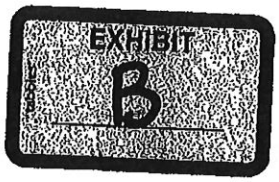
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ARTICLES OF INCORPORATION
FOR
RESIDENCES AT NATURE CREEK HOMEOWNER'S ASSOCIATION, INC.

The undersigned incorporator, for the purpose of forming a not-for-profit corporation under the laws of the state of Florida, hereby adopts the following Articles of Incorporation.

ARTICLE 1 - NAME AND ADDRESS

The name of the corporation shall be Residences At Nature Creek Homeowner's Association, Inc. The principal address of the Association is 3838 N. Palafox Street, Pensacola, Escambia County, Florida 32505. For convenience, the corporation shall be referred to as the "Association," the Declaration of Covenants, Conditions and Restrictions, as the "Declaration," these Articles of Incorporation as the "Articles," and the Bylaws of the Association as the "Bylaws."

ARTICLE 2 - PURPOSES

The purposes for which the Association is organized are:

1. To furnish all services reasonably necessary, for the health, comfort, safety, welfare and enjoyment of lot owners of the proposed subdivision to be known as Residences at Nature Creek Subdivision (the "Subdivision"), which is located on all or a portion of that certain real property located in Escambia County, Florida and more particularly described in Exhibit A, attached hereto, together with any additional property that may be annexed into the Subdivision in accordance with the terms and conditions of the Declaration (defined below).
2. To own, manage and control all of the common areas and improvements thereon located within the boundaries of the Subdivision which are intended to be devoted to the common use and enjoyment of the owners of lots in the Subdivision, including, but not by the way of limitation, the maintenance of private easements or roads, any decorative fences, street islands and any retention pond for storm water drainage.
3. To administer, enforce and otherwise act in accordance with that certain Declaration of Covenants, Conditions and Restrictions for Residences at Nature Creek Subdivision which have or will be recorded in the office of the Clerk of the Circuit Court of Escambia County, Florida, as may be amended from time to time (the "Declaration"), to the extent provided in the Declaration.
4. To assess, collect and direct the proper disbursement of the lot owner's pro rata shares of the costs and expenses incurred in the carrying out of said purposes in accordance with these Articles, the Bylaws for the Association and the rules and regulations of the Subdivision and the Declaration.

BK: 8017 PG: 1301

ARTICLE 3 - DEFINITIONS

The terms used in these Articles shall have the same definitions and meanings as those set forth in the Declaration of Covenants, Conditions and Restrictions to be recorded in the Public Records of Escambia County, Florida, unless herein provided to the contrary or unless the context otherwise requires.

ARTICLE 4 – NONPROFIT CORPORATION

The Association shall be without capital stock, will not be operated for profit and will not distribute gains, profits or dividends to any of its members. The members of the Association shall not be personally liable for the debts, liabilities or obligations of the Association, but shall be personally liable to the Association for their pro rata share of costs and expenses that are attributable to members of the Association under these Articles, the Bylaws of the Association or the Declaration. The purposes of the Association shall be served without pecuniary profit to any director or member of the Association

ARTICLE 5 - POWERS

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

5.1 General. The Association shall have all of the common-law and statutory powers of a not-for-profit corporation under the laws of Florida that are not in conflict with the provisions of these Articles, the Declaration, or the Bylaws, or the Florida Statutes.

5.2 Enumeration. The Association shall have the powers and duties set forth in Florida Statutes 720 as they may be amended from time to time except as limited by these Articles, the Bylaws, and the Declaration (to the extent that they are not in conflict with the Florida Statutes) and all of the powers and duties reasonably necessary to carry out the purpose set forth herein the Declaration, and in the Bylaws, as they may be amended from time to time, including, but not limited to, the following:

a. To make and collect assessments and other charges against the members, and to use the proceeds thereof in the exercise of its powers and duties.

b. To buy, own, operate, lease, sell, trade, and mortgage both real and personal property.

c. To maintain, repair, replace, reconstruct, add to, and operate the Property, and other property acquired or leased by the Association.

d. To purchase insurance upon the Property and insurance for the protection of the Association, its Officers, Directors, and Owners.

e. To make and amend reasonable rules and regulations for the maintenance, conservation, and use of the Property and for the health, comfort, safety, and welfare of the Owners.

f. 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.

g. To contract for the management and maintenance of the Property and to authorize a management agent (which may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of assessments, preparation of records, enforcement of rules, and maintenance, repair and replacement of the Common Elements using funds made available by the Association. The Association and its Officers shall, retain at all times the powers and duties granted under Article 4, including, but not limited to, the levy of assessments, promulgation of rules, and execution of contracts on behalf of the Association.

h. To employ personnel to perform the services required for the proper operation, maintenance, conservation, and use of the Property.

5.3 Property. All funds and the title to all properties acquired by the Association and their proceeds shall be held for the benefit and use of the members in accordance with the provisions of the Declaration, these Articles, and the Bylaws.

5.4 Distribution of Income. The Association shall make no distributions of income to its members, Directors or Officers.

5.5 Limitation. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions hereof and of the Declaration, the Bylaws, provided that in the event of conflict, the provisions of the Florida Statutes shall control over those of the Declaration and Bylaws.

ARTICLE 6 – MEMBERSHIP AND VOTING RIGHTS

The Association shall have two (2) classes of voting membership:

(a) Class A. Class A members shall be all owners, with the exception of the Declarant, and shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in any lot all such persons shall be members. The vote for such lot shall be exercised as they, among themselves, shall determine, but in no event shall more than one (1) vote be cast with respect to any single lot.

(b) Class B. Class B member shall be the Declarant, which shall be entitled to ten (10) votes for each lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of any of the following events, whichever occurs earlier:

(i) Three (3) months after ninety percent (90%) of the Lots in all phases of the Subdivision that will ultimately be operated by the Association have been conveyed to members;

(ii) Such other percentage of the Lots has been conveyed to members, or such other date or event has occurred, as is set forth in the governing documents in order to comply with the requirements of any governmentally chartered entity with regard to the mortgage financing of parcels;

(iii) Upon the Declarant abandoning or deserting its responsibility to maintain and complete the amenities or infrastructure as disclosed in the governing documents. There is a rebuttable presumption that the Declarant has abandoned and deserted the property if the Declarant has unpaid assessments or guaranteed amounts under Section 720.308, Florida Statutes, for a period of more than two (2) years;

(iv) Upon the Declarant filing a petition seeking protection under Chapter 7 of the Federal Bankruptcy Code;

(v) Upon the Declarant losing title to the property through a foreclosure action or the transfer of deed in lieu of foreclosure, unless the successor owner has accepted an assignment of developer rights and responsibilities first arising after the date of such assignment;

(vi) Upon a receiver for the Declarant being appointed by a Circuit Court and not being discharged within thirty (30) days after such appointment, unless the court determines within thirty (30) days after such appointment that transfer of control would be detrimental to the Association or its members; or

(vii) Declarant records an instrument in the Public Records of Escambia County, Florida terminating Class B membership.

After Declarant relinquishes control of the Association, Declarant is entitled to elect at least one member to the Board as long as the Declarant holds for sale five (5%) percent of the Lots in the Subdivision and may continue to vote any Declarant owned lots in the same manner as any other member.

ARTICLE 7 - TERM OF EXISTENCE

The Association shall have perpetual existence.

ARTICLE 8 - INCORPORATOR

The name and address of the Incorporator of this Corporation is Rocky W. Jones whose address is 3838 N. Palafox St. Pensacola, Florida 32505.

ARTICLE 9 - DIRECTORS

Except as provided herein, the affairs of the Association shall be managed by a Board of Directors. Notwithstanding anything contained in these Articles, the Bylaws of the Association, or the Declaration to the contrary, until Turnover, Residence at Nature Creek, LLC, a Florida limited liability company (the "Declarant") shall have the sole and exclusive right to (1) appoint all of the members of the Board of Directors of the Association (subject to the rights of members other than the Declarant to elect at least one member of the Board of Directors under Section 720.307(2) of the Florida Statutes); (2) appoint all of the officers of the Association; (3) remove and replace any members of the Board of Directors of the Association; (4) amend these Articles and Bylaws; and (5) take all other action on behalf of the Association and vote on all other matters required to be voted on or approved by the members of the Association. "Turnover" has the meaning set forth in the Declaration. Upon Turnover, the then-current members of the Association shall be entitled to vote on all the foregoing matters subject to any restrictions set forth in the Declaration and the Bylaws of the Association.

