EXHIBIT "C"

BYLAWS
BYLAWS
OF
AHERN TOWNHOME ASSOCIATION, INC.

ARTICLE I

IDENTITY AND LOCATION

These are the Bylaws of AHERN TOWNHOME ASSOCIATION, INC. (hereinafter called the "Association"), a corporation not for profit organized and existing under the applicable provisions of the Florida Statutes, for the purpose of administering the Property and the Common Property, in accordance with the Declaration of Covenants, Easements and Restrictions for Ahern Townhomes (the "Declaration") recorded or to be recorded in the Public Records of Duval County, Florida. The principal office of the Association shall be located at 9471 Baymeadows Road, Suite 103, Jacksonville, Florida 32256, but meetings of the Association's Board of Directors may be held at such places within the State of Florida as may be designated from time to time by the Board of Directors.

ARTICLE II

GENERAL

Section 1. Incorporation of Declaration. As supplemented herein, the regulation of the business, operation, powers, duties and affairs of the Association shall be governed by the Declaration, as it may be amended and/or supplemented from time to time, the terms and provisions of which are incorporated herein by reference as though it had been set forth in its entirety.

Section 2. Fiscal Year. The Fiscal Year of the Association shall be the time period beginning on January 1 though and including December 31 of each calendar year, or such other period of time as may subsequently be determined by the Board.

Section 3. Corporate Seal. The corporate seal of the Association shall include the following: "Ahern Townhome Association, Inc.", "Florida" and "corporation not for profit".

Section 4. Definitions. Unless otherwise specifically provided in these Bylaws, all terms used in these Bylaws shall have the same definitions and meanings as those set forth in the Declaration, as it may be amended and/or supplemented from time to time.

ARTICLE III

PURPOSE AND POWERS OF THE ASSOCIATION

Section 1. Purpose. The purposes for which the Association is organized are as follows:

(a) To operate as a corporation not for profit pursuant to Chapter 617 and any other applicable provisions of the Florida Statutes, as they may be amended and/or renumbered from time to time. The Association does not contemplate pecuniary gain or profit. The Association shall not pay dividends and no part of any income of the Association shall be distributed to its Members, Directors or officers.

(b) To operate as a homeowners' association pursuant to Chapter 720 and any other applicable provisions of the Florida Statutes, as they may be amended and/or renumbered from time to time, and to administer, enforce and carry out the terms, conditions, restrictions and provisions of the Declaration as it may be amended and/or supplemented from time to time.

(c) To administer, enforce and carry out the terms and provisions of any other Declaration of Covenants, Conditions and Restrictions or similar document, submitting property to the jurisdiction of or assigning responsibilities, rights or duties to the Association.

Section 2. Powers. The Association shall have the following powers:

(a) All of the common law and statutory powers of a not for profit corporation organized under the laws of the State of Florida, subject only to such limitations upon the exercise of such powers as are expressly set forth in the Articles of Incorporation, these Bylaws or the Declaration.

(b) To enter into, make, establish, amend and enforce, rules, regulations, Bylaws, covenants, restrictions and agreements to carry out the purposes of the Association. The Association may use any enforcement method authorized by the Declaration and/or Florida law, including but not limited to, fines, suspensions of use rights to the Common Area, actions for damages, equitable actions, injunctive relief, administrative actions, self-help, or any combination of those. The prevailing party in any action at law, action for damages, equitable action, action for injunctive relief and/or administrative action shall be entitled to recover all of its attorneys' fees, paralegal fees, costs, expenses, appellate attorneys' fees and appellate costs.

(c) To fix, levy and collect Assessments (Annual Assessments, Special Assessments, Initiation Assessments and/or Individual Assessments) for the Common Expense from Members to defray the costs, expenses, reserves and losses incurred or to be incurred by the Association and to use the proceeds thereof in the exercise of the Association's powers and duties, including without limitation, the maintenance, repair and operation of the Surface Water Management System.

(d) To fix, levy and collect Special Assessments for Common Expense from Members to defray the costs, expenses, reserves, losses, damages and budget shortfalls incurred or to be incurred by the Association and to use the proceeds thereof in the exercise of the Association's powers and duties.

(e) To make, adopt, establish, amend and enforce rules and regulations regarding the use, appearance and/or condition of any portion of the Property bound by the terms, covenants, conditions and restrictions of the Declaration, including but not limited to, Common Property, Lots, Members, structures, improvements, Residences, landscaping and maintenance.

(f) To own, purchase, sell, mortgage, lease, administer, manage, operate, maintain, improve, repair and/or replace real property and personal property.

(g) To borrow and to hold funds, select depositories, administer bank accounts of the Association, and to pay all expenses, including licenses, public assessments, taxes or government charges, incident to the purposes and powers of the Association, as set forth in the Articles of Incorporation and as may be provided in the Declaration and these Bylaws.

(h) To purchase insurance for the protection of the Association, its officers, Directors, Members and such other parties as the Association may determine to be in the best interests of the Association. To require Members to purchase insurance for the protection of their Lots and any structures, landscaping, Residences and/or any other improvements on that Member's Lot.

(i) To operate, maintain, manage, repair, control, regulate, replace and/or improve the Common Property and such other portions of the Property as may be determined by the Association from time to time.

(j) To enter into contracts and agreements between third parties and the Association.

(k) To exercise architectural control, either directly or through appointed committees, over all buildings, structures, Residences, landscaping and/or improvements of any type to be placed, built, erected, installed and/or constructed upon any portion of the Property. Such architectural control shall be exercised pursuant to the Declaration.

(l) To provide for any functions and services within the Property as the Board of Directors in its sole discretion determines necessary or appropriate.

(m) To provide, purchase, sell, lease, acquire, replace, improve, maintain and/or repair such buildings, structures, pathways, landscaping, paving, equipment and property, both real and personal, as the Association, through its Board of Directors, in its discretion determines necessary or appropriate.

(n) To employ any personnel necessary to perform the obligations, services and/or duties required of or to be performed by the Association and/or to contract with others for the performance of such obligations, services and/or duties and to pay the costs thereof in accordance with whatever contractual arrangement the Board of Directors of the Association shall enter in its sole discretion.

(o) To establish, maintain, operate and use reserve funds for capital improvements, repairs and replacements. To establish, maintain, operate and use reserve funds for items, services,

property and/or any other purpose as the Board of Directors of the Association may determine in its sole discretion to be in the best interest of the Association.

(p) To enter into a management contract with a third party for the maintenance and repair of any Common Property and for the operation of the Association. The Board of Directors will carry out this power on behalf of the Association. The management contract may provide a management fee to the management agent and the delegation of certain duties, as may be determined by the Board of Directors of the Association.

(q) To enter into agreements and/or contracts with professionals, including but not limited to attorneys, engineers, architects and accountants, to assist the Association in its performance of the obligations, services and duties required of or to be performed by the Association. The Board of Directors will carry out this power on behalf of the Association.

(r) To create, appoint, remove and/or dissolve any committees that the Board of Directors of the Association may deem appropriate.

(s) To collect delinquent Assessments by fine, claim of lien, suit or otherwise and to file and defend any suit or other proceeding in pursuit of all legal, equitable and/or administrative remedies or defense of all claims relating to the Declaration, these Bylaws, the Articles of Incorporation and/or Florida law.

(t) To adopt, change, repeal and/or amend the Bylaws.

(u) To adopt, change, repeal and/or amend Bylaws that would be effective only in an emergency.

