATION OF OFFICERS AND DIRECTORS

Every Director and Officer of the Association shall be indemnified by the Association as provided in the Declaration.

ARTICLE VIII
SUBSCRIBERS

The name and address of the subscriber to these Articles of Incorporation are:

| <u>NAME</u> | <u>ADDRESS</u> |
|-----------------|---|
| Arden Doss, Jr. | 3350 NW Royal Oak Drive Jensen Beach, FL 34957 |

ARTICLE IX
BYLAWS

The Bylaws of the Association may be adopted, amended, altered or rescinded as provided therein; provided, however, that at no time shall the Bylaws conflict with these Articles of Incorporation or the Declaration. Until such time as Developer relinquishes control of the Association, no amendments to the Bylaws shall be effective unless Developer has joined in and consented thereto in writing.

ARTICLE X
AMENDMENTS/DISSOLUTION

These Articles of Incorporation of the Association may be amended, altered or rescinded as provided in the Florida Not For Profit Corporation Act.

In the event of the dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created, or such assets shall be granted, conveyed and assigned to a non-profit corporation, association, trust or other organization to be devoted to such similar purposes. In the event of termination, dissolution or final liquidation of the Association, the property consisting of the surface water management system and the right of access to the property containing the surface water management system shall be conveyed to an appropriate agency of local government. If it is not accepted by a local government, then the surface water management system must be transferred to a similar non-profit corporation.

ARTICLE XI
REGISTERED AGENT AND REGISTERED OFFICE

The name of the initial registered agent shall be M. LANNING FOX and the street address of the registered office of the Association shall be 3473 S.E. Willoughby Boulevard, Stuart, Florida 34994. The Association shall have the right to designate subsequent registered agents without amending these Articles of Incorporation.

IN WITNESS WHEREOF, the subscriber has executed these Articles of Incorporation at Martin County, Florida, this 7 day of MARCH, 2007.




Arden Doss, Jr., Incorporator

ACCEPTANCE OF REGISTERED AGENT

Having been named to accept service of process for TOWNHOMES AT RENAR RIVER PLACE HOMEOWNERS ASSOCIATION, INC., at the place designated in the foregoing Articles of Incorporation, I hereby agree to act in that capacity, and I further agree to comply with the provisions of all statutes relative to the proper and complete performance of my duties.

Dated this 13th day of March, 2007.



M. Lanning Fox
Registered Agent

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Copy
Copy

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**BYLAWS OF
THE TOWNHOMES AT RENAR RIVER PLACE
HOMEOWNER'S ASSOCIATION, INC.,**

A Florida corporation not-for-profit organized under Chapter 617, Florida Statutes, to operate as a homeowners' association under Chapter 720, Florida Statutes, for a residential community located in Martin County, Florida known as "The Townhomes at Renar River Place" (hereinafter sometimes referred to as the "Property" or the "Community")

Article I

Name, Principal Office, and Definitions

Section 1. Name. The name of the Association shall be The Townhomes at Renar River Place Homeowner's Association, Inc. (hereinafter sometimes referred to as the "Association").

Section 2. Principal Office. The principal office of the Association in the State of Florida shall be located in Martin County at 3350 NW Royal Oak Drive, Jensen Beach, Florida 34957. The Association may have such other offices, either within or outside the State of Florida, as the Board of Directors may determine or as the affairs of the Association may require.

Section 3. Definitions. The words used in these Bylaws shall have the same meaning as set forth in that Declaration of Covenants and Restrictions for The Townhomes at Renar River Place, recorded in the public records of Martin County, Florida, as amended from time to time, unless the context shall prohibit.

Article II

Association Membership, Meetings, Quorum, Voting, Proxies

Section 1. Membership. Each owner shall be a member of the Association ("Member"). Membership shall be effective upon recording in the public records of Martin County, Florida, a deed or other instrument establishing a fee interest in an Owner to a lot, a copy of which shall be delivered by the Owner to the Association. The failure of the Owner to deliver a copy of such deed or other instrument to the Association shall not prevent the Owner from becoming a member of the Association, with all of the obligations of membership set forth in the Association Documents, but no Owner shall be entitled to exercise or enjoy the rights and privileges of membership until delivery of the copy of the deed or other instrument to the Association. A Member shall not have authority to act for the Association by virtue of being a Member.

Section 2. Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as may be designated by the Board of Directors either within the Property or as convenient thereto as possible and practical.

Section 3. Annual Meetings. The first meeting of the Association, whether a regular or special meeting, shall be held within one (1) year from the date of incorporation of the Association. Meetings shall be of the Members or their alternates. Subsequent annual meetings for the transaction of any and all proper business shall be held during the first quarter of each calendar year on a date and at a time set by the Board of Directors.