The initial Board of Directors of the Association shall be composed of three (3) directors; none of which must be a member of the Association.

10.1 First Directors. The names and addresses of the members of the first Board of Directors, who shall hold office until their successors are elected and have taken office, as provided in the Bylaws, are as follows:

NAME	ADDRESS
Rocky Jones	PO Box 9547 Pensacola, FL 32513
Casey Hyman	5650 Dixie Dr, Suite A Pensacola, FL 32503
Cliff Mowe	3838 N. Palafox St. Pensacola, FL 32505

ARTICLE 10 - OFFICERS

The affairs of the Association shall be administered by the Officers holding the offices designated in the Bylaws. The Officers shall be elected by the Board of Directors of the Association at its first meeting following the annual meeting of the members of the Association and shall serve at the pleasure of the Board of Directors. The Bylaws may provide for the removal from office of Officers, for filling vacancies, and for the duties and qualifications of the Officers. The names and addresses of the Officers who shall serve until their successors are designated by the Board of Directors are as follows:

President:	Rocky Jones PO Box 9547 Pensacola, FL 32513
Vice President:	Casey Hyman 5650 Dixie Dr, Suite A Pensacola, FL 32503
Secretary-Treasurer:	Cliff Mowe 3838 N. Palafox St. Pensacola, FL 32505

ARTICLE 11 - INDEMNIFICATION

11.1 Indemnity. The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or contemplated action, lawsuit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that he or she is or was a Director, employee, Officer, or agent of the Association, against expenses (including attorneys' fees and appellate attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by that person in connection with such action, lawsuit, or proceeding unless (a) a court of competent jurisdiction determines, after all available appeals have been exhausted or not pursued by the proposed indemnity, that he or she did not act in good faith or in a manner he or she reasonably believed to be not in, or opposed to, the best interest of the Association, and, with respect to any criminal action or proceeding, that he or she had reasonable cause to believe his or her conduct was unlawful, and (b) such court further specifically determines that indemnification should be denied. The termination of any action, lawsuit, or proceeding by judgment, order, settlement, conviction or upon plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith or did act in a manner that he or she reasonably believed to be not in, or opposed to, the best interest of the Association, and, with respect to any criminal action or proceeding, that he or she had reasonable cause to believe that his or her conduct was unlawful.

11.2 Expenses. To the extent that a Director, Officer, employee, or agent of the Association has been successful on the merits or otherwise in defense of any action, lawsuit, or proceeding referred to in Section 10.1 above, or in defense of any claim, issue, or matter therein, he or she shall be indemnified against expenses (including attorneys' fees and appellate attorneys' fees) actually and reasonably incurred by him or her in connection with that defense.

11.3 Advances. Expenses incurred in defending a civil or criminal action, lawsuit, or proceeding shall be paid by the Association in advance of the final disposition of such action, lawsuit, or proceeding upon receipt of an undertaking by or on behalf of the affected Director, Officer, employee, or agent to repay such amount unless it shall ultimately be determined that he or she is entitled to be indemnified by the Association as authorized in this Article 10.

11.4 Miscellaneous. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any Bylaw, agreement, vote of members, or otherwise, and shall continue as to a person who has ceased to be a Director, Officer, employee, or agent and shall inure to the benefit of the heirs and personal representatives of that person.

11.5 Insurance. The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a Director, Officer, employee, or agent of the Association, or is or was serving, at the request of the Association, as a Director, Officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Association would have the power to indemnify him or her against such liability under the provisions of this Article.

ARTICLE 12 – ASSESSMENTS

12.1 To provide the total sum necessary for the insurance, reserve fund for replacements, maintenance and operation of the common areas and improvements within the Subdivision, each member for each lot owned shall pay a portion of the total amount necessary for such purposes to the Association. The portion to be paid by each member for each lot owned shall be equal to a fraction, the numerator of which shall be the number of lots owned by such lot owner and the denominator of which shall be the total number of lots in the Subdivision, and which the quotient of such fraction shall be multiplied by the sum necessary for such purposes. The total number of lots in the Subdivision may be increased form time-to-time by the Declarant in its sole and absolute discretion so long as Declarant continued to have the right to add additional property to the Subdivision in accordance with the terms of the Declaration.

12.2 The amount of assessment against each member as provided under the paragraph immediately above, shall be assessed by the Association as a lien as provided in the Declaration.

12.3 In addition to the annual assessments authorized above, the Association may levy in any assessment year special assessments for the purposes and in the manner set forth in the Declaration, as may be amended from time to time.

12.4 Each assessment shall be assessed and shall be due and payable as provided in the Declaration and the Bylaws, and upon default or payment within such period of time, the assessment shall be a lien against each lot owned by the defaulting member and against that undivided portion of the common area owned by the defaulting member, and the Association shall be entitled to enforce the payment of said lien according to the laws of the State of Florida and to take any other actions for collection from the defaulting party or parties. Any such lien against a lot or against a common area shall be subordinate to a recorded first mortgage covering such lot.

12.5 Both annual and special assessments shall be collected in the time and manner specified in the Declaration or as otherwise directed by the Association's directors.

ARTICLE 13 – DISSOLUTION

Unless the Board of Directors determines that because of a conflict of interest or other substantial reason it should not make any recommendation, the Board of Directors must adopt a resolution recommending that the Association be dissolved and directing that the question of such dissolution be submitted to a vote at a meeting of the Members entitled to vote thereon, which may be either an annual meeting or special meeting. Written notice stating that the purpose, or one of the purposes, of such meeting is to consider the advisability of dissolving the corporation must be given to each Member (as of thirty (30) days prior to the date of mailing such notice) entitled to vote at such meeting. This notice shall be sent at least ten (10) days and not more than sixty (60) days before the date named for the meeting to each Member by United States mail, or by telegram, charges prepaid, to his address appearing in the books of the Association. A resolution to dissolve the corporation shall be adopted by receiving 80% of the votes which Members present at such meeting or represented by proxy are entitled to cast. At any time after dissolution is authorized, the corporation may dissolve by delivering to the Department of State articles of dissolution for filing.

ARTICLE 14 – MISCELLANEOUS

14.1 Amendment. Until Turnover, these Articles may be amended at any time and from time to time by Declarant, without consent or approval of any of the other members of the Association. After Turnover, these Articles may be amended, subject to the terms and provision of the Declaration, by the affirmative vote or at least sixty-seven (67%) of the total voting interests of all members of the Association. All amendments to

these Articles become effective only upon being placed of record in the Office of the Clerk of the Circuit Court Escambia County, Florida.

14.2 Termination, Dissolution, or Liquidation. In the event of a termination, dissolution, or final liquidation of the Association, the responsibility for the operation and maintenance of any Stormwater Management System must be transferred to and accepted by an entity which complies with Rules and Regulations, and be approved by the Northwest Florida Management District prior to such termination, dissolution or liquidation.

14.3 Incorporation by Reference. All of the terms, provisions, definitions, covenants and conditions set forth in the Declaration are hereby expressly incorporated herein by reference as if fully set forth herein. In the event of any conflict or ambiguity between the terms, provisions, definitions, covenants and conditions set forth herein in these Articles and the Declaration, then the provisions of the Declaration shall at all times control. In the event of any conflict or ambiguity between the terms, provisions, definitions, covenants and conditions set forth herein in these Articles and the Association Bylaws, then the provisions of these Articles shall at all times control.

ARTICLE 15 – INITIAL REGISTERED OFFICE, ADDRESS AND NAME OF REGISTERED AGENT

The initial registered office of this Corporation shall be at 212 W. Intendencia St. Pensacola, Florida 32502, with the privilege of having its office and branch offices at other places within or without the State of Florida. The initial registered agent of the Corporation shall be Liberis Law Firm, by Charles S. Liberis who shall also be a resident agent, whose address is 212 W. Intendencia St. Pensacola, Florida 32502.

IN WITNESS WHEREOF, the Incorporator has affixed his signature the day and year set forth below.

Rocky Jones

STATE OF FLORIDA
COUNTY OF ESCAMBIA

The foregoing instrument was acknowledged before me on the 13 day of November, 2018, by Rocky Jones, who is personally known to me and who did not take an oath.

