

**BYLAWS OF
NORTHWOODS OWNERS ASSOCIATION, INC., OF JACKSONVILLE**

ARTICLE I - NAME AND LOCATION

The name of the corporation is the **NORTHWOODS OWNERS ASSOCIATION, INC., OF JACKSONVILLE** hereinafter referred to as the "Association." The initial principal office of the corporation shall be located at 1845 Towncenter Blvd., #200, Orange Park, FL 32003, but the meeting of members and directors may be held at such places within Duval County, Florida, as may be designated by the Board of Directors.

ARTICLE II - DEFINITIONS

All terms and definitions used herein are to be further defined and clarified as set forth in and according to the Declaration of Covenants, Conditions and Restrictions of Northwoods to be recorded in the Public Records of Duval County, Florida.

Section 1. "Association" shall mean and refer to the Northwoods Owners Association, Inc., of Jacksonville its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Property" shall mean and refer to that certain real property described in Exhibit "A" attached hereto and incorporated herein, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Property," "Common Area" or "Common Areas" shall mean and refer to those tracts of land, together with any improvements thereon, which are actually and specifically dedicated, deeded or leased to the Association and designated in said dedication, deed or lease as "Common Property," or tracts of land identified as "Common Property" on a final plat (or final development plan) recorded by the Declarant. The term "Common Property" shall also include any personal property acquired by the Association if said property is designated as "Common Property" in the bill of sale or instrument transferring such property. Common Property is specifically reserved for the use and benefit of Owners, and is an integral appurtenant part of each Lot.

Section 5. "Lot" shall mean and refer to the platted lots in Northwoods, together with the improvements constructed thereon.

Section 6. "Declarant" or "Developer" shall mean and refer to **THE RYLAND GROUP, INC.**, a Maryland corporation, its predecessors in title, successors and assigns, if such successors or assigns should acquire more than one Lot from the Declarant for the purpose of development.

Section 7. "Member" shall mean and refer to those persons entitled to membership in the Association as provided in the Declaration and Articles of Incorporation of the Association.

Section 8. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions of Northwoods, as recorded in the Public Records of Duval County, Florida.

Section 9. "Northwoods" shall mean the overall Northwoods subdivision as shown on the plat for Northwoods, recorded in the Public Records of Duval County, Florida.

ARTICLE III - MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one (1) year from the date Turnover to the Association is completed, as provided in the Articles of Incorporation, and each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter, in the evening. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the president of the Association or by the Board of Directors or upon written request of twenty percent (20%) of the Members who are entitled to vote.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purposes of notice. Such notices shall specify the place, day and hour of the meeting, and in the case of a special meeting, the purpose of the meeting. Evidence of compliance with this fifteen (15) day notice shall be made by an affidavit executed by the person providing the notice and filed upon execution among the official records of the Association.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, thirty percent (30%) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting, until a quorum as aforesaid shall be present or represented.

Section 5. Proxies. The Members have the right, unless otherwise provided in this subsection or in the Governing Documents, 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 the authorized person who executed the proxy. A proxy is 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 expires ninety (90) days after the date of the meeting for which it was originally given. A proxy is revocable at any time at the pleasure of

the person who executes it. If the proxy form provides so expressly, any proxy holder may appoint, in writing, a substitute to act in his place.

Section 6. Right to Speak. Members shall have the right to attend all membership meetings and to speak at any meeting with reference to all items opened for discussion or included on the agenda. Notwithstanding any provision to the contrary in the Governing Documents or any rules adopted by the Board or by the Members, a Member shall have the right to speak for at least three (3) minutes on any item, provided that the Member submits a written request to speak prior to the meeting. The Association may adopt reasonable written rules governing the frequency, duration, and other manner of Member statements, which rules must be consistent with this Section.

**ARTICLE IV -BOARD OF DIRECTORS:
SELECTION: TERM OF OFFICE**

Section 1. Number. The affairs of this Association shall be managed by a Board of not less than three (3) Directors nor more than seven (7) Directors who need not be Members of the Association, the exact number to be determined from time to time by the Board in accordance with the Declaration.