Section 4. Special Meetings. The President at his or her discretion may call special meetings of the Association, and it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of a majority of the Board of Directors or upon a petition signed by Members representing at least ten percent (10%) of the total votes of the Association.

Section 5. Notice of Meeting. Written or printed notice stating the place, day, and hour of any meeting of the Members shall be delivered, either personally or by mail, to each Member entitled to vote at such meeting, not less than ten (10) nor more than fifty (50) days before the date of such meeting, by or at the direction of the President.

Notice of an annual meeting need not include a description of the purpose or purposes for which the meeting is called unless required by law or the Association Documents. In the case of a special meeting or when required by law or the Association Documents, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail with postage prepaid addressed to the Member at his address as it appears on the records of the Association. Proof of such mailing shall be given by affidavit of the person mailing the notice, and the affidavit shall be included in the official records of the Association.

Section 6. Waiver of Notice. Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member or alternate shall be deemed waiver by such Member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall be deemed waiver of notice of all business transacted thereat unless objection to the business of which proper notice was not given is raised before the business is put to a vote.

Section 7. Quorum. Except as otherwise provided in these Bylaws or in the Declaration, the presence in person or by proxy of Members representing thirty percent (30%) of the total votes of the Association shall constitute a quorum.

Section 8. Adjournment of Meetings. If any meeting of the Association cannot be held because a quorum is not present, a majority of the Members who are present at such meeting, either in person or by alternate, may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. The new date, time and place for the reconvened meeting shall be announced at the original meeting before any adjournment is taken, or notice must be posted in a conspicuous place in the Community at least forty-eight (48) hours in advance of the reconvened meeting. If a new record date for the adjourned meeting is or must be fixed under law, notice of the adjourned meeting must be given to Owners who are entitled to vote and are Members as of the new record date but were not Members on the previous record date. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted.

The Members present at a duly called meeting at which a quorum is initially present may continue to do business until adjournment, notwithstanding the withdrawal of one or more Members or their alternates so as to leave less than a quorum present; provided Members representing at least twenty percent (20%) of the total votes of the Association remain in attendance; and provided further that any action taken is approved by Members representing at least a majority of the votes then present.

Section 9. Voting. The owner of record or each Lot, including the Developer, shall be entitled to one (1) vote as a Member of the Association, and the manner of exercising such voting right shall be determined by these Bylaws.

Section. 10. Designation of Voting Representative. If a Lot is owned by more than one person, or by a corporation, limited liability company, partnership, limited partnership, trust or other entity, then the person entitled to cast the vote for the Lot shall be designated by a certificate signed by all of the record owners of the Lot and filed with the Secretary of the Association. Such certificate shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the Lot. A certificate designating the person entitled to cast the vote for a Lot may be revoked by any co-owner thereof.

Section 11. Approval or Disapproval of Matters. Whenever the decision of an Owner is required upon any matter, whether or not the subject of an Association meeting, such decision shall be expressed by the same person who would cast the vote of such Owner if at an Association meeting, unless the joinder of record owners is specifically required by law or the Association Documents.

Section 12. Proxies. Members shall have the right to vote in person or by proxy. To be valid, a proxy must be dated, must state the date, time, and place of the meeting for

which it was given, and must be signed by a person who is entitled to vote. A proxy shall be effective only for the specific meeting for which it was originally given, as the meeting may lawfully be adjourned and reconvened from time to time, and automatically shall expire ninety (90) days after the date of the meeting for which it was originally given. A proxy shall be revocable at any time at the pleasure of the person who executes it. If the proxy form expressly so provides, any proxy holder may appoint, in writing, a substitute to act in his or her place.

Section 13. Vote Required for Action. Any matter coming before a meeting of the Association where a quorum has been established shall be approved if a majority of the votes cast favor the action, unless the Association documents or applicable law require a greater number of affirmative votes. As used in these Bylaws, the term "majority" shall mean those votes, owners, or other group as the context may indicate totaling more than fifty percent (50%) of the total number.

Section 14. Conduct of Meetings. The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting, which must be maintained in written form or in another form that can be converted into written form within a reasonable time.

Section 15. Order of Business. The order of business at annual meeting of the Association, and as far as practical at all other meetings of the Members, shall be:

- (a) Calling of the roll, determination of proxies, and certifying of quorum proxies.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading and disposal of any unapproved minutes.
- (d) Reports of officers.
- (e) Reports of Committees.
- (f) Election of Directors.
- (g) Unfinished business.
- (h) New business.
- (i) Adjournment.

ARTICLE III

Board of Directors: Number, Powers, Meetings

A. Composition and Selection.

Section 1. Governing Body: Composition. The affairs of the Association shall be governed by a Board of Directors, each of whom shall have one (1) vote. All Members of the Association shall be eligible to serve on the Board of Directors, but the directors appointed by the Developer need not be Members.