KAYLAN WALDEN
MY COMMISSION # GG151634
EXPIRES: December 30, 2021

Notary Public

BK: 8017 PG: 1309

CERTIFICATE DESIGNATING PLACE OF BUSINESS OR DOMICILE FOR THE SERVICE OF PROCESS WITHIN THIS STATE, NAMING AGENT UPON WHOM PROCESS MAY BE SERVED

In compliance with the laws of Florida, the following is submitted:

That desiring to organize under the laws of the state of Florida with its principal office, as indicated in the foregoing Articles of Incorporation, in the County of Escambia, State of Florida, the corporation named in the said Articles has named Charles S. Liberis, whose address is 212 W. Intendencia St. Pensacola, Florida 32502, as its statutory registered agent.

Having been named the statutory agent of the corporation at the place designated in this certificate, I hereby accept the same and agree to act in this capacity and agree to comply with the provisions of Florida law relative to keeping the registered office open.

Charles S. Liberis

BK: 8017 PG: 1310

This instrument was prepared by:
Charles S. Liberis, Esquire
Liberis & Associates, P.A.
212 West Intendencia St.
Pensacola, FL 32501
(850) 438-9647

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BYLAWS OF RESIDENCES AT NATURE CREEK HOMEOWNER'S ASSOCIATION, INC., A FLORIDA NOT-FOR PROFIT CORPORATION

1. Identity. These are the Bylaws of Residences At Nature Creek Homeowner's Association, Inc. (the "Association"), a Florida not-for-profit corporation and organized for the purpose of administering that certain Real Property located in Escambia County, Florida, and known as The Residence At Nature Creek Subdivision (the "Real Property").

1.1 Principal Office. The principal office of the Association shall be at 3838 N. Palafox St. Pensacola, Florida 32505, or at such other place as may be subsequently designated by the Board of Directors. All books and records of the Association shall be kept in Escambia County, Florida, or at such other place within the state of Florida as may be designated by the Board from time to time.

1.2 Fiscal Year. The fiscal year of the Association shall be the calendar year.

1.3 Seal. The seal of the Association shall bear the name of the corporation, the word "Florida," the words "Not-For-Profit Corporation," and the year of incorporation.

2. Definitions. For convenience, these Bylaws shall be referred to as the "Bylaws" and the Articles of Incorporation of the Association as the "Articles." The other terms used in these Bylaws shall have the same definitions and meanings as those set forth in the Declaration of Covenants, Conditions and Restrictions recorded in the Public Records of Escambia County unless herein provided to the contrary or the context otherwise requires.

3. Member Meetings

3.1 Annual Meeting. After Turnover (As defined in The Declaration), the annual members' meeting shall be held on the date, at the place, and at the time determined by the Board of Directors from time to time, provided that there shall be an annual meeting every calendar year and, to the extent possible, no later than twelve (12) months after the last preceding annual meeting. The purpose of the meeting shall be, except as provided herein to the contrary, to elect Directors and to transact any other business authorized to be transacted by the members, or as stated in the notice of the meeting sent to Owners in advance thereof. Unless changed by the Board of Directors, the first annual meeting shall be held in the month of December following the year in which the Declaration is filed, at such time, place, and date as the Board shall determine.

3.2 Special Meetings. Special members' meetings shall be held at such places as provided herein for annual meetings and may be called by the President or by a majority of the Board of Directors of the Association and must be called by the President or Secretary upon receipt of a written request from a majority of the members of the Association. The business conducted at a special meeting shall be limited to that stated in the notice of the

meeting. Special meetings may also be called by Owners for any lawful purpose, including, but not limited to, the following: (i) a special meeting of the Members for purposes of recalling a member or members of the Board of Directors and (ii) such special meeting of Members as set forth in Article 9 of these Bylaws.

3.3 Notice of Meeting; Waiver of Notice. Notice of a meeting of members, stating the time and place and the purpose(s) for which the meeting is called, shall be given by the President or Secretary. A copy of the notice shall be posted at a conspicuous place on the Property at least 14 continuous days prior to the annual meeting. The notice of the annual meeting shall also be sent by mail or hand delivered to each Member unless the Member waives in writing the right to receive notice of the annual meeting by mail or hand delivery. The delivery or mailing shall be to the address of the member as it appears on the roster of members. The posting and mailing of the notice shall be effected not less than 14 days nor more than 60 days prior to the date of the meeting. Proof of posting shall be given by affidavit, and proof of mailing of the notice shall be given by affidavit or the retention of a post office certificate of mailing.

Notice of specific meetings may be waived before or after the meeting and the attendance of any member (or person authorized to vote for such member) shall constitute such member's waiver of notice of such meeting except when his or her (or the authorized representative's) attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

An Officer of the Association shall provide an affidavit, to be included in the official records of the Association, affirming that notices of the Association meeting were mailed or hand delivered in accordance with this Section, to each Member at the address last furnished to the Association. No other proof of notice of a meeting shall be required.

3.4 Quorum. A quorum at members' meetings shall be attained by the presence, either in person or by proxy, of persons entitled to cast 30% of the total voting interest.

3.5 Voting.

3.5.1 Number of Votes. At any meeting of Members, the Owners of Lots shall be entitled to cast one vote for each Lot owned. The vote of a Lot shall not be divisible.

3.5.2 Majority Vote. The acts approved by a majority of the votes present in person or by proxy at a meeting at which a quorum shall have been present shall be binding upon all Members for all purposes except where otherwise provided by law, the Declaration, the Articles, or these Bylaws. As used in these Bylaws, the Articles, or the Declaration, the term "majority of the members" shall mean a majority of the members themselves and shall further mean more than 50% of the then total authorized votes present in person or by proxy and voting at any meeting of the Owners at which a quorum shall have been attained. Similarly, if some greater percentage of members is required herein or in the Declaration or Articles, it shall mean such greater percentage of the votes of members and not of the members themselves.

3.5.3 Voting Member. If a Lot is owned by one person, the right to vote shall be established by the roster of members. If a Lot is owned by more than one person, those persons (including husbands and wives) shall decide among themselves who shall cast the vote of the Lot. In the event that those persons cannot so decide, no vote shall be cast. A person casting a vote for a Lot shall be presumed to have the authority to do so unless the President or the Board of Directors is otherwise notified. If a Lot is owned by a corporation, the person entitled to cast the vote for the Lot shall be designated by a certificate signed by an appropriate Officer of the corporation and filed with the Secretary of the Association. Such person need not be an Owner. Those certificates shall be valid until revoked or superseded by a subsequent certificate or until a change occurs in the ownership of the Lot concerned. A certificate designating the person entitled to cast the vote for a Lot may be revoked by any record Owner of an undivided interest in the Lot. If a certificate designating the person entitled to cast the vote for a Lot for which that certificate is required is not on file or has been revoked, the vote attributable to that Lot shall not be considered in determining whether a quorum is present, nor for any other purpose, and the total number of authorized votes in the Association shall be reduced accordingly until such certificate is filed.

3.6 Proxies. Votes may be cast in person or by proxy. A proxy may be made by any person entitled to vote but shall be valid only for the specific meeting for which originally given and any lawful adjourned meetings thereof. All proxies must be filed with the Secretary before the appointed time of each meeting and such proxy shall be valid only for the particular meeting designated in the proxy and any lawfully adjourned meeting thereof. In no event shall any proxy be valid for a period longer than 90 days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the person executing it. A proxy must be in writing, be signed by the person authorized to cast the vote for the Lot (as described in Section 3.5), name the person(s) voting by proxy and the person authorized to vote for such person(s), and be filed with the Secretary of the Association before the time to which the meeting is adjourned. Each proxy shall contain the date, time, and place of the meeting for which it is given and, if a limited proxy, shall set forth the matters on which the proxy holder may vote and the manner in which the vote is to be cast. Holders of proxies need not be Lot Owners. Notwithstanding the foregoing, no proxy, limited or general, shall be used in the election of Board members, either in general elections or elections to fill vacancies caused by recall, resignation, or otherwise.

3.7 Adjourned Meetings. If any proposed meeting cannot be organized because a quorum has not been attained, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present, provided notice of the newly scheduled meeting is given in the manner required for the giving of notice of a meeting. Except as required above, proxies given for the adjourned meeting shall be valid for the newly scheduled meeting unless revoked for reasons other than the new date of the meeting.

3.8 Proviso. Notwithstanding anything contained herein to the contrary, until sixty (60%) percent of the Lots in the Subdivision have been sold to the original purchasers, or until Turnover, whichever shall first occur, there shall be no meeting of the members of the Association unless a meeting is called by the Board of Directors.