Section 3. Power to be Exercised by Board of Directors. Except where approval by the Association's membership is specifically required by Florida law, the Declaration, the Articles of Incorporation and/or these Bylaws, all powers, duties, affairs, authority, and/or purposes of the Association shall be exercised and/or carried out exclusively by the Association's Board of Directors.

ARTICLE IV

OFFICIAL RECORDS OF THE ASSOCIATION

The Association shall maintain each of the following items, if applicable, which shall constitute the official records of the Association:

(1) Copies of any plans, specifications, permits and warranties related to improvements constructed on the Common Property, the Surface Water Management System or any other property that the Association is obligated to maintain, repair and/or replace.

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

(3) A copy of the Articles of Incorporation of the Association and a copy of each amendment to the Articles of Incorporation.

(4) A copy of the Declaration and a copy of each amendment to the Declaration.

(5) A copy of the current Rules and Regulations of the Association.

(6) The minutes of all meetings of the Board of Directors, and the minutes must be retained for a minimum of seven (7) years.

(7) The minutes of all Annual Meetings of the Association's membership, and the minutes must be retained for a minimum of seven (7) years.

(8) The minutes of all Special Meetings of the Association's membership, and the minutes must be retained for a minimum of seven (7) years.

(9) A current roster of all Owners and their mailing addresses and parcel identifications. The Association shall not be obligated to recognize a transfer or conveyance of ownership of any Lot until such time as the Association receives a true copy of the recorded deed or other written instrument establishing the transfer or conveyance of ownership of the Lot, and it shall be the responsibility and obligation of the new Owner(s) of the Lot to provide such true copy of said recorded instrument to the Association.

(10) For those Owners consenting to receive notice by electronic transmission, the Association shall maintain the electronic mailing addresses and the numbers designated by those Owners. The electronic mailing address and number provided by an Owner to receive notice by electronic transmission shall be removed from the Association's records when consent to receive notice by electronic transmission has been revoked by that Owner. The Association shall not be liable for an erroneous disclosure of an Owner's electronic mail address or the number for receiving electronic transmission of notices.

(11) All of the Association's insurance policies or a copy of those insurance policies. These must be retained for a minimum of seven years (7) from the effective date of each policy.

(12) A current copy of all contracts to which the Association is a party, including any management agreement, lease or other contract under which the Association has any obligation or responsibility.

(13) Any bids received by the Association for work to be performed, and these must be retained for a minimum of one (1) year.

(14) The financial and accounting records of the Association, kept according to good accounting practices, including the following:

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

(b) A current account and a periodic statement of the account of each Owner, designated the name and current address of each Owner who is obligated to pay assessments, the due date and amount of each assessment or other charge against the Owner, the date and amount of each payment on the account, and any balance due.

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

(d) Any other records that identify, measure, record or communicate financial information of the Association.

All financial and accounting records of the Association must be retained for a minimum of seven (7) years.

(15) A copy of the disclosure summary currently described in Section 720.401(1) of the Florida Statutes, as it may be amended and/or renumbered from time to time.

(16) All other written records of the Association which are related to the operation of the Association.

ARTICLE V

ACCESS TO OFFICIAL RECORDS OF THE ASSOCIATION

Section 1. Access to Records Generally. The official records of the Association shall be maintained at a location within the State of Florida. The official records of the Association shall be open to inspection and available for photocopying by Members or an authorized agent of a Member, except for the official records contained in Article V, Section 2 of these Bylaws. In order to inspect and/or photocopy the official records of the Association, a Member or a Member's authorized agent must first provide a written request to the Association or any person or entity designated by the Association to receive such written requests. The Association shall then make available the requested records for inspection and/or photocopying no later than ten (10) business days following receipt of the written request. Notwithstanding the foregoing, a Member and/or any authorized agent of that Member shall not be permitted to inspect the official records of the Association for more than eight (8) hours per month. The Association, through the Board of Directors, has the right to adopt additional reasonable rules in writing governing the frequency, time, location, notice, records to be inspected and manner of the inspections. However, the Association and/or the Association's agent shall not at any time impose a requirement that a Member or an authorized agent of a Member specify a purpose for the inspection of the Association's official records or provide a reason for the inspection of the Association's official records.

The Association and/or its authorized agent are not required to provide a prospective purchaser and/or a lienholder with information about the Property, including without limitation, any Lot and the Association, other than the information and/or documents under Florida law required to be made

available and/or disclosed. The Association and/or its authorized agent may charge a reasonable fee of up to One Hundred Fifty and No/100 Dollars ($150.00) plus the reasonable cost of photocopying and any attorneys' fees incurred by the Association in connection with the response to the prospective purchaser, a lienholder, the current Member and/or the current Owner of the Lot for providing good faith responses to requests for information by and/or on behalf of a prospective purchaser and/or a lienholder, other than that required by law.

Section 2. Records Not Open for Inspection. The following official records of the Association shall not be accessible, open for inspection and/or photocopied by any Member or any authorized agent of any Member:

(a) Any record of the Association protected by the attorney-client privilege.

(b) Any record of the Association protected by the work-product privilege.

(c) Any record of the Association prepared by an attorney for the Association or prepared at that attorney's express direction which reflects a mental impression, conclusion, litigation strategy and/or legal theory of that attorney or the Association, and the record was prepared exclusively for civil litigation, criminal litigation and/or adversarial administrative proceedings, or the record was prepared in anticipation of imminent civil litigation, criminal litigation and/or adversarial administrative proceedings. Once the civil litigation, criminal litigation and/or adversarial administrative proceedings completely conclude, including any and all appeals, enforcement and/or contempt proceedings, the records shall be open to, accessible to, and available for photocopying by any Member or any authorized agent of any Member.

(d) Any information and record obtained by the Association in connection with the approval of a lease, sale and/or any other transfer of a Lot.

(e) Any and all disciplinary records of the Association's employees.

(f) Any and all health records of the Association's employees.

(g) Any and all insurance records of the Association's employees.

(h) Any and all personnel records of the Association's employees.

(i) Any and all medical records of Members and/or residents of the Property.

Section 3. Cost of Photocopies. If the Association or the Association's agent have a photocopy machine available at the location where the Association's official records are maintained, the Association must provide Members or a Member's authorized agent with photocopies of requested documents during the inspection by those Members or authorized agents, if the entire photocopy request is limited to no more than twenty-five (25) pages. The Association may impose fees to cover the costs of providing any copies of the official records, including, without limitation, the costs of photocopying. The Association may charge a maximum of Fifty Cents ($0.50) per page for any copies of the official records made on the Association's or the agent of the Association's photocopy machine.

If the Association or the Association's agent do not have a photocopy machine available at the location where the official records of the Association are kept, or if the records requested to be copied exceed a total of twenty-five (25) pages, the Association may have the requested copies made by an outside vendor and the Association may charge the Member requesting the copies the actual cost of the copying by the outside vendor.

ARTICLE VI

MEETINGS OF MEMBERS

Section 1. Members of the Association. Each Owner (including Declarant) shall be a Member of the Association. Membership in the Association shall be appurtenant to and inseparable from the Lot giving rise to such membership, and any transfer of record title to a Lot shall operate automatically to transfer to the new Owner the membership in the Association appurtenant to that Lot. The interest, if any, of an Owner in the funds and assets of the Association may not be assigned, hypothecated or transferred in any manner, except as an appurtenance to that Owner's Lot. Membership in the Association is mandatory for all Owners and membership shall continue, as to each Owner, until such time as that Owner transfers or conveys that Owner's fee simple interest in the Lot upon which that Owner's membership is based or until such fee simple interest is transferred or conveyed by operation of law, at which time the membership in the Association will automatically pass to the grantee or

transferee. Notwithstanding the foregoing, the Association shall not be obligated to recognize such a transfer or conveyance of membership until such time as the Association receives a true copy of the recorded deed or other written instrument establishing the transfer or conveyance of ownership of the Lot, and it shall be the responsibility and obligation of the new Owner(s) of the Lot to provide such true copy of said recorded instrument to the Association.