Section 2. Appointment of Directors by Developer. The Developer shall have the right to at any time to appoint members to the Board of Directors of the Association to assure that Developer's appointed directors constitute not less than seventy-five percent

(75%) of the Association's directors until: (a) three (3) months after such time as ninety percent (90%) of the total number of Lots allowed in all phases of the Community by applicable Development Orders issued by the County have been conveyed to Owners; or (b) the occurrence of a different event or percentage as set forth in the Association Documents to comply with the requirements of a governmentally chartered entity that provides mortgage financing for the Lots; or (c) such earlier date as the Developer may, in the Developer's sole discretion, elect by written notice to the Association to turn over control of the Association to the Members (the "Developer Control Period"). The Developer shall further have the right to appoint at least one member to the Board of Directors of the Association as long as the Developer holds for sale in the ordinary course of business at least five percent (5%) of the Lots allowed all phases of the Community by applicable Development Orders issued by the County. For purposes of determining when Developer's right of representation in the Association expires, Developer shall have the right to include such additional Lots within the calculation as may be permitted in future phases of the Community described in Development Orders issued by the County.

Section 3. Veto by Developer. During the time that the Developer has a right to appoint at least one member of the Board of Directors of the Association:

(a) the Developer shall have the right to veto any action taken by the Board of Directors of the Association at any time when more than twenty-five percent (25%) of the Directors of the Association are not appointed by the Developer; and

(b) no action of the Board of Directors or any committee shall become effective, nor shall any decision, policy or program be implemented until and unless:

(i) the Developer shall have been given written notice of the meeting of the Board or any committee thereof where such action, decision, policy or program was authorized, which notice shall be given by certified mail, return receipt requested, or by personal delivery at the address that the Developer has registered with the Secretary of the Association, as it may change from time to time, and the timeliness of which notice shall comply with the requirements for notices to members of the Board of Directors for meetings of the Board as provided by these Bylaws, and which notice shall, except in the case of the regular meetings held pursuant to the Bylaws, set forth in reasonable particularity the agenda to be followed at said meeting; and

(ii) The Developer shall be given the opportunity at any such meeting to join in or to have its representatives or agents join in discussion from the floor of any prospective action, policy, or program to be implemented by the Board, any committee thereof, or the Association. The Developer, its representatives or agents shall have the right outside any such meeting (as permitted by law) to make its concerns, thoughts, and suggestions known to the members of the Board, or any committee thereof. The Developer shall have and is hereby granted a right to disapprove any such action, policy, or program authorized by the Board of Directors, or any committee thereof, and to be taken by the Board, such committee, the Association, or any individual Member of the Association, if

Board, committee, or Association approval is necessary for such action. This right may be exercised by the Developer, its representatives, or agents at any time within ten (10) days following the meeting held pursuant to the terms and provisions hereof. This right to disapprove may be used to block proposed actions but shall not extend to the requiring of any action or counteraction on behalf of the Association, the Board, or any committee thereof. The Developer shall not use its right to disapprove to reduce the level of services that the Association is obligated to provide or to prevent capital repairs or any expenditure required to comply with applicable laws and regulations.

Section 4. Number of Directors. The number of directors in the Association shall not be not less than three (3) nor more than five (5). The initial Board shall consist of three (3) members, who are identified in the Articles of Incorporation.

Section 5. Nomination of Directors. Except with respect to directors selected by the Developer, nominations for election to the Board of Directors shall be made by a Nominating Committee. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and at least three (3) Members of the Association. The Nominating Committee shall be appointed by the Board of Directors not less than thirty (30) days prior to each annual meeting of the Members to serve a term of one (1) year or until their successors are appointed, and such appointment shall be announced at each such annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but in no event less than the number of positions to be filled. Nominations for each position shall also be permitted from the floor. At the meeting where the election is to be held, a Member may nominate himself or herself as a candidate for the Board of Directors from the floor of such meeting. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes.

Section 6. Election and Term of Office. Notwithstanding any other provision contained herein:

(a) At the end of the Developer Control Period, or whenever the Developer earlier determines, the Board shall be increased to five (5) directors. The Association shall call a special meeting at which Members shall elect three (3) of the five (5) directors, who shall serve as at-large directors. The remaining two (2) directors shall be appointees of the Developer. The directors elected by the Members shall not be subject to removal by the Developer acting alone, and shall be elected for a term of two (2) years.