3.9 Order of Business. If a quorum has been attained, the order of business at annual members' meetings, and, if applicable, at other members' meetings, shall be:

3.9.1 Call to order by President;

3.9.2 Appointment by the President of a chair of the meeting (who need not be a member or a Director);

3.9.3 Calling of Roll and Certification of Proxies

3.9.4 Proof of notice of the meeting or waiver of notice;

3.9.5 Reading of minutes;

3.9.6 Reports of Officers;

3.9.7 Reports of committees;

3.9.8 Election of Directors;

3.9.9 Unfinished business;

3.9.10 New business;

3.9.11 Adjournment.

Such order may be waived in whole or in part by direction of the chair.

3.10 Minutes of Meeting. The minutes of all meetings of Owners shall be kept in a book available for inspection by Owners or their authorized representatives and Board members at any reasonable time. The Association shall retain these minutes for a period of not less than seven years.

3.11 Action Without a Meeting. Anything to the contrary herein notwithstanding, to the extent lawful, any action required to be taken at any annual or special meeting of members, or any action that may be taken at any annual or special meeting of such members, may be taken without a meeting, without prior notice, and without a vote if a consent in writing, setting forth the action so taken, shall be signed by the members (or persons authorized to cast the vote of any such members as elsewhere herein set forth) having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting of members at which a quorum of members (or authorized persons) entitled to vote thereon were present and voted. Within 10 days after obtaining such authorization by written consent, notice must be given to members who have not consented in writing. The notice shall fairly summarize the material features of the authorized action.

3.12 Owner Participation. Owners shall have the right to participate in meetings of Owners with reference to all designated agenda items. However, the Association may adopt reasonable rules governing the frequency, duration, and manner of Owner participation. Any Owner may tape record or videotape a meeting of the Owners subject to reasonable rules adopted by the Division.

4. Directors.

4.1 Composition. The affairs of the Association shall be governed by a Board of not less than three (3) nor more than five (5) Directors. During Developer control, Directors need not be Lot Owners; provided, however, upon turnover, each Director, other than any Developer appointed or elected Director, shall be a Lot Owner.

4.2 Election of Directors. The election of Directors shall be conducted in the following manner:

4.2.1 Election of Directors shall be held at the annual members' meeting except as provided herein to the contrary.

4.2.2 Not less than 60 days before a scheduled election, the Association shall mail or deliver, whether by separate Association mailing or included in another Association mailing or delivery including regularly published newsletters, to each Owner entitled to a vote, a first notice of the date of the election. Any Owner or other eligible person desiring to be a candidate for the board of administration shall give written notice to the Association not less than 40 days before a scheduled election. The Association shall then mail or deliver a second notice of the meeting at least 14 days prior to the meeting, which notice must include an agenda, to all Owners entitled to vote therein, together with a written ballot that shall list all candidates. Upon request of a candidate, the Association shall include an information sheet, no larger than 8 ½ inches by 11 inches furnished by the candidate, to be included with the mailing of the ballot, with the costs of mailing or delivery and copying to be borne by the Association.

4.2.3 The election shall be by written ballot or voting machine and by a plurality of the votes cast, each person voting being entitled to cast his or her vote for each of as many nominees as there are vacancies to be filled. The entire membership shall vote for all of the Directors. No Owner shall permit another person to cast his or her ballot and any such ballots improperly cast shall be deemed invalid except for a Owner who needs assistance in voting due to blindness, disability, or inability to read or write.

4.2.4 There shall be no quorum requirement or minimum number of votes necessary for election of Board of Directors. However, at least 20% of the eligible voters must cast a ballot in order for the election to be valid.

4.2.5 No nominating committees, no slates of Directors, no nominations from the floor, and no write-in candidates are permitted. Any Owner who indicates an interest in running must be placed on the ballot. Election and balloting are not required unless more

candidates file notices of intent to run or are nominated than there are vacancies on the Board.

4.3 Vacancies and Removal.

4.3.1 Except as to vacancies resulting from removal of Directors by members, vacancies on the Board of Directors occurring between annual meetings of members shall be filled by the affirmative vote of the remaining Board of Directors, even if the remaining Directors constitute less than a quorum, provided that all vacancies in Directorships to which Directors were appointed by the Developer under the provisions of section 4.16 hereof shall be filled by the Developer without the necessity of any meeting.

4.3.2 Any Director elected by the members (other than the Developer) may be removed without cause by concurrence of a majority of the votes of all the voting interests at a special meeting of members called for that purpose, which meeting may be called by 10% of the voting interests, giving notice of the meeting as required for a meeting of Owners, and stating the purpose of the meeting, or by written agreement signed by a majority of the Owners of all Lots.

If the recall is approved by a majority of all voting interests by a vote at a meeting, the recall will be effective as provided herein. The Board shall duly notice and hold a board meeting within five full business days of the adjournment of the Owner meeting to recall one or more board members. At the meeting, the Board shall either certify the recall, in which case such member or members shall be recalled effective immediately and shall turn over to the Board within five full business days any and all records and property of the Association in their possession, or shall proceed as set forth below.

If the proposed recall is by an agreement in writing by a majority of all voting interests, the agreement in writing or a copy thereof shall be served on the Association by certified mail or by personal. The Board shall duly notice and hold a meeting of the Board within five full business days after receipt of the agreement in writing. At the meeting, the Board shall either certify the written agreement to recall a member or members of the Board, in which case such member or members shall be recalled effective immediately, and shall turn over to the Board within five full business days any and all records and property of the Association in their possession, or proceed as described below.

If the Board determines not to certify the written agreement to recall a member or members of the Board, or does not certify the recall by a vote at a meeting, the Board shall, within five full business days after the meeting, file a petition for binding arbitration. For the purposes of this section, the Owners who voted at the meeting or who executed the agreement in writing shall constitute one party under the petition for arbitration. If the arbitrator certifies the recall as to any member or members of the Board, the recall will be effective upon mailing of the final order of arbitration to the Association. If the Association fails to comply with the order of the arbitrator, the Division may take action under F.S. 718.501. Any member or members so recalled shall deliver to the Board any and all records

of the Association in their possession within five full business days of the effective date of the recall.

If the Board fails to duly notice and hold a Board meeting within five full business days of service of an agreement in writing or within five full business days of the adjournment of the Owner recall meeting, the recall shall be deemed effective and the Board members so recalled shall immediately turn over to the Board any and all records and property of the Association.

If a vacancy occurs on the Board as a result of a recall and less than a majority of the Board members are removed, the vacancy may be filled by the affirmative vote of a majority of the remaining Directors, notwithstanding any provision to the contrary contained in Section 4.2 herein. If vacancies occur on the Board as a result of a recall and a majority or more of the Board members are removed, the vacancies shall be filled in accordance with procedural rules to be adopted by the Division.

4.3.3 Anything to the contrary herein notwithstanding, until a majority of the Directors are elected by the members other than the Developer of the Real Property, neither the first Directors of the Association, nor any Directors replacing them, nor any Directors named by the Developer, shall be subject to removal by members other than the Developer. The first Directors and Directors replacing them may be removed and replaced by the Developer without the necessity of any meeting.

4.3.4 If a vacancy on the Board of Directors results in the inability to obtain a quorum of Directors in accordance with these Bylaws, any Owner may apply to the Circuit Court within whose jurisdiction the Real Property lies for the appointment of a receiver to manage the affairs of the Association. At least 30 days prior to applying to the Circuit Court, the Owner shall mail to the Association and post in a conspicuous place on the Real Property a notice describing the intended action and giving the Association an opportunity to fill the vacancy or vacancies in accordance with these Bylaws. If, during such time, the Association fails to fill the vacancy or vacancies, the Owner may proceed with the petition. If a receiver is appointed, the Association shall be responsible for the salary of the receiver, court costs, and attorneys' fees. The receiver shall have all powers and duties of a duly constituted Board of Directors and shall serve until the Association fills the vacancy or vacancies on the Board sufficient to constitute a quorum in accordance with these Bylaws.

4.4 Term. Except as provided herein to the contrary, the term of each Director's service shall extend until the next annual meeting of the members and subsequently until his or her successor is duly elected and has taken office, or until he or she is removed.

5. Directors Meeting

5.1 Organizational Meeting. The organizational meeting of newly elected or appointed Directors shall be held within 10 days of their election or appointment at such place and time as shall be fixed by the Directors at the meeting at which they were elected or

appointed. Notice of the organizational meeting shall be as required for regular meetings of the Board of Directors.