Section 2. Annual Meetings. An Annual Meeting of the Members of the Association shall be held during the calendar year at a date, time and location as determined by the Board of Directors. The election of Directors, if such an election is required to take place, shall take place at the Annual Meeting of the Members, except for the first election of Directors by Class A Members which shall take place at a Special Meeting of the Members called when the Class B membership terminates and is automatically converted to Class A membership.

Section 3. Special Meetings. A Special Meeting of the Members of the Association may be called at any time by the President or the Board of Directors. A Special Meeting of the Members may also be called upon written request of at least sixty percent (60%) of the Association's Members. A Special Meeting of the Members may be called upon written request of the Declarant for so long as Declarant owns any Lot. Business conducted at any Special Meeting of the Members is limited to the specific purposes and issues described in the notice of the Special Meeting.

A Special Meeting of the Members shall be called and properly noticed when the Class B membership terminates pursuant to the Declaration for the purpose of the Class A Members electing Directors and any additional business that the Association will consider at that Special Meeting.

Section 4. Notice of Meetings. Notice of Meetings shall be as follows:

(a) Annual Meetings. The notice of the Annual Meeting shall include the time, date and location of the Annual Meeting. The notice of the Annual Meeting of the Members does not need to include a description of the purpose, business and/or items to be discussed or for which the Annual Meeting is called. The notice of the Annual Meeting of the Members shall be mailed, hand delivered or electronically transmitted to all Members at least fourteen (14) days prior to the date of the Annual Meeting and no more than sixty (60) days prior to the date of the Annual Meeting. Proof of compliance with this notice requirement shall be made by an affidavit executed by the person providing the notice, and this affidavit shall immediately be filed in the official records of the Association after it is executed.

The notice of the Annual Meeting of the Members shall also be posted in a conspicuous place within the community at least fourteen (14) days prior to the date of the Annual Meeting.

(b) Special Meetings. The notice for any Special Meeting of the Members shall include the time, date and location of that Special Meeting. In addition, the notice must contain a description of the purpose, business and/or items to be discussed or for which the Special Meeting is called. The notice for any Special Meeting of the Members shall be mailed, hand delivered or electronically transmitted to all Members at least fourteen (14) days prior to the date of that Special Meeting and no more than sixty (60) days prior to the date of that Special Meeting. Proof of compliance with this notice requirement shall be made by an affidavit executed by the person providing the notice, and this affidavit shall immediately be filed in the official records of the Association after it is executed.

The notice for any Special Meeting of the Members shall also be posted in a conspicuous place within the community at least fourteen (14) days prior to the date of that Special Meeting.

(c) Notice by Electronic Transmission. The Association shall not send any notice of the Annual Meeting or a Special Meeting of the Members by electronic transmission to a Member, unless that Member has first consented to receive notice by electronic transmission. A Member may revoke his or her consent to receive notice by electronic transmission at any time, but must provide that revocation in writing to the Association or any person designated by the Association to receive such revocations.

(d) Notice Timing. Any notice required to be sent to any Member under these Bylaws shall be deemed to have been properly sent when personally delivered or mailed, postage prepaid, to the last known address of the person who appears as a Member in the official records of the Association at the time of such delivery or mailing. If any Member has consented to receive notice by electronic transmission, any notice required to be sent to that Member or Owner shall be deemed to have been properly given when sent and/or forwarded to the electronic mailing address(es) designated by that Member.

Section 5. Attendance at Meetings. All Members of the Association shall have a right to attend each Annual Meeting and any Special Meeting of the Members. In addition, all Members of the

Association shall have the right to speak for at three (3) minutes on any item opened for discussion or included on the agenda of the Annual Meeting or any Special Meeting. However, if a Member wishes to exercise this right to speak, that Member must submit a written request to speak at least one (1) hour prior to the start of the Annual Meeting or Special Meeting at which that Member wishes to speak. This written request to speak must be submitted to the Association or any person designated by the Association to receive such written requests. The Board of Directors may adopt additional reasonable rules regarding the frequency, duration and manner Members are permitted to speak at the Annual Meeting and any Special Meeting.

Section 6. Adjournment of Meetings.

(a) Annual Meetings. The Annual Meeting of the Members may be adjourned to a different date, time and/or place. Notice of the new date, time and/or place shall be mailed, hand delivered or electronically transmitted to all Members at least fourteen (14) days prior to the new date of the adjourned Annual Meeting. Proof of compliance with this notice requirement shall be made by an affidavit executed by the person providing the notice, and this affidavit shall immediately be filed in the official records of the Association after it is executed.

The notice of the new date, time and/or place shall also be posted in a conspicuous place within the community at least fourteen (14) days prior to the new date of the adjourned Annual Meeting.

(b) Special Meetings. A Special Meeting of the Members may be adjourned to a different date, time and/or place. Notice of the new date, time and/or place shall be mailed, hand delivered or electronically transmitted to all Members at least fourteen (14) days prior to the new date of the adjourned Special Meeting. Proof of compliance with this notice requirement shall be made by an affidavit executed by the person providing the notice, and this affidavit shall immediately be filed in the official records of the Association after it is executed.

The notice for the new date, time and/or place shall also be posted in a conspicuous place within the community at least fourteen (14) days prior to the new date of the adjourned Special Meeting.

Section 7. Minutes of Meetings. Minutes of all Annual Meetings and all Special Meetings of the Members must be maintained in written form or in another form that can be converted into written form within a reasonable time. These minutes must be retained by the Association for a period of not less than seven (7) years.

Section 8. Quorum for Meetings. The presence, either in person or by proxy, at any Meeting of the Members of the Association, whether it is an Annual Meeting or a Special Meeting, of at least thirty percent (30%) of the Association's Members shall constitute a quorum for that Meeting. If a quorum is not attained at any Meeting of the Members of the Association, that Meeting may be adjourned from time to time pursuant to Article VI, Section 6 of these Bylaws until such time as a quorum is attained.

Section 9. Voting. If a quorum has been attained at any Meeting of the Members of the Association and unless otherwise provided by Florida law, the Declaration, the Articles of Incorporation or these Bylaws, any decisions or matters that require a vote of the Members must be approved by at least a majority of the Members present at that Meeting, either in person or by proxy.

The Association shall have two (2) classes of membership with the voting rights as follows:

(a) Class A. Class A Members shall be all the Owners of Lots, with the exception of Declarant for so long as Declarant retains Class B membership. Each Class A Member shall have one (1) vote for each Lot owned by that Member. When more than one person or entity is an Owner of any Lot, all such persons or entities shall be Members, but the vote for that Lot shall be exercised only by that one (1) Member Entitled To Vote. In no event shall there be more than one (1) Class A vote cast for each Lot.

(b) Class B. The Class B Member shall be the Declarant or Declarant's express assigns or successors in interest. Until conversion of the Class B membership to Class A membership as set forth in Article VI, Section 9(c) of these Bylaws, Declarant shall have fifteen (15) votes for each Lot owned by Declarant. As each Lot in the Property is conveyed by Declarant to a Class A Member, Declarant's votes for that Lot shall automatically terminate.