(b) So long as the Developer owns at least five percent (5%) of the Lots primarily for development and/or resale, it shall be entitled to appoint a director to the Board of Directors, who shall serve at the pleasure of the Developer. At the first annual meeting of the membership after the Developer no longer owns at least five percent (5%) of the Lots primarily for development and/or resale, all five (5) directors shall be elected by the Members. At the expiration of the initial term of office of each elected member of the Board

of Directors, and at each annual meeting thereafter, a successor shall be elected to serve for a term of two (2) years.

Each Member shall be entitled to cast one (1) vote with respect to each vacancy to be filled from each slate on which such Member is entitled to vote. There shall be no cumulative voting. Directors shall be elected by a plurality of the votes cast by eligible voters. The directors elected by the Members shall hold office until their respective successors have been elected by the Association. Directors may be elected to serve any number of consecutive terms.

Section 7. Removal of Directors and Vacancies. Any director appointed by the Developer may be removed by the Developer, who shall then appoint a successor to fill the vacancy for the remainder of the term of such director. Any director elected by the Members may be removed, with or without cause, by the vote of Members holding a majority of the votes of the Association. A director who was elected at large solely by the votes of Members other than the Developer may be removed from office prior to the expiration of his or her term only by the votes of a majority of Members other than the Developer. Any director not appointed by the Developer whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a director not appointed by the Developer, a successor shall then and there be elected by the Members holding a majority of the votes of the Association, including the Developer, to fill the vacancy for the remainder of the term of such director.

Any director elected by the Members who has three (3) consecutive unicast absences from the Board meetings or who is delinquent in the payment of any assessment of other charge due the Association for more than thirty (30) days may be removed by a majority of the directors present at a regular or special meeting at which a quorum is present, and a successor may be appointed by the Board to fill the vacancy for the remainder of the term. In the event of the death, disability, or resignation of a director, a vacancy may be declared by the Board, and the Board may appoint a successor for the remainder of the term of such director.

B. Meetings.

Section 8. Organizational Meetings. The first meeting of the Board of Directors following each annual meeting of the Members shall be held within ten (10) days thereafter at such time and place as shall be fixed by the Board.

Section 9. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the directors, but commencing with termination of the Developer Control Period, at least four (4) such meetings shall be held during each fiscal year, with at least one (1) per quarter. Notice of the time and place of the meeting shall be communicated to directors not less than four (4) days prior to the meeting; provided, however, notice of a meeting need not be given to any director who has signed a waiver of notice or a written consent to holding of the meeting.

Section 10. Special Meetings. Special meetings of the Board of Directors shall be held when called by written notice signed by the President of the Association or by any three (3) directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director by one of the following methods: (a) by personal delivery; (b) written notice by first class mail, postage prepaid; (c) by facsimile transmission; (d) by telephone communication, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; or (d) by telegram, charges prepaid. All such notices shall be given at the director's telephone numbers or sent to the director's address as shown on the records of the Association. Notice sent by first class mail shall be deposited into the United States mailbox at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, facsimile or telegraph shall be delivered, telephoned, faxed or given to the telegraph company at least seventy-two (72) hours before the time set for the meeting.

Section 11. Waiver of Notice. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if: (a) a quorum is present, and (b) either before or after the meeting each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 12. Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at meeting at which a quorum is present shall constitute the decision for the Board of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If any meeting of the Board cannot be held because a quorum is not present, a majority of the directors who are present at such meeting may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the date the original meeting was called. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 13. Compensation. No director shall receive any compensation from the Association for acting as such unless approved by Members representing a majority of the total votes of the Association at a regular or special meeting of the Association; provided any director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other Directors.

Section 14. Conduct of Meetings. The Board may permit Directors to participate in a regular or special meeting by the use of telephone or any other means of communication by which all Directors participating may simultaneously hear each other

during the meeting. A Director participating in a meeting by this means is deemed to be present in person at the meeting for all purposes. The President shall preside over all meetings of the Board of Directors, and the Secretary shall keep the minutes of the meeting, which must be maintained in written form or in another form that can be converted into written form within a reasonable time. A vote or abstention from voting on each matter voted upon each Director present at the meeting must be recorded in the minutes. Directors may not vote by proxy or by secret ballot at Board meetings, except that secret ballots may be used in the election of officers.

Section 15. Open Meetings; Notice to Members. A meeting of the Board of Directors of the Association occurs whenever a quorum of the Board gathers to conduct Association business. All meetings of the Board must be open to all Members except for meetings between the Board and its attorney with respect to proposed or pending litigation where the contents of the discussion would otherwise be governed by the attorney-client privilege. Members other than Directors may not participate in any discussion or deliberation at a meeting of the Board unless permission to speak is requested on behalf of a Member by a Director and granted by the Board. Notice of all Board meetings must be posted in a conspicuous place in the Community at least forty-eight (48) hours in advance of a meeting, except in an emergency. In the alternative, if notice is not posted in a conspicuous place in the Community, notice of each Board meeting must be mailed or delivered to each Member at least seven (7) days before the meeting, except in an emergency. Notwithstanding this general notice requirement, at any time when the Association has more than one hundred (100) Members, the Board may provide for a reasonable alternative to posting or mailing of notice for each Board meeting, including publication of notice or provision of a schedule of Board meetings. An assessment may not be levied at a Board meeting unless the notice of the meeting includes a statement that assessments will be considered and the nature of the assessments. This Section also applies to the meetings of any committee of the Board or other similar body, when a final decision will be made regarding the expenditure of Association funds, and to any body vested with the power to approve or disapprove architectural decisions with respect to a specific Lot owned by a Member of the Association.