5.2 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. Notice of regular meetings shall be given to each Director, personally or by mail, telephone, or telegraph, and shall be transmitted at least 48 hours prior to the meeting. Regular meetings of the Board of Directors shall be open to all Lot Owners and notice of such meetings shall be posted conspicuously on the Real Property at least 48 continuous hours in advance for the attention of the members of the Association except in the event of an emergency. Owners shall have the right to attend and the right to speak with reference to all designated agenda items. The Board may adopt reasonable rules governing the frequency, duration, and manner of Owner statements. Owners may tape record or videotape meetings of the Board subject to rules adopted by the Division. Directors may not vote by proxy or by secret ballot at Board meetings. A vote or abstention for each Director present shall be recorded in the minutes.

5.3 Special Meetings. Special meetings of the Directors may be called by the President, and must be called by the President or Secretary at the written request of one third of the Directors. For so long as the Developer is in control of the Association, special meetings of the Directors may be called by the Developer. Notice of the meeting shall be given personally or by mail, telephone, or telegraph, which notice shall state the time, place, and purpose of the meeting and shall be transmitted not less than 48 hours prior to the meeting. Special meetings of the Board of Directors shall be open to all Owners, and notice of such meetings shall be posted conspicuously on the Real Property at least 48 continuous hours in advance for the attention of the members of the Association except in the event of an emergency, and Owners shall have a reasonable right to participate. The Board may adopt reasonable rules governing the frequency, duration, and manner of Owner statements. Owners may tape record or videotape meetings of the Board. Directors may not vote by proxy or secret ballot at Board Meetings. A vote or abstention for each Director present shall be recorded in the Minutes.

Notwithstanding the foregoing, written notice of any meeting at which non-emergency special assessments, or at which an amendment to Rules regarding Lot use, will be considered shall be mailed or delivered to the Lot Owners and posted conspicuously on the Real Property not less than 14 days prior to the meeting.

5.4 Waiver of Notice. Any Director may waive notice of a meeting before or after the meeting and that waiver shall be deemed equivalent to the due receipt by the Director of notice. Attendance by any Director at a meeting except when his or her attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called, shall be deemed equivalent to the due receipt by that Director of notice.

5.5 Quorum. A quorum at Directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board except when approval by a

greater number of Directors is specifically required by the Declaration, the Articles, or these Bylaws.

Meetings of the Board of Directors and any committee thereof at which a quorum of the members of that committee are present shall be open to all Lot Owners. The right to attend such meetings includes the right to speak with reference to all designated agenda items; provided, however, the Association may adopt reasonable rules governing the frequency, duration, and manner of Lot Owner statements.

5.6 Adjourned Meetings. If, at any proposed meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present, provided notice of such newly scheduled meeting is given as required hereunder. At any newly scheduled meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

5.7 Joinder in Meeting by Approval of Minutes. The joinder of a Director in the action of a meeting by signing and concurring in the minutes of that meeting shall constitute the approval of that Director of the business conducted at the meeting, but such joinder shall not allow the applicable Director to be counted as being present for purposes of quorum.

A Director who is present at a meeting of the Board at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless that Director votes against such action or abstains from voting in respect thereto because of an asserted conflict of interest. A vote or abstention for each Director present shall be recorded in the minutes. Directors may not vote by proxy.

5.8 Presiding Officer. The presiding Officer at the Directors' meetings shall be the President (who may, however, designate any other person to preside).

5.9 Order of Business. If a quorum has been attained, the order of business at Directors' meetings shall be:

5.9.1 Roll call;

5.9.2 Proof of due notice of meeting;

5.9.3 Reading and disposal of any unapproved minutes;

5.9.4 Reports of Officers and committees;

5.9.5 Election of Officers;

5.9.6 Unfinished business;

5.9.7 New Business;

5.9.8 Adjournment.

Such order may be waived in whole or in part by direction of the presiding Officer.

5.10 Minutes of Meetings. The minutes of all meetings of the Board of Directors shall be kept in a book available for inspection by Owners, or their authorized representatives, and Board members at any reasonable time. The Association shall retain these minutes for a period of not less than seven years.

5.11 Executive Committee; Other Committees. The Board of Directors may, by resolution duly adopted, appoint an Executive Committee to consist of three or more members of the Board. This Executive Committee shall have and may exercise all of the powers of the Board in management of the business and affairs of the Real Property during the period between the meetings of the Board insofar as may be permitted by law except that the Executive Committee shall not have power (a) to determine the Common Expenses required for the affairs of the Real Property, (b) to determine the assessments payable by the Lot Owners to meet the Common Expenses of the Real Property, (c) to adopt or amend any rules and regulations covering the details of the operation and use of the Real Property, or (d) to exercise any of the powers set forth in paragraphs (f) and (o) of Article 5 below.

The Board may by resolution also create other committees and appoint persons to such committees and vest in such committees such powers and responsibilities as the Board shall deem advisable.

Meetings of any committee of the Board at which a quorum of the members of that committee are present shall be open to all Owners. Written notice, which notice shall specifically incorporate an identification of agenda items, of all committee meetings shall be posted conspicuously on the Real Property at least 48 continuous hours preceding the meeting except in an emergency.

6. Transition of Control.

At the time of Turnover, as provided in the Declarations, the Developer shall relinquish control of the Association and shall deliver to the Association all property of the Lot Owners and of the Association held or controlled by the Developer, including, but not limited to, the following items, if applicable:

6.1. All deeds to the common property owned by the Association.

6.2. The original or a photocopy of the recorded Declaration and all amendments thereto.

6.3. A certified copy of the Articles of Incorporation of the Association.

6.4. A copy of the Bylaws of the Association.

6.5 The minute books, including all minutes, and other books and records of the Association, if any.

6.6 Any rules and regulations that have been adopted.

6.7 The financial records, including financial statements of the Association, and source documents from the incorporation of the Association through the date of turnover. The records shall be audited by an independent certified public accountant for the period from the incorporation of the Association or form the period covered by the last audit, if an audit has been performed for each fiscal year since incorporation. All financial statements shall be prepared in accordance with generally accepted accounting principles and shall be audited in accordance with generally accepted auditing standards, as prescribed by the Board of Accountancy, pursuant to chapter 473. The certified public accountant performing the audit shall examine to the extent necessary supporting documents and records, including the cash disbursements and related paid invoices to determine if expenditures were for association purposes and the billings, cash receipts, and related records of the Association to determine that the Developer was charged and paid the proper amounts of assessments.

6.8. The financial records, including financial statements of the Association, since the incorporation of the Association through the date of the turnover. All financial statements shall be prepared in accordance with generally accepted accounting standards.

6.9. Association funds or the control thereof.

6.10. All tangible personal property that is the property of the Association or is or was represented by the Developer to be part of the Common Elements or is ostensibly part of the Common Elements, and an inventory of such property.

6.11. A copy of the plans and specifications utilized in the construction the Improvements and the Real Property.

6.12. Insurance policies.

6.13. Any other permits issued by governmental bodies applicable to the Real Property in force or issued within one year prior to the date the Lot Owners take control of the Association.

6.14. All written warranties of contractors, subcontractors, suppliers and manufacturers, if any, that are still effective.

6.15. A roster of Lot Owners and their addresses and telephone numbers, if known, as shown on the Developer's records.

6.16. Leases of the Common Elements and other Leases to which the Association is a party, if applicable.

6.17. A list of current employment contracts or service contracts including addresses and telephone numbers in which the Association is one of the contracting parties, or service contracts in which the Association or Lot Owners have an obligation or responsibility, directly or indirectly, to pay some or all of the fee or charge of the person or persons performing the service.

6.18. All other contracts to which the Association is a party.

7. Powers and Duties. The Board of Directors shall have the powers and duties granted to it by law, the Declaration, the Articles, and these Bylaws necessary for the administration of the affairs of the Lot Owners and may take all acts, through the proper Officers of the Association, in executing such powers, except such acts which by law, the Declaration, the Articles, or these Bylaws may not be delegated to the Board of Directors by the Lot Owners. Such powers and duties of the Board of Directors shall include, without limitation (except as limited elsewhere herein), the following:

7.1 Operating and maintaining the Common Elements.

7.2 Determining the expenses required for the operation of the Association.

7.3 Employing and dismissing the personnel necessary for the maintenance and operation of the Common Elements.

7.4 Adopting and amending rules and regulations concerning the details of the operation and use of the Property.

7.5 Maintaining bank accounts on behalf of the Association and designating the signatory or signatories required therefor.