Section 2. Term of Office. At the first annual meeting, the Members shall elect not less than three (3) directors for a term of one (1) year, and at each annual meeting thereafter the Members shall elect three directors for a term of one (1) year.

Section 3. Recall/Removal of Directors.

(a) **Voting Procedures.** Any Director, other than a Director appointed by the Developer prior to Turnover, may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. When the recall of more than one Director is sought, the written agreement or written ballot shall provide for a separate vote for each Director sought to be recalled. In the event of death, resignation or recall of a Director, notwithstanding any provision to the contrary herein, his or her successor shall be selected by the remaining Directors of the Board and shall serve for the unexpired term of his or her predecessor; provided, however, if vacancies occur on the Board as a result of a recall and a majority or more of the Board of Directors are removed, the vacancies shall be filled by a vote of the Members voting in favor of the recall. When the Governing Document provide that only a specific class of Member is entitled to elect a Director or Directors, only that class of Members may vote to recall those Directors so elected.

(b) **Recall without a Meeting.** Directors, other than a Director appointed by, the Developer prior to Turnover, may be recalled by an agreement in writing or by written ballot without a membership meeting. The agreement in writing or the written ballots, or a copy thereof, shall be served on the Association by certified mail or by personal service in the manner authorized by Chapter 48, Florida Statutes, as amended from time to time, and the Florida Rules of Civil Procedure. The Board shall duly notice and hold a meeting of the Board within five (5) full business days after receipt of the agreement in writing or written ballots. At the meeting, the Board shall either certify the written ballots or written agreement to recall a Director or Directors

of the Board, in which case such Director or Directors shall be recalled effective immediately and shall turn over to the Board within five (5) full business days any and all records and property of the Association in their possession, or proceed to binding Arbitration as described in sub-section (c) hereof. If it is determined by the Florida Department of Business and Professional Regulation pursuant to binding arbitration proceedings, as provided in sub-section (c) below, that an initial recall effort was defective, written recall agreements or written ballots used in the first recall effort and not found to be defective may be reused in one subsequent recall effort. However, in no event is a written agreement or written ballot valid for more than one hundred twenty (120) days after it has been signed by the Member. Any rescission or revocation of a Member's written recall ballot or agreement must be in writing and, in order to be effective, must be delivered to the Association before the Association is served with the written recall agreements or ballots. The agreement in writing or ballot shall list at least as many possible replacement Directors as there are Directors subject to the recall, when at least a majority of the Board is sought to be recalled; the person executing the recall instrument may vote for as many replacement candidates as there are Directors subject to the recall.

(c) Board's Failure to Certify Recall/Arbitration. If the Board determines not to certify the written agreement or written ballots to recall a Director or Directors of the Board or does not certify the recall by a vote at a meeting, the Board shall, within five (5) full business days after the meeting, file with the Florida Department of Business and Professional Regulation a petition for binding arbitration pursuant to the applicable procedures in Sections 718.112(2)(j) and 718.1255, Florida Statutes, as amended from time to time, and the rules adopted thereunder. For the purposes of this Section, the Members 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 Director or Directors of the board, the recall will be effective upon mailing of the final order of arbitration to the Association. The Director or Directors so recalled shall deliver to the board any and all records of the Association in their possession within five (5) full business days after the effective date of the recall.

(d) Board's Failure to Hold Meeting. If the Board fails to duly notice and hold a board meeting within five (5) full business days after service of an agreement in writing or written ballots containing sufficient votes to recall a Director or Directors, the recall shall be deemed effective and the Directors so recalled shall immediately turn over to the Board all records and property of the Association.