Section 16. Recording. Any Owner may tape record or videotape meetings of the Board of Directors or meetings of the Members. The Board of Directors of the Association may adopt reasonable rules governing the taping of meetings of the Board and the Members.

C. Powers and Duties

Section 17. Powers. The Board of Directors shall be responsible for the affairs of the Association and shall have all the powers and duties necessary for the administration of the affairs of the Association and, as provided by law, may do or cause to be done all acts and things as are not by the Association Documents directed to be done and exercised exclusively by the Members or the membership generally.

The Board of Directors shall delegate to one of its members the authority to act on behalf of the Board of Directors on all matters relating to the duties of the managing agent or manager, if any, which might arise between meetings of the Board of Directors.

In addition to the duties imposed by these Bylaws or by any resolution of the Association that may hereafter be adopted, the Board of Directors shall have the power to establish policies relating to, and shall be responsible to perform or cause to be performed, by way of example, but not limitation, the power to:

(a) Exercise all of the powers and privileges and perform all of the duties and obligations of the Board of Directors as set forth in the Declaration and as the same may be amended from time to time.

(b) Fix, levy, collect, and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration and pay all expenses incident to the conduct of the affairs of the Association, including all licenses, taxes or governmental charges levied or imposed against the real or personal property of the Association.

(c) Make assessments to defray the expenses related to the Common Areas and other expenses of the Association, establish the means and methods of collecting such assessments, and establish the installment payment period of the annual assessment, deposit of the proceeds thereof in a bank depository which it shall approve, and use the proceeds to administer the Association; provided, any reserve fund may be deposited, in the directors' best business judgment, in depositories other than banks.

(d) Prepare and adopt budgets in which there shall be established the contribution of each Owner to the expenses of the Association.

(e) Acquire (by gift, purchase, or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use, or otherwise dispose of real or personal property in connection with the affairs of the Association.

(f) Borrow money, and with the authorization provided in Section 18, mortgage, pledge, deed in trust, or hypothecate any or all its real or personal property as security for money borrowed or debts incurred.

(g) Open bank accounts on behalf of the Association and designate the signatories required.

(h) Designate, hire, and dismiss the personnel necessary for the administration, maintenance, operation, repair, and replacement of the Association, its property, and the Common Areas, and where appropriate, provide for the compensation of such personnel and for the purchase of equipment, supplies, and material to be used by such personnel in the performance of their duties.

(i) Dedicate, sell, or transfer all or any part of the Common Areas to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Association.

(j) Grant to other owners of any portion of the Community, non-exclusive easements of ingress and egress over the Common Areas for road purposes.

(k) Enter into agreements with any person or entity to obtain services or otherwise accomplish the objectives of the Association, upon such terms and for such duration as the Association Board of Directors deems fair and reasonable, including but not limited to agreements with any person or entity to obtain services or otherwise accomplish the objectives of the Association.

(l) Make and Enforce reasonable rules and regulations governing the use of Lots and Common Areas and any other property owned by the Association.

(m) Maintain, repair, replace, and operate property over which the Association has full ownership or the right and power to maintain, replace and operate in accordance with the Declaration.

(n) Keep books and detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred.

(o) Make available to any prospective purchaser of a Lot, any Owner, any first mortgagee, and the holders, insurers, and guarantors of a first mortgage on any Lot, current copies of the Association Documents, rules governing the Lot, and all other books, official records, and financial statements of the Association.

(p) Enforce by legal means the provisions of the Association Documents and the rules and regulations adopted by it and bring any proceedings that may be instituted on behalf of or against the Owners concerning the Association.

(q) Obtain and carry insurance against casualties and liabilities and pay the premium cost thereof.

(r) To cooperate with the Master Association of Renar River Place in its Operation, maintainance, and management of the Surface Water or Storm Water Management System(s) in a manner consistent with the South Florida Water Management District Permit No. 43-01630-P requirements and applicable District rules, and assist in the enforcement of the provisions of the Declaration that relate to the Surface Water or Storm Water Management System.