7.6 Purchasing, leasing, or otherwise acquiring Lots or other property in the name of the Association or its designee.

7.7 Purchasing Lots at foreclosure or other judicial sales, in the name of the Association or its designee.

7.8 Selling, leasing, mortgaging, or otherwise dealing with Lots acquired, and subleasing Lots leased, by the Association or its designee.

7.9 Obtaining and reviewing insurance for the Property.

7.10 Enforcing obligations of the Lot Owners, allocating profits and expenses, and taking such other actions as shall be deemed necessary and proper for the sound management of the Association.

7.11 Imposing fines against appropriate Lot Owners for failure to comply with the provisions of the Board policies and resolutions, the Declaration Documents including the

Rules and Regulations established by the Association, and applicable laws by the Lot Owners, their occupants, licensees, or invitees.

The Directors may, impose fines against a Lot not to exceed the maximum permissible by law, for failure to comply with the provisions of the Board policies and resolutions, the Declaration Documents, including the Rules and Regulations, and applicable laws by Owners, occupants, licensees, tenants, and invitees.

A fine may be imposed for each day of continuing violation at the highest rate allowed by law per violation with a single notice and opportunity for hearing, provided that no fine shall in the aggregate exceed the maximum amount permissible by law.

The party against whom the fine is sought to be levied shall be afforded an opportunity for hearing by being given notice of not less than 14 days. Notice shall be deemed effective when deposited in the United States Mail, certified, return receipt requested, to the address of the Lot Owner listed in the official records of the Association, and as to tenants, to the mailing address for the Lot. The notice shall include:

7.12.1 A statement of the date, time, and place of the hearing.

7.12.2 A statement of the provisions of the Declaration, Articles of Incorporation, Bylaws, Rules and Regulations, Board policies and resolutions or laws that have allegedly been violated.

7.12.3 A short and plain statement of the matters asserted by the Association.

The party against whom the fine may be levied shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge, and respond to any material considered by the Association. The hearing shall be held before a Committee of other Lot Owners. If the Committee does not agree with the fine, the fine may not be levied. Should the Association be required to initiate legal proceedings to collect a duly levied fine, the prevailing party in an action to collect the fine shall be entitled to an award of costs, and a reasonable attorney's fee incurred before trial (including in connection with the preparation for and conduct of fining hearings), at trial, and on appeal. Lot Owners shall be jointly and severally liable for the payment of fines levied against tenants, guests, invitees, or other occupants of a Lot.

7.13 Borrowing money on behalf of the Association when required in connection with the operation, care, upkeep and maintenance of the Common Elements or the acquisition of property, and granting mortgages on and/or security interests in Association-owned property, provided, however, that the consent of the Owners of at least a majority of the Lots represented at a meeting at which a quorum has been attained in accordance with the provisions of these Bylaws shall be required. If any sum borrowed by the Board of Directors on behalf of the Association under the authority contained in this paragraph (o) is not repaid by the Association, a Lot Owner who pays to the creditor such portion thereof as the Owner's interest in his or her Common Elements bears to the interest of all of the Lot Owners in the

Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien that the creditor shall have filed or shall have the right to file against, or which will affect, such Lot Owner's Lot. However, the Association shall take no action authorized in this paragraph without the prior written consent of the Developer as long as the Developer owns any Lot.

7.14 Contracting for the management and maintenance of the Common Property and authorizing a management agent (who may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of assessments, preparation of records, enforcement of rules and maintenance, repair, and replacement of the Common Elements with such funds as shall be made available by the Association for such purposes. The Association and its Officers shall, however, retain at all times the powers and duties granted by the documents, including, but not limited to, the making of assessments, promulgation of rules, and execution of contracts on behalf of the Association. Notwithstanding the foregoing, in the event that a lawsuit is to be brought against the Developer for any reason whatsoever, at least 75% of all Lot Owners, other than the Developer, must agree, at a meeting duly called for such purpose, prior to institution of any such action.

7.15 Adopting budgets and making and collecting special and periodic assessments against Owners to defray the costs of the Association.

7.16 Acquiring and conveying Common Elements for the purposes of providing utility easements, right-of-way expansion, or other public purpose whether negotiated or as part of the eminent domain procedure, which authority can be exercised by the Board of Directors without approval of the Lot Owners.

7.17 At its discretion, authorizing Lot Owners or other persons to use portions of the Common Elements for private parties and gatherings and imposing reasonable charges for such private use.

7.18 Exercising (i) all powers specifically set forth in the Declaration of Covenants Conditions and Restrictions, the Articles, and these Bylaws, (ii) all powers incidental thereto, and (iii) all other powers of a Florida not-for-profit corporation.

7.19 Imposing a lawful fee in connection with the approval of the transfer, lease, sale, or sublease of Lots, not to exceed the maximum amount permitted by law from time to time in any one case.

7.20 Contracting with and creating or joining in the creation of special taxing districts, joint councils, and the like.

8. Officers.

8.1 Executive Officers. The initial executive Officers of the Association shall be a President, a Vice President, a Treasurer, and a Secretary (none of whom need be Directors or Lot Owners), all of whom shall be elected by the Board of Directors (which may create and

fill other offices as provided herein) and who may be peremptorily removed at any meeting by concurrence of a majority of all of the Directors. A person may hold more than one office except that the President may not also be the Secretary. No person shall sign an instrument or perform an act in the capacity of more than one office. The Board of Directors from time to time shall elect such other Officers and designate their powers and duties as the Board shall deem necessary or appropriate to manage the affairs of the Association.

8.2 President. The President shall be the chief executive Officer of the Association. He or she shall have all of the powers and duties that are usually vested in the office of president of an association.

8.3 Vice President. The Vice President shall exercise the powers and perform the duties of the President in the absence or disability of the President. He or she also shall assist the President and exercise such other powers and perform such other duties as are incident to the office of the Vice President of an association and as may be required by the Directors or the President.

8.4 Secretary. The Secretary shall keep the minutes of all proceedings of the Directors and the members. The Secretary shall attend to the giving of all notices to the members and Directors and other notices required by law. He or she shall have custody of the seal of the Association and shall affix it to instruments requiring the seal when duly signed. He or she shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of the secretary of an association and as may be required by the Directors or the President.

8.5 Treasurer. The Treasurer shall have custody of all property of the Association, including funds, securities, and evidences of indebtedness. He or she shall keep books of account for the Association in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the Board of Directors for examination at reasonable times. He or she shall submit a Treasurer's report to the Board of Directors at reasonable intervals and shall perform all other duties incident to the office of Treasurer and as may be required by the Directors or the President. All money and other valuable effects shall be kept for the benefit of the Association in such depositories as may be designated by a majority of the Board of Directors.

8.6 Other. The Board of Directors may create additional offices from time to time and appoint persons to fill such offices, subject to removal at the discretion of the Board.

8.7 Developer Appointees. No Officer appointed by the Directors designated by the Developer may be removed except as provided in Section 4.16 hereof and by law.

9. Compensation. Neither Directors nor Officers shall receive compensation for their services as such, but this provision shall not preclude the Board of Directors from employing a Director or Officer as an employee of the Association, nor preclude contracting with a Director or Officer for the management of the Real Property or for any other service to be supplied by such Director or Officer. Directors and Officers shall be compensated for all

actual and proper out of pocket expenses relating to the proper discharge of their respective duties.

10. Resignations. Any Director or Officer may resign his or her post at any time by written resignation, delivered to the President or Secretary, which shall take effect upon its receipt unless a later date is specified in the resignation, in which event the resignation shall be effective from such date unless withdrawn. The acceptance of a resignation shall not be required to make it effective. The conveyance of all Lots owned by any Director or Officer (other than appointees of the Developer or Officers who were not Lot Owners) shall constitute a written resignation of such Director or Officer.

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

11.1 Budget.

11.1.1 Adoption by Board; Items. The Board of Directors shall from time to time, and at least annually, prepare a budget for the Association (which shall detail all accounts and items of expense, determine the amount of assessments payable by the Lot Owners to meet the expenses of The Association, and allocate and assess such expenses among the Lot Owners in accordance with the provisions of the Declaration. In addition to annual operating expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance. These accounts shall include, but not be limited to, pavement resurfacing. The amount of reserves shall be computed by means of a formula based on estimated remaining useful life and estimated replacement cost or deferred maintenance expense of each reserve item. The Association may adjust replacement reserve assessments annually to take into account any changes in estimates or extension of the useful life of a reserve item caused by deferred maintenance. Reserves shall not be required if the members of the Association have, by a majority vote at a duly called meeting of the Association, determined for a specific fiscal year to provide no reserves or reserves less adequate than required hereby. If a meeting of Lot Owners has been called to determine to provide no reserves or reserves less adequate than required, and such result is not attained or a quorum is not attained, the reserves, as included in the budget, shall go into effect. Reserve funds and any interest accruing thereon shall remain in the reserve account or accounts and shall be used only for authorized reserve expenditures unless their use for other purposes is approved in advance by a majority vote at a duly called meeting of the Association.