(c) Conversion of Class B Membership. Declarant's Class B membership shall continue in effect during the period from the date of the Declaration until the earlier of the following events:

(1) Three (3) months after ninety percent (90%) of all Lots in the Property have been conveyed or transferred to Owners other than Declarant, excluding conveyances and/or transfers to builders, contractors, and/or any others who purchase a Lot for the purpose of constructing improvements thereon for resale; or

(2) Ten (10) years after the date on which the Declaration is recorded in the Public Records of Duval County, Florida; or

(3) At such earlier time as Declarant, in its sole discretion, may so elect by recording a notice of such election in the Public Records of Duval County, Florida.

When the earlier of the preceding events occurs, the Class B Members shall call a Special Meeting of the Association's membership to advise of the termination of Class B membership. When Declarant's Class B membership terminates, Declarant will automatically be converted to Class A membership. Declarant shall then retain one (1) vote for each Lot still owned by Declarant. When the Class B membership converts to Class A membership in the Association, Declarant may exercise the right to vote any Lot(s) still owned by Declarant in the same manner as any other Class A Member, except Declarant cannot exercise its respective vote(s) for the purposes of reacquiring control of the Association or selecting a majority of the members of the Board of Directors.

(d) No Split Votes. The vote for each Lot must be cast as a single vote, and fractional votes shall not be allowed. If a Lot is owned by more than one (1) Owner, and the Owners of that Lot are unable to agree among themselves as to how the vote is to be cast, or if more than one (1) Class A vote is cast for any Lot, the vote for that Lot shall not be counted for any purpose except for establishing a quorum. If any Owner casts a vote on behalf of a Lot, it shall be conclusively presumed that Owner was acting with the authority and consent of all other Owners of that Lot.

(e) No Cumulative Voting. There shall be no cumulative voting on any issue, matter or candidate that is the subject of a vote by the Association's membership.

(f) Percentage of Members. When any reference is made in these Bylaws to a majority, specific percentage or fraction of Members, such reference shall be deemed to be a reference to a majority, specific percentage or fraction of the Members Entitled To Vote and not of the Members themselves. As an illustration, but not as a limitation, if there are twenty-four (24) Lots and all the Lots are owned by Class A Members, then there is a total of twenty-four (24) Members Entitled To Vote.

(g) Voting Qualifications. To be qualified to vote, a Class A Member must be current in payment of all Assessments and any liens which may have been levied against that Member and/or any Lot owned by that Member as of the date of the Meeting where the vote is to take place. Any person designated in writing by the Class B Member shall be qualified to cast the votes for each respective Lot owned by the Class B Member.

Section 10. Proxies. All Members entitled to vote by do so either in person or by proxy at any Meeting of the Members of the Association, whether it is an Annual Meeting or a Special Meeting. The proxy must be mailed or hand delivered to the Secretary of the Association's Board of Directors or another authorized person so designated to receive the proxy by the Board of Directors, so that the proxy is received prior to the date of the Meeting for which the proxy is being given. All proxies must contain the date, time and place of the Meeting of the Members for which the proxy is being given. The proxy must be signed and dated by the authorized Member who executed the proxy. Any proxy will be effective only for the specific Meeting for which that proxy was originally given, and any reconvening of that Meeting that may have been adjourned. Notwithstanding the foregoing, a proxy shall automatically expire ninety (90) days after the date of the Meeting for which it was originally given, even if that Meeting is adjourned and reconvened at a later date, time and/or place. A proxy is revocable at any time at the pleasure of the Member who executes that proxy. If a proxy submitted by a Member does not provide a name of a proxy holder, the Secretary of the Board of Directors of the Association or another person designated by the Board of Directors, shall automatically become the proxy holder of that proxy.

Section 11. Recording of Meetings. Any Member may tape record and/or videotape any Meetings of the Members of the Association, whether it is an Annual Meeting or a Special Meeting, subject to the following and such further reasonable rules and restrictions that the Board of Directors may adopt from time to time:

(a) The only audio equipment, video equipment and/or other devices which Members are authorized to utilize at any such Meeting is equipment which does not produce distracting sound, light and/or heat emissions;

(b) All audio equipment and/or video equipment shall be assembled and placed in position in advance of the scheduled time for the start of the meeting;

(c) Any Member videotaping, audiotaping and/or recording a meeting shall not be permitted to move about the meeting room in order to facilitate the videotaping, audiotaping and/or recording; and

(d) At least twenty-four (24) hours prior written notice shall be given to the Secretary of the Association's Board of Directors by any Member desiring to audiotape, record and/or videotape the Meeting.

Section 12. Conduct of Meetings. The President of the Board of Directors shall preside at all Meetings of the Members of the Association. If the President is unable to preside at a Meeting, or if the office of President is vacant when that Meeting occurs, the Board of Directors may designate another person to preside at that Meeting of the Members.

ARTICLE VII

BOARD OF DIRECTORS

Section 1. Board of Directors; Selection; Terms of Office. The affairs of the Association shall be managed and administered by a Board of Directors consisting of three (3), five (5) or seven (7) members, as may be determined from time to time by the Association's membership. While Declarant's Class B membership exists and until changed by a vote of the Association's membership, the Board of Directors shall consist of three (3) members. Each member of the Board of Directors shall have one (1) equal vote.

All Directors, except those designated or appointed by the Declarant, shall be Members of the Association. A Member must be current in the payment of all Association Assessments to be eligible to run for and hold the position of Director. Directors must be natural persons who are eighteen (18) years of age or older.

In the event a Member is not a natural person (including but not limited to, corporations, partnerships, limited liability companies, limited liability partnerships and trusts), any person appointed by or who is an officer, director, partner, manager or trust officer of that Member shall be eligible to serve as a Director of the Association unless specific written notice to the contrary is signed and provided to the Association by that Member.

The Declarant shall have the sole right to appoint and remove any member(s) of the Board of Directors of the Association while Class B membership exists. When Class B membership terminates, the Class A Members shall elect Directors by written ballot at a Special Meeting of the Association's membership. Each Member shall be entitled to cast that Member's vote(s) for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting for any Director(s). All Directors elected by the Class A Members at this Special Meeting shall serve until the first Annual Meeting of the Association to be held after that Special Meeting, unless the Director resigns, dies, is recalled or is otherwise removed prior to the Annual Meeting of the Association, in which case the vacancy will be filled pursuant to these Bylaws.

All subsequent elections of Directors shall occur at the Annual Meeting of the Association's Members. Each Member shall be entitled to cast that Member's vote(s) for each of as many nominees as there are vacancies to be filled on the Board of Directors at the Annual Meeting. There shall be no cumulative voting for any Director(s). All Directors elected by the Class A Members at an Annual Meeting of the Association shall serve until the date of the next Annual Meeting of the Association, unless the Director resigns, dies, is recalled or is otherwise removed prior to the next Annual Meeting of the Association, in which case the vacancy will be filled pursuant to these Bylaws.

Section 2. Vacancies in the Board of Directors. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Members ("recall") shall be filled by a majority vote of the remaining Directors, even though they may constitute less than a quorum of the Board. Each person elected to fill a vacancy on the Board of Directors shall serve until a successor is elected at the next Annual Meeting of the Association. A vacancy or vacancies shall be deemed to exist in the case of death, resignation, removal of any Director, judicial adjudication of mental incompetence of any Director, increases in the size of the Board, or in the event the Members fail to elect the full number of authorized Directors at any meeting at which such election is to take place.