(s) Levy and collect adequate assessments against Members of the Association for the costs of maintenance and operation of the Surface Water or Storm Water Management System.

(t) Have and exercise any powers, rights, and privileges that a not-for-profit corporation organized under the laws of the State of Florida may now or hereafter have or exercise.

Section 18. Borrowing. The Board of Directors shall have the power to borrow money for the purpose of constructing, improving, maintaining, repairing or restoring the Common Areas without the approval of the Members of the Association. The Board shall also have the power to borrow money for other purposes; provided, the Board shall obtain Member approval, in the same manner as required for special assessments, in the event that the proposed borrowing is for the purpose of modifying, improving, or adding amenities and the total amount of such borrowing exceeds or would exceed five percent (5%) of the budgeted gross expenses of the Association for that fiscal year. Notwithstanding anything to the contrary contained in the Declaration, these Bylaws, or the Articles of Incorporation, during the Developer Control Period, no mortgage lien shall be placed on any portion of the Common Areas without the affirmative vote or written consent, or any combination thereof, of Members representing at least fifty-one percent (51%) of the Members other than the Developer and the Developer's nominees.

Section 19. Management. The Board of Directors may employ for the Association a professional management agent or agents at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate to the managing agent or manager, subject to the Board's supervision, all of the powers granted to the Board of Directors by these Bylaws, other than the powers set forth in subparagraphs (a), (b), (f), (g), and (i) of the foregoing Section of this Article. The Developer, or an affiliate of the Developer, may be employed as managing agent or manager.

Section 20. Budget. The Association shall prepare an annual budget. The budget must reflect the estimated revenues and expenses for that year and the estimated surplus or deficit as of the end of the current year. The budget must set out, separately all fees or charges for recreational amenities, whether owned by the Association, the Developer, or another person. The Association shall provide each Member with a copy of the annual budget or a written notice that a copy of the budget is available upon request at no charge to the Member. The copy must be provided to the Member within ten (10) business days after receipt by the Association of a written request from the Member.

Section 21. Financial Reporting. The Association shall prepare an annual financial report within sixty (60) days after the close of the fiscal year. The Association shall provide each Member with a copy of the annual financial report or a written notice that a copy of the financial report is available upon request at no charge to the Member within ten (10)

business days after receipt by the Association of a written request from the Member. The financial report must consist of either:

(a) Financial Statements presented in conformity with generally accepted accounting principles; or

(b) A financial report of actual receipts and expenditures, cash basis, which report must show:

- (i) The amount of receipts and expenditures by classification; and
- (ii) The beginning and ending cash balances of the Association.

Section 22. Association Funds; Commingling.

(a) All Association funds held by the Developer shall be maintained separately in the Association's name. Reserve and operating funds of the Association shall not be commingled prior to Turnover, except that the Association may jointly invest reserve funds; provided, however, such jointly invested funds must be accounted for separately.

(b) During the Developer Control Period, the Developer shall not commingle any Association funds with the Developer's funds or with the funds of any other homeowners' association or community association.

Section 23. Books and Records. The Association shall maintain each of the following items, when applicable, which constitute the official records of the Association ("Official Records"):

(a) Copies of any plans, specifications, permits, and warranties related to improvements constructed on the Common Areas or other property that the Association is obligated to maintain, repair, or replace.

(b) A copy of the Bylaws of the Association and of each amendment to the Bylaws.

(c) A copy of the Articles of Incorporation of the Association and of each amendment thereto.

(d) A copy of the Declaration and a copy of each amendment thereto.

(e) A copy of the current rules of the Association.

(f) The minutes of all meetings of the Board of Directors and of the Members, which minutes must be retained for at least seven (7) years.

(g) A current roster of all Members and their mailing addresses and parcel identifications.

(h) All of the Association's insurance policies or a copy thereof, which policies must be retained for at least seven (7) years.

(i) A current copy of all contracts to which the Association is a party, including, without limitation, any management agreement, lease, or other contract under which the Association has any obligation or responsibility. Bids received by the Association for work to be performed must also be considered Official Records and must be kept for a period of one (1) year.

(j) The financial and accounting records of the Association, kept according to good accounting practices. All financial and accounting records must be maintained for a period of at least seven (7) years. The financial and accounting records must include:

- (i) Accurate, itemized, and detailed records of all receipts and expenditures.
- (ii) A current account and a periodic statement of the account for each Member, designating the name and current address of each Member who is obligated to pay assessments, the due date and amount of each assessment or other charge against the Member, the date and amount of each payment on the account, and the balance due.
- (iii) All tax returns, financial statements, and financial reports of the Association.
- (iv) Any other records that identify, measure, record, or communicate financial information.