(e) Minutes of Board's Recall Meeting. The minutes of the Board meeting at which the Board decides whether to certify the recall are an official Association record. The minutes must record the date and time of the meeting, the decision of the Board, and the vote count taken on each Director subject to the recall. In addition, when the Board decides not to certify the recall, as to each vote rejected, the minutes must identify the parcel identification number and the specific reason for each such rejection.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all of the directors or by obtaining verbal approval by telephone. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE V - NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a nominating committee. Nominations may also be made from the floor at the annual meeting. The nominating committee shall consist of a chairman, who shall be a member of the Board of Directors, and two or more Members of the Association. The nominating committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next 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 not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or non-Members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI - MEETING OF BOARD OF DIRECTORS

Section 1. Meetings. A meeting of the Board of Directors of the Association occurs whenever a quorum of the Board gathers to conduct Association business. The first annual meeting of the Board of Directors shall be held on or before July 3, 2006. The annual meetings thereafter shall occur on the second Tuesday in the month of January of each year thereafter. All meetings of the Board must be open to all Members except for (i) 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; or (ii) meetings between the Board and its attorney with respect to meetings held for the purposes of discussing personnel matters. Except as provided below, notices of all Board meetings must be posted in a conspicuous place in the Subdivision 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 Subdivision, 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, the Board may provide notice 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 at the meeting and the nature of the assessments. Written notice of any meeting at which special assessments will be considered or at which amendments to rules regarding parcel use will be considered must be mailed, or delivered to the Members and parcel owners and posted conspicuously on the property not less than four teen (14) days before the meeting. 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. This

subsection also applies to the meetings of any committee or other similar body, including the Architectural Review Committee.

Section 2. Special Meetings. Special meetings of the Board shall be held when called by the President of the Association or by any two (2) Directors.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 4. Petitions by Members. If twenty percent (20%) of Members entitled to vote petition the Board to address an item of business, the Board shall at its next regular Board meeting or at a special meeting of the Board, but not later than sixty (60) days after the receipt of the petition, take the petitioned item up on an agenda. The Board shall give all Members written notice of the meeting at which the petitioned item shall be addressed at least fourteen (14) days before the meeting. Each Member shall have the right to speak for at least three (3) minutes on each matter placed on the agenda by petition, provided that the Member signs the sign-up sheet, if one is provided, or submits a written request to speak prior to the meeting. Other than addressing the petitioned item at the meeting, the Board is not obligated to take any other action requested by the petition.

ARTICLE VII - POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and right to use the recreational facilities of a Member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;

(e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties;

(f) mortgage and encumber Common Areas as set forth in the Declaration and assign such assessments or portions thereof to Owners;

(g) to contract for the management of the Association and Common Areas and to delegate to such contractor all of the powers and duties of the Association, if so approved by the Board of Directors;

(h) to employ personnel to perform the services required for proper administration of the Association; and

(i) the undertakings and contracts authorized by said first Board of Directors shall be binding upon the Association in the same manner as though such undertakings and contracts had been authorized by the first Board of Directors duly elected by the membership.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration to:

(1) 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 entity. 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.

(2) send written notice of each assessment to every Owner subject thereto at least fourteen (14) days in advance of each annual assessment period; and

(3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the Owner personally obligated to pay the same.

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded as it may deem appropriate;

(g) cause the Common Areas to be maintained;

(h) protect all property rights, interests, easements or rights-of-way, or otherwise, which are acquired by or conveyed to this Association, now or hereafter;

(i) mortgage or encumber Common Areas as set forth in the Declaration, and assign such assessments or portions thereof to Owners;

(j) prepare an annual financial report within sixty (60) days after the close of the fiscal year of the Association. 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. Financial reports shall be prepared in accordance with Section 720.303(7), Florida Statutes, as amended from time to time;

(k) cause the surface water or stormwater management systems to be maintained, operate and repaired by the Association in accordance with permits issued by the St. Johns River Water Management District and cause inspection reports required by such permits to be prepared and submitted to the St. Johns River Water Management District; and

(l) cause to be performed all other obligations and responsibilities of the Association as set forth in the Governing Documents.

Section 3. Contracts for Products and Services. Any contract that is not to be fully performed within one (1) year after the making thereof for the purchase, lease, or renting of materials or equipment to be used by the Association in accomplishing its obligations hereunder and under the Governing Documents and all contracts for services, shall be in writing.