Section 3. Recall of Directors. Any one (1) or more of the Directors (other than those appointed by Declarant) may be recalled with or without cause by a majority vote of the Members, provided the following procedures are followed:

(a) Directors may be recalled by an agreement in writing or by written ballot without a meeting of the Association's membership. The agreement in writing, the written ballots, a copy of the agreement in writing or a copy of the written ballots must be served on the Association by certified mail or by personal service by a process server. When at least a majority of the Board of Directors is sought to be recalled, the agreement in writing or written ballots shall list at least as many possible replacement Directors as there are Directors subject to the recall. The Members may vote for as many replacement candidates as there are Directors subject to the recall. When the recall of more than one (1) Director is sought, the agreement in writing or written ballots shall provide the Members a separate vote for each Director sought to be recalled. The agreement in writing and all written ballots must comply with the requirements of Florida law.

(b) The Board of Directors shall duly notice and hold a meeting of the Board no later than five (5) full business days after receipt of the agreement in writing or written ballots. At this Board meeting, the Board shall either:

(1) Certify the written ballots or written agreement to recall a Director or Directors of the Board. If so certified, the Director or Directors shall be recalled effective immediately and the recalled Director(s) shall turn over to the Board within five (5) full business days any and all records and property of the Association in the possession of the Director(s); or

(2) Not certify the written ballots or written agreement to recall a Director or Directors of the Board. The Board shall then, within five (5) full business days after the Board meeting, file a petition for arbitration with the appropriate agency of the State of Florida. The Members who executed the agreement in writing or written ballots shall constitute one party under the petition for arbitration. If, as a result of the arbitration, the arbitrator certifies the recall as to any Director or Directors of the Board, the recall of the Director or Directors 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 and property of the Association in the possession of the recalled Director(s) within five (5) full business days after the effective date of the recall.

(c) At the Board meeting held pursuant to Article VII, Section 3(b) of these Bylaws, minutes must be taken and those minutes must: record the date and time of the meeting; record the decision of the Board whether or not to certify the recall; and the vote count taken on each Director subject to the recall. If the Board of Directors decides not to certify the recall, in addition to the other requirements, the minutes must also identify each vote that was rejected, the parcel number of each rejected vote and the specific reason that each vote was rejected. The minutes of this Board meeting are an official record of the Association.

(d) If the Board of Directors 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 on the Association, the recall shall be deemed effective and the Director(s) so recalled shall immediately turn over to the Board all records and property of the Association in the possession of the Director(s).

(e) If it is determined by the applicable agency of the State of Florida, during the arbitration process described in Article VII, Section 3(b)(2) of these Bylaws, that a first recall effort was defective for any reason, the written agreements or written ballots used in that first recall effort which were not found to be defective may be reused in one (1) subsequent recall effort. In no event shall a written agreement or written ballot be valid for more than one hundred twenty (120) days after it has been signed by the Member.

(f) A Member can revoke or rescind that Member's written ballot or written agreement. The revocation or rescission must be in writing and delivered to the Association before the Association is served with the written agreement or written ballots.

(g) If any vacancy occurs on the Board as a result of a recall, and less than a majority of the Directors are removed, the vacancy may be filled by a majority vote of the remaining Directors. If any vacancy occurs on the Board as a result of a recall and a majority or more of the

Directors are removed, those vacancies shall be filled by the Members who voted in favor of the recall. The Members may vote for replacement Directors in the written agreement or written ballots. The written agreement and all written ballots must comply with the requirements of Florida law. Any person elected to fill a vacancy on the Board that results from a recall shall serve until a successor is elected at the next Annual Meeting of the Association.

(h) Following Turnover, the Board shall consist of five (5) Members, three (3) of which are Owners of single family detached lots, and the President and Vice President of the Neighborhood Association serving the townhome residences. Notwithstanding the foregoing, nothing shall interfere with Declarant's rights as described in the Declaration.

Section 4. Meetings. Meetings of the Board of Directors may be held at such times and places as shall be determined, from time to time, by a majority of the Directors. Special meetings of the Board may be called by the President of the Board, and must be called by the President or Secretary of the Board at the written request of one-third (1/3) of the Directors. Notice of all Board meetings shall be given to each Director, personally or by mail, telephone, facsimile or by electronic transmission, and shall be provided at least three (3) days prior to the meeting. Notice of Board meetings, which notice shall specifically include an identification of agenda items, shall be posted in a conspicuous place in the community at least forty-eight (48) hours preceding the date and time of the Board meeting, except in the event of an emergency as defined in Article VII, Section 15 of these Bylaws. A meeting of the Board of Directors occurs whenever a quorum of the Board gathers to conduct Association business. Board meetings shall be open to all Members, except for: meetings between the Board and the Association's attorney with respect to proposed or pending litigation where the content of the discussion would be protected by the attorney-client privilege; and meetings between the Board and the Association's attorney held for the purpose of discussing personnel matters. The right of Members to attend Board meetings includes the right to speak for three (3) minutes at such meetings with respect to all designated agenda items. The Association may adopt additional reasonable rules governing the frequency, duration and manner of Member statements. The Board shall adopt by rule, and give notice to the Members of, a specific location in the community upon which all notices of Board and/or Committee meetings shall be posted. Directors may not vote at Board meetings by proxy or by secret ballot, except a secret ballot may be used by Directors only for the election of officers. All meetings of the Board of Directors shall be conducted, to the extent practicable, in accordance with the latest published edition of Robert's Rules of Order (Revised). However, Robert's Rules of Order shall not be used in such a way to frustrate the proceedings or to unnecessarily delay the proceedings.

Section 5. Notice of Certain Board Meetings.

(a) Notwithstanding the notice requirement contained in Article VII, Section 4 of these Bylaws, if any meeting of the Board of Directors includes:

(1) Consideration of Assessments (Annual Assessments, Special Assessments, Initiation Assessments or Individual Assessments); or

(2) Levy or adoption of Assessments (Annual Assessments, Special Assessments, Initiation Assessments, or Individual Assessments).

then notice of that Board meeting must be mailed or personally delivered to all Members not less than thirty (30) days before that Board meeting and no more than sixty (60) days before that Board meeting. In addition, the notice of that Board meeting must be posted in a conspicuous place in the community not less than fourteen (14) days before that Board meeting. The notice of that Board meeting must include a statement that assessments will be considered at the Board meeting and the notice must describe the nature of the assessments.

(b) Notwithstanding the notice requirement contained in Article VII, Section 4 of these Bylaws, if any meeting of the Board of Directors includes:

(1) Adoption of, Amendments to and/or Revocations of the Governing Documents regarding use of Lots; or

(2) Adoption of, Amendments to and/or Revocation of the Association Rules and Regulations regarding use of Lots.

then notice of that Board meeting must be mailed or personally delivered to all Members not less than fourteen (14) days before that Board meeting. In addition, the notice of that Board meeting must be posted in a conspicuous place in the community not less than fourteen (14) days before that Board meeting. The notice of that Board meeting must include a statement that changes to the Governing Documents (and/or Association rules and regulations) will be considered at the Board meeting.

(c) Notwithstanding the notice requirement contained in Article VII, Section 4 of these Bylaws, if any meeting of the Board of Directors includes an item of business which is placed on the Board's agenda upon petition by Members pursuant to Article VII, Section 6 of these Bylaws, then notice of that Board meeting must be mailed or personally delivered to all Members no less than fourteen (14) days before that Board meeting. In addition, the notice of that Board meeting must be posted in a conspicuous place in the community not less than fourteen (14) days before that Board meeting.