Section 24. Inspection and Copying of Records. The Official Records shall be maintained within the State of Florida and must be open to 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. This Section may be complied with by having a copy of the Official Records available for inspection or copying in the Community. 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, without limitation, the costs of copying. The Association shall maintain an adequate number of copies of the Association Documents to ensure their availability to Members and prospective Members, and may charge only its actual costs for reproducing and furnishing these documents to those persons who are entitled to receive them.

Section 25. Inspection by Directors. Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a director includes the right to make extracts and a copy of relevant documents at the expense of the Association.

Section 26. Turnover. At the time the Members are entitled to elect at least a majority of the Board of Directors of the Association, the Developer shall, at the

Developer's expense, within no more than ninety (90) days deliver the following documents to the Board:

- (a) All deeds to common property owned by the Association.
- (b) The original of the Declaration.
- (c) A certified copy of the Articles of Incorporation of the Association.
- (d) A copy of the Bylaws.
- (e) The minute books, including all minutes.
- (f) The books and records of the Association.
- (g) Policies, rules, and regulations, if any, which have been adopted.
- (h) Resignations of Directors who are required to resign because the Developer is Required to relinquish control of the Association.
- (i) The financial records of the Association from the date of incorporation through the date of Turnover.
- (j) All Association funds and control thereof.
- (k) All tangible property of the Association.
- (l) A copy of all contracts that may be in force with the Association as one of the parties.
- (m) A list of the names and addresses and telephone numbers of all contractors, subcontractors, or others in the current employ of the Association.
- (n) Any and all insurance policies in effect.
- (o) Any permits issued to the Association by governmental entities.
- (p) Any and all warranties in effect.
- (q) A roster of current Owners and their addresses and telephone numbers and section and lot numbers.
- (r) Employment and service contracts in effect.
- (s) All other contracts in effect to which the Association is a party.

Section 27. Rights of the Association. With respect to the Common Areas, and in accordance with the Association Documents, the Association shall have the right to contract with any person for the performance of various services, duties and functions. Without limiting the foregoing, this right shall entitle the Association to enter into common management, service, operational, or other agreements with trusts, condominium, cooperatives and other owners or residents associations, both within and outside the Property. Such agreements shall require the consent of a majority of all Directors of the Association.

Section 28. Enforcement. The Board shall have the power to impose reasonable fines, which shall constitute a lien upon the property of the violating Owner, to suspend an Owner's right to vote or to use the Common Areas, and to exclude contractors, subcontractors, agents, guests and other invitees of an Owner from the Community for violation of any duty imposed under the Association Documents, any rules and regulations duly adopted hereunder, or any of the design and development guidelines and procedures adopted under the Declaration; provided, however, nothing herein shall authorize the Association or the Board of Directors to limit an Owner's or occupant's vehicular and

pedestrian ingress and egress to or from a Lot, including, but not limited to, the right to park. In the event that any occupant of a Lot violates the Association Documents or a rule or regulation and a fine is imposed, the fine shall first be assessed against the occupant; provided, however, if the fine is not paid by the occupant within the time period set by the Board, the Owner shall pay the fine upon notice from the Association. The failure of the Board to enforce any provision of the Association Documents, or any rule or regulation shall not be deemed a waiver of the right of the Board to do so thereafter. In no event shall a fine imposed pursuant to this Section exceed the maximum fine provided by law.

(a) Notice. Prior to imposition of any sanction hereunder, the Board or its delegate shall serve the Owner and, if different, the alleged violator with written notice describing: (i) the nature of the alleged violation, (ii) the proposed sanction to be imposed, (iii) a period of not less than fourteen (14) days within which the Owner or the alleged violator may present a written request to the Association for a hearing, and (iv) a statement that the proposed sanction shall be imposed as contained in the notice unless a challenge is begun within fourteen (14) days of the notice. If a timely challenge is not made, the sanction stated in the notice shall be imposed.

(b) Hearing. If a hearing is requested within the allotted fourteen (14) day period, the hearing shall be held before a committee of at least three (3) members appointed by the Board who are not officers, directors, or employees of the Association, or the spouse, parent, child, brother or sister of an officer, director, or employee (the "Covenants Committee"), which shall afford Owner a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, Director, or agent who delivered such notice. The notice requirement shall be deemed satisfied if the Owner or the alleged violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed. If the Covenants Committee does not, by a majority vote, approve the proposed sanction, it shall not be imposed. The Board of Directors or the Covenants Committee may, but shall not be obligated to, suspend any proposed sanction if the violation is cured within the fourteen (14) day period. Such suspension shall not constitute a waiver of the right to sanction future violation of the same or other provisions and rules by any person.

(c) Appeal. Following any hearing before the Covenants Committee, the Owner and, if different, the violator shall have the right to appeal the decision to the Board of Directors. To perfect this right, a written notice of appeal must be received by the manager, President, or Secretary of the Association within thirty (30) days after the hearing date.