The adoption of a budget for the Association shall comply with the requirements hereinafter set forth:

(a) Notice of Meeting. A copy of the proposed budget of Common Expenses shall be mailed to each Lot Owner not less than 14 days prior to the meeting of the Board of Directors at which the budget will be considered, together with a notice of that meeting indicating the time and place of such meeting. The meeting shall be open to the Lot Owners, and the Lot Owners shall have a reasonable right to participate. The Board may

adopt reasonable rules governing the frequency, duration, and manner of Lot Owner statements.

(b) Special Membership Meeting. If a budget is adopted by the Board of Directors that requires assessments against the Lot Owners in any year exceeding 115% of the assessments for the preceding year, as hereinafter defined, upon written application of 10% of the Lot Owners, a special meeting of the Lot Owners shall be held within 30 days of delivery of such application to the Board of Directors. Each Lot Owner shall be given at least 10 days' notice of the special meeting. At the meeting, Lot Owners shall consider and adopt a budget. The adoption of the budget shall require a vote of Owners of not less than a majority of all the Lots (including Lots owned by the Developer). If a meeting of the Lot Owners has been called as aforesaid and a quorum is not obtained or a substitute budget has not been adopted by the Lot Owners, the budget adopted by the Board of Directors shall go into effect as scheduled.

(c) Determination of Budget Amount. In determining whether a budget requires assessments against Lot Owners in any year exceeding 115% of assessments for the preceding year, there shall be excluded in the computations any authorized provisions for reasonable reserves made by the Board of Directors in respect of repair or replacement of the Common Property or in respect of anticipated expenses of the Association that are not anticipated to be incurred on a regular or annual basis, and there shall be excluded further from such computation assessments for improvements to the Real Property.

(d) Proviso. As long as the Developer is in control of the Board of Directors of the Association, the Board shall not impose assessments for a year greater than 25% of the prior year's assessments, as herein defined, without the approval of a majority of Lot Owners other than the Developer.

11.1.2 Adoption by Membership. In the event that the Board of Directors shall be unable to adopt a budget for a fiscal year in accordance with the requirements of Subsection 9.1(a) above, the Board of Directors may call a special meeting of Lot Owners for the purpose of considering and adopting such budget, which meeting shall be called and held in the manner provided for special meetings in that subsection, or propose a budget in writing to the members, and if such budget is adopted by the members, upon ratification by a majority of the Board of Directors, it shall become the budget for such year.

11.2 Assessments. Assessments against Lot Owners for their share of the items of the budget shall be made for the applicable fiscal year annually at least 20 days preceding the year for which the Assessments are made. Such assessments shall be due in equal installments, payable in advance on the first day of each month (or each quarter at the election of the Board) of the year for which the assessments are made. If annual assessments are not made as required, assessments shall be presumed to have been made in the amount of the last prior assessments, and monthly (or quarterly) installments on the assessments shall be due upon each installment payment date until changed by amended

assessments. In the event the annual assessments prove to be insufficient, the budget and assessments may be amended at any time by the Board of Directors, subject to the provisions of Section 9.1 hereof, if applicable. Unpaid assessments for the remaining portion of the fiscal year for which amended assessments are made shall be payable in as many equal installments as there are full months (or quarters) of the fiscal year left as of the date of such amended assessments, each such monthly (or quarterly) installment to be paid on the first day of the month (or quarter), commencing the first day of the next ensuing month (or quarter). If only a partial month (or quarter) remains, the amended assessments shall be paid with the next regular installment in the following year unless otherwise directed by the Board in its resolution.

11.3 Assessments for Emergencies. Assessments for Common Expenses for emergencies that cannot be paid from the annual assessments for Common Expenses shall be due only after 14 days' notice is given to the Lot Owners concerned, and shall be paid in such manner as the Board of Directors of the Association may require in the notice of the assessments.

11.4 Late Assessments. Assessments not paid within 10 days from the date due may bear interest from the date when due until paid at the then highest rate allowed by law. Additionally, the failure to pay any assessment within 10 days from the date due shall entitle the Association to levy a late charge against the defaulting Lot Owner, in such amount as the Board may determine from time to time. However, such late charge shall not exceed the maximum amount allowed under the Act.

11.5 Depository. The depository of the Association shall be such bank or banks or financial institution(s) in the state of Florida federally regulated and insured as shall be designated from time to time by the Directors and in which the funds of the Association shall be deposited. Withdrawal of money from those accounts shall be made only by checks signed by such person or persons as are authorized by the Directors. All sums collected by the Association from assessments or contributions to working capital or otherwise shall be maintained separately for each Real Property, in the Association's name. Reserve and operating funds of the Association shall not be commingled. The Association shall maintain separate accounting records for the Association and for each Real Property operated by the Association. No manager or business entity required to be licensed or registered under F.S. 468.432, and no agent, employee, Officer, or Director of the Association shall commingle Association funds with his, her, its, or another association's or entity's funds.

11.6 Acceleration of Installments Upon Default. As an additional right and remedy of the Association, if a Lot Owner shall be in default in the payment of an installment of the Owner's assessments after 30 days' prior written notice to the applicable Lot Owner, the Board of Directors or its agent may accelerate the assessments due for the remainder of the quarter (if the assessments are made by monthly installments) and thereafter, if a claim of lien has been filed, the assessments shall be accelerated for the balance of the budget year. The unpaid balance of the assessments for the balance of the accelerated period shall be due upon the date stated in the notice, but not less than five days after delivery of the notice

to the Lot Owner, or not less than 10 days after the mailing of such notice to the Lot Owner by certified mail, whichever shall first occur.

11.7 Enforcement of Assessments. In the event an assessment is not paid within 10 days of the date it shall be due and payable, the Association, through the Board of Directors, may proceed to enforce and collect that assessment from the delinquent Lot Owner in any manner provided for by the Declaration, and these Bylaws. Each Lot Owner shall be individually responsible for the payment of assessments against his or her Lot and for the payment of reasonable attorneys' fees and costs incurred by the Association in the collection of sums due and enforcement of any lien held by the Association.

11.8 Fidelity Bonds. Fidelity bonds shall be required by the Board of Directors for all persons handling or responsible for Association funds in such amount as shall be determined by the formula set forth in the Act, or such greater amount as may be determined by a majority of the Board. The premiums on such bonds shall be paid by the Association as a Common Expense.

11.9 Accounting Records and Reports. The Association shall maintain accounting records in the State of Florida, according to accounting practices normally used by similar associations. The records shall be open to inspection by Lot Owners or their authorized representatives at reasonable times, and written summaries of them shall be supplied at least annually. The records shall include, but not be limited to, (a) a record of all receipts and expenditures, and (b) an account for each Lot designating the name and current mailing address of the Lot Owner, the amount of assessments, the dates and amounts in which the assessments come due, the amount paid upon the account and the dates so paid, and the balance due. Written summaries of the records described in clause (a) above, in the form and manner specified below, shall be supplied to each Lot Owner annually.

No later than April 1 of the year following the end of a fiscal year, the Board shall mail, or furnish by personal delivery, to each Lot Owner a complete financial report of actual receipts and expenditures for the previous 12 months (i.e., the last completed fiscal year), or a complete set of financial statements for the preceding fiscal year prepared in accordance with generally accepted accounting principles. The report shall show the amount of receipts by accounts and receipt classifications and shall show the amounts of expenses by accounts and expense classifications, including, if applicable, but not limited to, the following:

11.9.1 Cost for security;

11.9.2 Professional and management fees and expenses;

11.9.3 Taxes;

11.9.4 Cost for recreation facilities;

11.9.5 Expenses for refuse collection and utility services;

11.9.6 Expenses for landscaping;

11.9.7 Cost for building maintenance and repair;

11.9.8 Insurance costs;

11.9.9 Administrative and salary expenses; and

11.9.10 Reserves for capital expenditures, deferred maintenance, and any other category for which the Association maintains a reserve account or accounts.