Section 6. Agenda Items Through Member Petition. If at least twenty percent (20%) of the Members petition the Board of Directors in writing to take up or address an item of business, the Board shall place that item of business on an agenda of the Board for the next regular meeting of the Board, but no later than sixty (60) days after the Association receives the petition with the required percentage of Members. Other than addressing the item(s) of business placed on the Board's agenda through the written petition, the Board is not obligated or required to take any other action on the item(s) at that Board meeting. Each Member of the Association shall have the right to speak for three (3) minutes on each item of business placed on the Board's agenda through written petition, and will be subject to any other reasonable rules that have been adopted by the Board governing the frequency, duration and manner of Member statements. In order to speak on any item, a Member must either sign a sign-up sheet if one is provided at the Board meeting or submit to the Association a written request to speak before that Board meeting begins.

Section 7. Waiver of Notice. Any Director may waive notice of a Board meeting before or after the Board meeting and that waiver shall be deemed equivalent to the due receipt by that Director of notice. Attendance by any Director at a Board meeting shall constitute a waiver of notice of such Board meeting, and a waiver of any and all objections to the place of the meeting, to the time of the meeting or the manner in which it has been called or convened, except when a Director states at the beginning of the meeting, or promptly upon arrival at the meeting, any objection to the transaction of affairs because the meeting has not been lawfully called or convened. The transactions at any meeting of the Board, however called and noticed or wherever held, shall be as valid as though they were made at a Board meeting duly held after regular call and notice, if a quorum is present, and if, either before or after the Board meeting, each of the Directors not present signs such written waiver of notice, a consent to holding such Board meeting, or an approval of the minutes of that Board meeting. All such waivers, consents and approvals shall be filed with the official records of the Association or made a part of the minutes of the Board meeting.

Section 8. Quorum. A quorum for any meeting of the Board of Directors shall consist of a majority of the entire Board. The acts approved by a majority of those Directors present at a Board meeting at which a quorum is present shall constitute the acts of the Board of Directors, except when approval by a greater number of Directors is specifically required by the Governing Documents.

Section 9. 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 by Article VII, Section 4 or Article VII, Section 5 of these Bylaws. At any newly scheduled meeting, any business that might have been transacted at the meeting as originally called may be transacted as long as notice of such business to be conducted at the rescheduled meeting is given.

Section 10. Joinder in Meeting by Approval of Minutes. The joinder of a Director in the action of a Board meeting by signing and concurring in the minutes of that Board meeting shall constitute the approval of that Director of the business conducted at the Board meeting, but such joinder shall not allow the applicable Director to be counted as being present for purposes of quorum.

Section 11. Presiding Officer. The presiding officer at any meeting of the Board of Directors shall be the President (who may, however, designate any other officer to preside). If the President is absent or if the office of President is vacant, the Vice President shall preside at that Board meeting.

Section 12. Action Without Meeting. The Directors shall have the right to take any action in the absence of a Board meeting which they could take at a Board meeting by obtaining the vote or written consent of all Directors. Any action so approved shall have the same effect as though taken at a duly constituted meeting of the Directors.

Section 13. Committees. The Board may by resolution create Committees, appoint persons to such Committees, and vest in such Committees such powers and responsibilities as the Board shall deem advisable. The resolution establishing a Committee may also appoint its members, as well as a chair, state the purposes of the Committee, and provide for reports and other administrative matters as deemed appropriate by the Board. The Board may at any time dissolve, terminate or expand any Committee that has been created. All persons appointed to serve on any Committee (including, without limitation, the

Architectural Review Board) serve at the pleasure of the Board of Directors and may be removed at any time by the Board with or without cause. Meetings of any Committee established by the Board of Directors at which a quorum of the members of that Committee is present shall be open to all Members, except for: meetings between any Committee and the Association's attorney with respect to proposed or pending litigation and/or adversarial administrative proceedings where the content of the discussion would be protected by the attorney-client privilege; and meetings between any Committee and the Association's attorney held for the purpose of discussing personnel matters.

If any Committee created by the Board of Directors meets to make a final decision regarding any expenditure of Association funds, notice of that Committee meeting must be posted in a conspicuous place within the Property at least forty-eight (48) hours preceding the date and time of the Committee meeting. Any Committee created by the Board of Directors and/or the Association that will make a final decision regarding the expenditure of any funds of the Association shall have the same meeting and notice requirements as the Board of Directors set forth in these Bylaws.

Notice of any meeting of the Association's Architectural Review Board must be posted in a conspicuous place within the Property at least forty-eight (48) hours preceding the date and time of the Architectural Review Board meeting. The Association's Architectural Review Board shall have the same meeting and notice requirements as the Board of Directors set forth in these Bylaws.

Section 14. Minutes of Meetings. The minutes of all meetings of the Board of Directors shall be kept in written form or in another form that can be converted into written form within a reasonable time. The Association shall retain these minutes for a period of not less than seven (7) years.

Section 15. Emergency Bylaws and Powers . In the event of an "emergency" as defined in Article VII, Section 15(a) of these Bylaws, the Board of Directors of the Association may exercise the emergency powers described in this Section, and any other emergency powers granted to a not for profit corporation under then-existing Florida law.

(a) An "emergency" exists for purposes of this Section 15 during the time a quorum of the Association's Directors cannot readily be assembled because of a catastrophic event, which includes without limitation, a hurricane, earthquake, act of war, civil unrest, domestic terrorism, or other similar occurrence. An "emergency" also exists during any period of time that local civil authorities have declared that a state of emergency exists in, or have ordered the mandatory evacuation of, the area in which the Property is located. A determination by any two (2) Directors that an emergency exists shall have presumptive validity.

(b) The Board of Directors may name as assistant officers persons who are not Directors, and these assistant officers shall have the same authority as the executive officers of whom they are the designated assistant during the period of the emergency, in the event of the incapacity of any officer of the Association.

(c) The Board of Directors may relocate the principal office during the period of the emergency, or designate alternative principal offices, or authorize the officers to do so.

(d) During any emergency the Board of Directors may hold Board meetings with notice given only to those Directors with whom it is practicable to communicate, and the notice of that Board meeting may be given in any reasonable manner, including but not limited to, publication, radio and television. The Director or Directors in attendance at such a Board meeting shall constitute a quorum of the Board.

(e) Corporate action taken in good faith during the period of an emergency under this Section 15 to further the ordinary affairs of the Association shall bind the Association, and that corporate action shall have the rebuttable presumption of being reasonable and necessary.

(f) Any officer, Director, agent of the Association and/or employee of the Association acting with a reasonable belief that his or her actions are lawful in accordance with these emergency Bylaws shall incur no liability for doing so, expect in the case of willful misconduct and/or gross negligence.

(g) The provisions of these emergency Bylaws shall supersede any inconsistent or contrary provisions of the Bylaws during the period of an emergency. However, all provisions of the Bylaws that do not conflict with the emergency Bylaws remain effective during the period of an emergency.

(h) The provisions of these emergency Bylaws shall cease to be effective once the reason for the emergency ends.

Section 16. Execution of Documents. The Board of Directors, except as otherwise provided in these Bylaws, hereby authorizes the President or, if the President is unavailable for a period greater than two (2) full business days, the Vice President to enter into any contract or agreement and/or to execute any instrument in the name and on behalf of the Association.

Section 17. Recording of Board Meetings. Any Member may tape record and/or videotape any meeting of the Board of Directors of the Association, subject to the following and such further reasonable rules and restrictions that the Board of Directors may adopt from time to time:

(a) The only audio equipment, video equipment and/or other devices which Members are authorized to utilize at any such Meeting is equipment which does not produce distracting sound, light and/or heat emissions;

(b) All audio equipment and/or video equipment shall be assembled and placed in position in advance of the scheduled time for the start of the meeting;

(c) Anyone videotaping, audiotaping and/or recording a meeting shall not be permitted to move about the meeting room in order to facilitate the videotaping, audiotaping and/or recording; and

(d) At least twenty-four (24) hours prior written notice shall be given to the Secretary of the Association's Board of Directors by any Member desiring to audiotape, record and/or videotape the Board Meeting.