(d) Additional Enforcement Rights. Notwithstanding anything to the contrary herein contained, the Association, acting through the Board of Directors, may elect to enforce any provision of the Association Documents or the rules and regulations of the Association by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations) or by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity of compliance with the procedure set forth above. In any enforcement action undertaken by the Association, whether suit

is filed or not, to the maximum extent permissible, the Owner or occupant responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorney's fees actually incurred.

(e) Inapplicable to Developer. Notwithstanding any other provision of these Bylaws, the Developer and its Lots shall not be subject to any fine, suspension, exclusion or any other enforcement procedure under this Section.

Article IV **Officers**

Section 1. Officers. The officers of the Association shall be a President, Vice President, Secretary, and Treasurer, to be elected from among the members of the Board. The Board of Directors may appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board of Directors. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary.

Section 2. Election, Term of Office, and Vacancies. The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the Members. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 3. Removal. Any officer may be removed by the Board of Directors whenever in its judgment the best interests of the Association will be served thereby.

Section 4. Powers and Duties. The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time specifically be conferred or imposed by the Board of Directors. The President shall be the chief executive officer of the Association. The Treasurer shall have primary responsibility for the preparation of the budget as provided for in the Declaration and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

Section 5. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Agreements, Contracts, Deeds, Leases, Checks, Etc. All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least two (2) officers or by such other person or persons as may be designated by resolution of the Board of Directors.

Article V
Committees

Section 1. General. Committees are hereby authorized to perform such tasks and to serve for such periods as may be designated by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present. Each committee shall operate in accordance with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors, except as provided in these Bylaws.

Section 2. Executive Committee. Any executive committee designated by the Board shall consist of two (2) or more Members of the Board. The resolution of the Board designating the executive committee may provide that the executive committee shall have and may exercise all of the powers of the Board and the management of the business and affairs of the Association during the intervals between the meetings of the Board insofar as may be permitted by law, except that the executive committee shall not have the power to:

- (a) determine the common expenses required for the operation of the Association and the Community;
- (b) determine the assessments payable to the Owners to meet the common expenses of the Association;
- (c) adopt or amend rules and regulations;
- (d) purchase or lease real property in the name of the Association;
- (e) approve or recommend to Owners any actions or proposals required by law or by the governing documents to be approved by the Owners; and
- (f) fill vacancies on the Board of Directors or the Executive Committee; and
- (g) those matters as prohibited by law, from time to time.

Article VI
Miscellaneous

Section 1. Fiscal Year. The fiscal year of the Association shall be set by resolution of the Board of Directors. In the absence of a resolution, the fiscal year shall be the calendar year.

Section 2. Parliamentary Rules. Except as may be modified by Board resolution, Robert's Rules of Order (current edition) shall govern the conduct of Association proceedings when not in conflict with the law or the Association Documents.

Section 3. Conflicts. If there are conflicts between the provisions of Florida law, the Articles of Incorporation, the Declaration, and these Bylaws, the provisions of Florida law, the Declaration, the Articles of Incorporation, and the Bylaws (in that order) shall prevail.

Section 4. Notices. Unless otherwise provided in these Bylaws, all notices, demands, bills, statements, or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States Mail, first class postage prepaid:

(a) if to a Member, at the address which the Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Lot of such Member; or

(b) if to the Association, the Board of Directors, or the managing agent, at the principal office of the Association or the managing agent, if any, or at such other address as shall be designated by notice in writing to the Members pursuant to this Section.

Section 5. Amendment. Until termination of the Developer Control Period, Developer may unilaterally amend these Bylaws. Thereafter or otherwise, these Bylaws may be amended only by the affirmative vote (in person or by alternate) or written consent, or any combination thereof, of Members representing sixty-seven percent (67%) of the total votes in the Association, including sixty seven percent (67%) of the votes held by Members other than the Developer, and the consent of the Developer, so long as Developer has any right of representation in the Association. However, the percentage of votes necessary to amend a specific clause shall be not less than the prescribed percentage of affirmative votes required for action to be taken under that clause. Any amendment to be effective must be recorded in the public records of Martin County, Florida.

Except as otherwise provided in the Association Documents, no amendment may affect vested rights unless the Owners of the affected Lots and all record owners of liens on the affected Lots join in the execution of the amendment.

No amendment may remove, revoke, or modify any right or privilege of the Developer without the written consent of the Developer or the assignee of such right or privilege.

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting President of The Townhomes at Renar River Place Homeowners Association, Inc., a Florida corporation not-for-profit;

That the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting the Board of Directors thereof held on the 14th day of March, 2007.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association, this 14th day of March, 2007.

Arden Doss, Jr., President

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