11.10 Application of Payment. All payments made by a Lot Owner shall be applied as provided in these Bylaws and in the Declaration, or as otherwise determined by the Board.

11.11 Notice of Meetings. Notice of any meeting at which assessments against Lot Owners are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments.

12. Roster of Lot Owners. Each Lot Owner shall file with the Association a copy of the recorded deed or other document showing his or her ownership. The Association shall maintain such information. The Association may rely upon the accuracy of such information for all purposes until notified in writing of changes therein as provided above. Only Lot Owners of record on the date notice of any meeting requiring their vote is given shall be entitled to notice of and to vote at the meeting unless prior to the meeting other Owners shall produce adequate evidence, as provided above, of their interest and shall waive in writing notice of the meeting.

13. Parliamentary Rules. ROBERT'S RULES OF ORDER (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Declaration, the Articles, or these Bylaws.

14. Amendments. Except as provided otherwise in the Declaration, these Bylaws may be amended in the following manner:

14.1 Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of a meeting of the membership at which a proposed amendment is to be considered.

14.2 Adoption. A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board of Directors or by not less than one third of the members of the Association. Any proposed amendment to these Bylaws must be made by ballot or by limited proxy, delivered to the Secretary of the Association at or prior to the meeting. The approval must be:

14.2.1 Prior to the turnover of control of the Association to Lot Owners other than the Developer, by not less than a majority of the votes of those members of the Association who are present or represented at a meeting at which a quorum has been attained and by not less than 51% of the entire Board of Directors; or

14.2.2 After control of the Association has been turned over to Lot Owners other than the Developer, by not less than 67% of the votes of the members of the Association represented at a meeting at which a quorum has been attained.

14.3 Proviso. No amendment may be adopted that would eliminate, modify, prejudice, abridge, or otherwise adversely affect any rights, benefits, privileges, or priorities granted or reserved to the Developer or mortgagees of Lots without the consent of the Developer and mortgagees in each instance. No amendment shall be made that is in conflict with the Articles or Declaration. No amendment to this Section shall be valid.

14.4 Execution and Recording. A copy of each amendment shall be attached to a certificate stating that the amendment was duly adopted as an amendment of the Declaration and Bylaws, which certificate shall be executed by the President or Vice President and attested by the Secretary or Assistant Secretary of the Association with the formalities of a deed, or by the Developer alone if the amendment has been adopted consistent with the provisions of the Declaration allowing such action by the Developer. The amendment shall be effective when the certificate and a copy of the amendment are recorded in the Public Records of the County with an identification on the first page of the amendment of the Official Records Book and Page of the Public Records where the Declaration is recorded.

15. Rules and Regulations. The Board of Directors may from time to time adopt, amend, modify, or add to Rules and Regulations concerning the use of the Real Property except that subsequent to the date control of the Association is turned over by the Developer to Lot Owners other than the Developer, Owners of a majority of the Lots may overrule the Board with respect to any such adoption, amendments, modifications, or addition. Any such Rule adoption, modification, amendment, or addition need not be recorded in the public records of Escambia County to be effective; however, copies of such adopted, modified, amended, or additional Rules and Regulations shall be furnished by the Board of Directors to each affected Lot Owner not less than10 days prior to the effective date thereof. At no time may any Rule or Regulation be adopted that would prejudice the rights reserved to the Developer.

16. Construction. Wherever the context so permits, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be deemed to include all genders.

17. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define or limit the scope of these Bylaws or the intent of any provision hereof.

18. Official Records. From the inception of the Association, the Association shall maintain a copy of each of the following, where applicable, which shall constitute the official records of the Association:

18.1 The plans, permits, warranties, and other items provided by the Developer under F.S. 718.301(4).

18.2 A photocopy of the recorded Declaration of Covenants Conditions and Restrictions and all amendments thereto.

18.3 A photocopy of the recorded Bylaws of the Association and all amendments thereto.

18.4 A certified copy of the Articles of Incorporation of the Association or other documents creating the Association and all amendments thereto.

18.5 A copy of the current Rules and Regulations of the Association.

18.6 A book or books containing the minutes of all meetings of the Association, of the Board of Directors, and of Lot Owners, which minutes shall be retained for a period of not less than seven years.

18.7 A current roster of all Lot Owners, their mailing addresses, Lot identifications, voting certifications, and, if known, telephone numbers.

18.8 All current insurance policies of the Association and the Real Property.

18.9 A current copy of any management agreement, lease, or other contract to which the Association is a party or under which the Association or the Lot Owners have an obligation or responsibility.

18.10 Bills of sale or transfer for all property owned by the Association.

18.11 Accounting records for the Association and the accounting records for the Real Property, according to good accounting practices. All accounting records shall be maintained for a period of not less than seven years. The accounting records shall include, but not be limited to:

18.11.1 Accurate, itemized, and detailed records for all receipts and expenditures.

18.11.2 A current account and a monthly, bimonthly, or quarterly statement of the account for each Lot designating the name of the Lot Owner, the due date and amount of each assessment, the amount paid upon the account, and the balance due.

18.11.3 All audits, reviews, accounting statements, and financial reports of the Association or Real Property.

18.11.4 All contracts for work to be performed. Bids for work to be performed shall also be considered official records and shall be maintained for a period of one year.

18.12 Ballots, sign-in sheets, voting proxies, and all other papers relating to elections, which shall be maintained for a period of one year from the date of the meeting to which the document relates.

The official records of the Association shall be open to inspection by any Association member or the authorized representative of a member at all reasonable times in accordance with reasonable rules regarding the frequency, time, location, notice, and manner of record inspections and copying adopted by the Association. Inspections may take place only at the building in which the records are located and the records shall not be removed from that location. Failure to permit inspection of the Association records as provided herein entitles any person prevailing in an enforcement action to recover reasonable attorneys' fees from the person in control of the records who, directly or indirectly, knowingly denies access to the records for inspection. The right to inspect the records includes the right to make or obtain copies, at the reasonable expense, if any, of the Association member.

19. Mandatory Non-binding Arbitration of Disputes.

19.1 Prior to the institution of court litigation, the parties to a dispute, as defined in the Act, shall petition the Division for non-binding arbitration. Arbitration shall be conducted according to Rules promulgated by the Division. The filing of a petition for arbitration shall toll the applicable statute of limitations.

19.2 At the request of any party to the arbitration, the arbitrator shall issue subpoenas for the attendance of witnesses and the production of books, records, documents, and other evidence, and any party on whose behalf a subpoena is issued may apply to the court for orders compelling such attendance and production. Subpoenas shall be served and shall be enforceable in the manner provided by law.

19.3 The arbitration decision shall be presented to the parties in writing. An arbitration decision shall be final if a complaint for a trial de novo is not filed in a court of competent jurisdiction in which the Real Property is located within 30 days. The right to file for a trial de novo entitles the parties to file a complaint in the appropriate trial court for a judicial resolution of the dispute. The prevailing party may be awarded reasonable attorneys' fees, the costs of the arbitration, or both, in an amount determined in the discretion of the arbitrator.

19.4 The party who files a complaint for a trial de novo shall be assessed the other party's arbitration costs, court costs, and other reasonable costs, including attorneys' fees, investigation expenses, and expenses for expert or other testimony or evidence incurred after the arbitration hearing if the judgment upon the trial de novo is not more favorable than the

arbitration decision. If the judgment is more favorable, the party who filed a complaint for trial de novo shall be awarded reasonable court costs and attorneys' fees.

19.5 The decision of an arbitrator shall be final; however, such a decision shall not be deemed final agency action. Nothing in this provision shall be construed to foreclose parties from proceeding in a trial de novo. If such judicial proceedings are initiated, the final decision of the arbitrator shall be admissible in evidence.

19.6 Any party to an arbitration proceeding may enforce an arbitration award by filing a petition in a court of competent jurisdiction in which the Real Property is located. A petition may not be granted unless the time for appeal by filing of a complaint for trial de novo has expired. If a complaint for a trial de novo has been filed, a petition may not be granted with respect to an arbitration award that has been stayed. If the petition is granted, the petitioner may recover reasonable attorneys' fees and costs incurred in enforcing the arbitration award.

The foregoing was adopted as the Bylaws of Residences At Nature Creek Homeowner's Association, Inc., a Florida not-for-profit corporation, on this the 13 day of November, 2018.

RESIDENCES AT NATURE CREEK HOMEOWNER'S ASSOCIATION, INC.

By: _____
Rocky Jones, President

ATTEST: _____
Cliff Mowe, Secretary