ARTICLE VIII

POWERS AND AUTHORITY OF THE BOARD OF DIRECTORS

All of the duties, power and authority of the Association existing under Florida law or the Governing Documents shall be exercised exclusively by the Board of Directors, subject to approval by the Members only when specifically required. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association. Such powers and duties of the Board of Directors shall include, without limitation (except as limited elsewhere herein), the following:

(a) Operating and maintaining all Common Area and Association property.

(b) Determining the Common Expense, Assessments, and any other financial obligations of the Association.

(c) Maintaining bank accounts on behalf of the Association and designating the signatories required therefore.

(d) Creation and maintenance of reserve accounts on behalf of the Association.

(e) Purchasing, leasing or otherwise acquiring title to, or an interest in, property in the name of the Association, or its designee, for the use and benefit of its members. The power to acquire personal property shall be exercised by the Board and the power to acquire real property shall also be exercised by the Board.

(f) Purchasing, leasing or otherwise acquiring property, including, without limitation, Lots, Residences or other property within the Property at foreclosure or other judicial sales, all in the name of the Association, or its designee.

(g) Making repairs, replacements, additions and improvements to, or alterations of, Common Area and/or Association property in accordance with the provisions of the Declaration after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings or otherwise.

(h) Allocating income and expenses and taking such other actions as shall be deemed necessary and proper for the sound management of the Association.

(i) Levying fines against Members, any family members, any tenants, any lessees, any guests, any licensees, any employees, any contractors, and subcontractors and/or any invitees of a Member for any violation(s) of the Governing Documents and/or the rules and regulations established by the Association to govern the conduct of Members, family members, tenants, lessees, guests, licensees,

employees, contractors, subcontractors and/or invitees of a Member. No fine shall be levied except after giving reasonable notice and opportunity for a hearing to the affected Member and, if applicable, that Member's tenant(s), guest(s), lessee(s), licensee(s), family member(s), employee(s), contractor(s), subcontractor(s) and/or invitee(s).

(j) Suspending, for a reasonable period of time, the rights of any Member, any family member, any tenant, any lessee, any guest, any licensee, any employee, any contractor, any subcontractor and/or any invitee of a Member to use the Common Property, any recreational facilities and any amenities located on the Common Property for any violation(s) of the Governing Documents and/or the rules and regulations established by the Association to govern the conduct of Members, family members, tenants, lessees, guests, licensees, employees, contractors, subcontractors and/or invitees of a Member. No suspension shall be imposed except after giving reasonable notice of at least fourteen (14) days and an opportunity for a hearing to the affected Member and, if applicable, that Member's family member(s), tenant(s), guest(s), lessee(s), licensee(s), employee(s), contractor(s), subcontractor(s) and/or invitee(s).

(k) Borrowing money on behalf of the Association when required in connection with the operation, care, upkeep and maintenance of Common Property and/or Association property or the acquisition of real property, and granting mortgages on and/or security interests in Association-owned property or the Association's assessment authority.

(l) Contracting and paying for the management, maintenance, repair and replacement of the Common Property and Association property (to the extent required) and authorizing a management agent (who may be an affiliate of the Declarant) 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, preparation of financial records, maintenance of financial records, maintenance of the Association's official records, enforcement of the Governing Documents and maintenance, repair, and replacement of the Common Property and/or Association property 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 Governing Documents, including, but not limited to, the making of any Assessments, promulgation of rules, amendment of the Governing Documents and execution of contracts on behalf of the Association.

(m) At its discretion, authorizing Members or other persons to use portions of the Common Area for private parties and gatherings and imposing reasonable charges for such private use.

(n) Exercising: (1) all powers specifically set forth in the Governing Documents; (2) all powers incidental thereto; and (3) all other powers not prohibited to a Florida not for profit corporation or a Florida "homeowners' association" as defined under Florida law.

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

(p) Selecting, appointing and removing all officers, Committee members, agents, contractors, vendors and/or employees of the Association, prescribing such powers and duties for them as may be consistent with law and the Governing Documents, and fixing their compensation, if any.

(q) Changing the principal office for the transaction of the business of the Association; designating any place for the holding of any Annual or Special Meeting of the Association's Members consistent with the provisions of the Governing Documents; and designating any place for the holding of any Board meeting consistent with the provisions of the Governing Documents.

(r) Fixing and levying from time to time Assessments upon the Owners, as provided in the Governing Documents; setting the due date for the payment of such Assessments and the date upon which the same shall become delinquent. Assessments shall be fixed and levied to provide for the payment of the expenses of the Association, for the operation, maintenance, repair and replacement of the Common Property (including, without limitation, any facilities and/or amenities constructed on the Common Property), Surface Water Management System and Association property, to pay any service provider, for the costs of cable television that may be uniformly provided to all Lots, and for taxes and/or governmental assessments upon real or personal property owned, leased, controlled and/or occupied by the Association, or for the payment of expenses for labor rendered or materials or supplies used and consumed, or equipment and appliances furnished for the maintenance, improvement or development of such property or for the payment of any and all obligations in relation thereto, or in performing or causing to be performed any of the purposes of the Association for the general benefit and welfare of its Members, all in accordance with the provisions of the Governing Documents. Should any Owner fail to pay such Assessments before delinquency, the Board of Directors in its discretion is authorized to enforce the payment of such delinquent Assessments as provided in the Governing Documents.

(s) Enforcing the provisions of the Governing Documents and other agreements of the Association. To enforce any provision of the Governing Documents, the Board may take and/or seek any remedy at law, equitable remedy, administrative remedy, self-help, or any combination of these available to the Board.

(t) Contracting and paying for fire, casualty, errors and omissions, blanket liability, malicious mischief, vandalism, and any other insurance, insuring the Members, the Association, the Board of Directors and other interested parties, in accordance with the provisions of the Governing Documents, covering and protecting against such damages or injuries as the Board deems advisable, which may include, without limitation, medical expenses of persons injured on the Common Area and/or Association property and to bond the agents and employees of any management body, if deemed advisable by the Board. The Board of Directors shall review at least once each calendar year all insurance policies and bonds obtained by the Board on behalf of the Association.

(u) Employing personnel and/or professional services necessary for the operation of the Common Area, Association property, and the Association, including legal and accounting services, and contracting and paying for improvements to the Common Area and/or Association property.

(v) Contracting and paying for maintenance, gardening, landscaping, materials, supplies and services relating to the Common Area and/or Association property.

(w) Delegating its powers according to law and the Governing Documents.

(x) Granting easements where necessary for utilities, telecommunications, cable television, water facilities, sewer facilities and any other services or utilities over the Common Area or any other portion of the Property.

(y) Fixing, determining and naming from time to time, if necessary or advisable, the public agency, fund, foundation or not for profit corporation or association, which is then organized, to which the Assessments of this Association shall be distributed upon liquidation or dissolution, according to the Association's Governing Documents. The assets so distributed shall be those remaining after satisfaction of all just debts and obligations of the Association, and after distribution of all property held or acquired by the Association under the terms of a specific trust or trusts.