(a) **Competitive Bidding.** If a contract for the purchase, lease, or renting of materials or equipment, or for the provision of services, requires payment by the Association that exceeds ten percent (10%) of the total annual budget of the Association, including reserves, the Association must obtain competitive bids for the materials, equipment, or services; provided, however, the Association shall not be obligated to accept the lowest bid for the materials, equipment or services. This competitive bidding requirement shall not apply to contracts to provide materials, equipment, or services provided to the Association under a local government franchise agreement by a franchise holder; contracts with business entities that are the only source of materials, equipment, or services within the county serving the Association; contracts with employees of the Association; or contracts for attorney, accountant, architect, community association manager, engineering, and landscape architect services.

(b) **Renewal of Contracts.** If a contract was awarded under the competitive bid procedures of this Section, any renewal of that contract is not subject to such competitive bid requirements if the contract contains a provision that allows the Board to cancel the contract on thirty (30) day's notice.

(c) Management Contract. A contract with a Manager, if made by a competitive bid, may be made for up to three (3) years.

(d) Emergencies. Nothing contained in this Section is intended to limit the ability of an association to obtain needed products and services in an emergency.

ARTICLE VIII - OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be president and vice president, who shall at all times be Members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, having such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of 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. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The same person may hold two (2) offices, the duties of which are not incompatible; provided, however, the offices of President and Vice President shall not be held by the same person, nor shall the same person hold the office of President who holds the office of Secretary or Assistant Secretary.

Section 8. Duties. The duties of the officers are as follows:

(a) President: The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

(b) Vice President: The Vice President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

(c) Secretary: The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

(d) Treasurer: The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members.

ARTICLE IX - COMMITTEES

The Association may appoint an Architectural Review Committee as provided in the Declaration. In addition, the Board of Directors may appoint other committees as deemed appropriate in carrying out the purpose of the Association.

ARTICLE X - BOOKS AND RECORDS

Section 1. Books and Records. The books, records and papers of the Association shall be subject to inspection by any Member or their authorized agents at reasonable times and places within ten (10) business days after receipt of a written request for access. Subject to the limitations set forth in Section 720.303(5)(c), Florida Statutes, as amended from time to time, the Association may adopt reasonable written rules governing the frequency, time, location, notice, records to be inspected, and manner of inspections. Notwithstanding the foregoing provisions, the following records shall not be accessible to Members:

(a) Any record protected by the lawyer-client privilege as described in Section 90.502, Florida Statutes, as amended from time to time, and any record protected by the work-product privilege, including, but not limited to, any record prepared by an association attorney or prepared at the attorney's express direction which reflects a mental impression, conclusion, litigation strategy, or legal theory of the attorney or the association and was prepared exclusively for civil or criminal litigation or for adversarial administrative proceedings or which was prepared in anticipation of imminent civil or criminal litigation or imminent adversarial administrative proceedings until the conclusion of the litigation or adversarial administrative proceedings.

(b) Information obtained by the Association in connection with the approval of the lease, sale, or other transfer of a parcel.

- (c) Disciplinary, health, insurance, and personnel records of the Association's employees.
- (d) Medical records of Members or community residents.
- (e) Any other records exempted from time to time by the Florida Legislature from the inspection requirements of Section 720.303(5), Florida Statutes.

Section 2. Copies of Records. If the Association has a photocopy machine available where the records are maintained, it must provide Members with copies on request during the inspection if the entire request is limited to no more than twenty-five (25) pages. The Association may impose fees to cover the costs of providing copies of the records, including but not limited to the costs of copying. If the Association does not have a photocopy machine available where the records are kept, or if the records requested to be copied exceed twenty-five (25) pages in length, the Association may have copies made by an outside vendor and may charge the actual cost of copying. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI - ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent and shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum. The Association may bring an action at law against the Owner or Owners personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added.

ARTICLE XII - CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: **NORTHWOODS OWNERS ASSOCIATION, INC., OF JACKSONVILLE** a corporation not for profit.

ARTICLE XIII - AMENDMENTS

Section 1. These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of Members present in person or by proxy.

Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XIV – FISCAL YEAR

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December every year, except that the first fiscal year shall begin on the date of incorporation.

ARTICLE XV - FISCAL MANAGEMENT

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

Section 1. The Association shall maintain accounting records for each property it maintains, in Duval County, Florida, where the property is located or at the registered office of the Association, according to good accounting practices. The records shall be open for inspection by Owners or their authorized representatives. The records shall include, but are not limited to:

(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. The Association shall also maintain the electronic mailing addresses and the numbers designated by Members for receiving notice sent by electronic transmission of those Members consenting to receive notice by electronic transmission. The electronic mailing addresses and numbers provided by Members to receive notice by electronic transmission shall be removed from Association records when consent to receive notice by electronic transmission is revoked. However, the Association is not liable for an erroneous disclosure of the electronic mail address or the number for receiving electronic transmission of notices.

(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:

(1) Accurate, itemized, and detailed records of all receipts and expenditures.

(2) 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.

(3) All tax returns, financial statements, and financial reports of the Association.

(4) Any other records that identify, measure, record, or communicate financial information.

(k) A copy of the disclosure summary described in s. 720.401(1), Florida States, as amended from time to time.

(l) All other written records of the Association not specifically included in the foregoing which are related to the operation of the Association.

Section 2. The Board of Directors shall adopt a budget for each fiscal year which shall contain estimates of the cost of performing the functions of the Association.

Section 3. The depository of the Association shall be such bank or banks as shall be designated from time to time by the Directors and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by check signed by such person or persons as authorized by the Directors.

Section 4. Fidelity bonds may be required by the Directors from all officers and employees of the Association and from any contractor handling or responsible for Association funds. The amount of such bonds shall be determined by the Directors, but shall be at least the amount of the total annual assessments against Members for common expenses. The premiums on such bonds shall be paid by the Association.

ARTICLE XVI - PARLIAMENTARY RULES

Robert's Rules of Order (latest edition) shall govern the conduct of the corporate meetings when not in conflict with the Articles of Incorporation and these Bylaws or with statutes of the State of Florida.

ARTICLE XVII - HOUSING AND URBAN DEVELOPMENT

The United States Department of Housing and Urban Development has the right to veto any amendment as long as Class B membership exists.

EXHIBIT "A"

Legal Description

PART OF SECTION 35, TOWNSHIP 1 NORTH, RANGE 27 EAST, DUVAL COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE INTERSECTION OF THE WEST LINE OF MOOSE ROAD (A VARIABLE RIGHT-OF-WAY) WITH THE NORTH LINE OF NEW BERLIN ROAD (A 60' RIGHT-OF-WAY); THENCE SOUTH 73°13'37" WEST, 710.52 FEET, ALONG THE NORTH LINE OF SAID NEW BERLIN ROAD; THENCE NORTH 02°21'34" WEST 809.29 FEET; THENCE SOUTH 87°38'26" WEST, 400.13 FEET; THENCE NORTH 02°21'34" WEST, 879.74 FEET; THENCE NORTH 89°05'26" EAST, 764.11 FEET; THENCE SOUTH 01°20'15" EAST, 499.59 FEET; THENCE NORTH 89°07'42" EAST, PLAT BOOK 45, PAGES 45, 45A AND 45B OF THE CURRENT PUBLIC RECORDS OF DUVAL COUNTY, FLORIDA; THENCE SOUTH 01°23'04" EAST, 984.37 FEET, ALONG THE WEST LINE OF SAID BLOCK 2 AND THE WEST LINE OF SAID MOOSE ROAD, TO THE POINT OF BEGINNING.

CONTAINING 29.43 ACRES, MORE OR LESS.

SAID LANDS SITUATED, LYING AND BEING IN DUVAL COUNTY, FLORIDA.