(z) Adopting such rules and regulations as the Board may deem necessary for the operation and/or management of the Property, Residences, Lots, Common Area and/or Association property, which rules and regulations shall become effective and binding after (1) they are adopted by a majority of the Board at a duly noticed Board meeting held pursuant to these Bylaws, and (2) the rules and regulations are mailed or personally delivered to all Members of the Association within ten (10) business days following the adoption of the rules and regulations. Such rules and regulations shall not materially adversely affect the rights, privileges or preferences of Declarant as established by the Governing Documents without the prior written approval of Declarant. Such rules and regulations may concern, without limitation, use of the Common Area, use of Association property, signs, parking restrictions, use of Lots, maintenance of Lots, appearance of Lots, use of Residences, maintenance of Residences, appearance of Residences, and any other matter within the jurisdiction of the Association as provided in the Governing Documents. However, any rules and regulations shall be enforceable only to the extent that they are consistent with the Governing Documents.

ARTICLE IX

OFFICERS

Section 1. Designation. The principal officers of the Association may be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint an Assistant Treasurer and an Assistant Secretary, and such other officers as in the Board's judgment may be necessary. Officers must be Directors. Any two offices may be held by the same person, however the offices of President and Secretary may not be held by the same person.

Section 2. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the Annual Meeting, following the election of Directors. Notwithstanding the foregoing, officers shall be elected at the Special Meeting of the Association held when Directors are to be elected by the Class A Members for the first time following termination of the Class B membership. Each officer shall hold his or her office at the pleasure of the Board of Directors, until he or she has resigned, is removed, is recalled or is otherwise disqualified to serve.

Section 3. Removal of Officers. Upon an affirmative vote of a majority of the entire Board of Directors, any officer may be removed, with or without cause, and his or her successor elected at any duly noticed meeting of the Board of Directors.

Section 4. President. The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the Association and of the Board of Directors. The President shall have all of the general powers and duties which are usually vested in the office of the President of a corporation. The President shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business of the Association. The President shall be ex officio a member of all standing committees established by the Board, and he or she shall have such other powers and duties as may be prescribed by the Board of Directors or these Bylaws.

Section 5. Vice President. The Vice President shall take the place of the President and perform his or her duties whenever the President shall be absent, disabled, refuses to act or is unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as may be prescribed by the Board of Directors or these Bylaws.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Members of the Association at the principal office of the Association or at such other place as the Board of Directors may order. The Secretary shall keep the seal of the Association in safe custody and shall have charge of such books and papers as the Board of Directors may direct; and the Secretary shall, in general, perform all of the duties incident to the office of Secretary. The Secretary shall give, or cause to be given, notices of meetings of the Members of the Association and of the Board of Directors required by the Governing Documents, these Bylaws or by law to be given. The Secretary shall maintain a list of Members, listing the names and addresses of the Members as furnished to the Association, and such list shall be changed only at such time as satisfactory evidence of a change in ownership is presented to the Secretary. The Secretary shall perform such other duties as may be prescribed by the Board of Directors or these Bylaws.

Section 7. Treasurer. The Treasurer shall have responsibility for the Association funds and securities and shall be responsible for keeping, or causing to be kept, full and accurate accounts, financial statements, financial records, tax records and other records of business transactions of the Association, including accounts of all assets, liabilities, receipts and disbursements in books belonging to the Association. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors. The Treasurer shall disburse the funds of the Association as may be ordered by the Board of Directors in accordance with the Governing Documents, shall render to the President and Directors, upon request, an account of all of his or her transactions as Treasurer and of the financial condition of the Association, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these Bylaws.

ARTICLE X

COMPENSATION AND RESIGNATION

Section 1. Compensation. No Director or officer 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, or from contracting with a Director or officer 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.

Section 2. Resignation. Any Director or officer may resign his or her post at any time by written resignation delivered to the Board, to the President of the Association, or to the Secretary of the Association. Any such resignation 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 the resignation is withdrawn prior to that later date. The acceptance of a resignation shall not be required to make it effective. The conveyance, sale or transfer of all Lots owned by any Director (other than appointees of the Declarant) shall constitute an immediate written resignation of that Director, and that Director's position on the Board may then be filled pursuant to these Bylaws.

ARTICLE XI

BUDGET AND ASSESSMENTS

Section 1. Budgeting and Allocating Common Expense. The Association's budget and Common Expense shall be determined, calculated, assessed, imposed, adopted and collected as set forth in the Declaration.

Section 2. Reserve Accounts.

The Board may establish reserve accounts which the Board, in its sole and absolute discretion, determines are necessary and/or desirable or as may be required by the Declaration. Any reserve account established by the Board shall be part of the Common Expense and included as part of the Annual Assessment for each Fiscal Year.

Section 3. Initiation Assessment.

The Association hereby establishes an Initiation Assessment (the "Initiation Assessment") applicable to each Lot, in an amount not to exceed one-half of the Operating Budget amount determined by the Board of Directors for the year in which the Initiation Assessment is due and payable. The Initiation Assessment shall become due and payable upon first occupancy of such Lot as a place of residence by a Class A Member or upon the first conveyance of the Lot with a completed dwelling, whichever occurs first. Declarant shall not be required to pay the Initiation Assessment but the third party purchaser of any Lot from Declarant shall be liable for the Initiation Assessment. Such Initiation Assessment may be used to fund the Association's initial start up costs and other operating expenses or to help fund reserves, in the Board's discretion. The Initiation Assessment may be referred to by another name, such as Working Capital Contribution, Working Fund Contribution or some other name, in any marketing, sales, promotional and/or disclosure materials.

No further Initiation Assessment shall be due for any subsequent transfer of ownership of any Lot from one Class "A" Member to a successor Class "A" Member.

Section 4. Use and Consumption Fees; Licenses and Royalties.

The Board may charge use and consumption fees to any person and/or entity using Association services or facilities and may, in its discretion, determine the amount and method of determining such fees. Different fees may be charged to different classes of users (for example, Owners and non-Owners). Any such fees charged to Owners shall be considered an Individual Assessment against the Lots of such Owners under Article XI, Section 4(a) of these Bylaws.

As set forth in the Governing Documents, the Association may enter into license agreements with Declarant or other parties to permit the Association's use of trade names or service marks, such as the use of the name **"Ahern"**. To the extent permitted by such license agreements, the Board may enter into sub-license agreements, under negotiated terms, which permit others within the Property to use such trade names and/or service marks. The Association may charge fees and collect royalties in connection with such sub-license agreements; provided, Declarant and any Declarant Affiliate shall retain the absolute right to use such trade names and service marks without payment of any license fees. Any such fees and royalties shall be considered an Individual Assessment under Article XI, Section 4 of these Bylaws.

Section 5. Depository. The depository of the Association shall be such bank or banks in the State of Florida as shall be designated from time to time by the Board of Directors and in which the monies of the Association shall be deposited. Any and all banks utilized by the Board of Directors and the Association shall be federally insured. Withdrawal of monies from those accounts may be made by either: (a) checks signed by such person or persons as are authorized by the Board of Directors; or (b) electronic fund transfers by such person or persons as are authorized or under the direction of the Board of Directors. All reserve and operating funds collected by the Association from Assessments or otherwise shall not be commingled in a single account and shall be divided into more than one (1) account as determined by a majority of the Board of Directors. In addition, a separate reserve account may be established for the Association in such a depository for monies specifically designated as reserves for capital expenditures, deferred maintenance and/or any other item or expense in the sole discretion of the Board of Directors.

Section 6. Fidelity Bonds. Fidelity bonds may be required, in the discretion of the Board of Directors, for all persons handling or responsible for Association funds in such amounts as shall be determined by a majority of the Board, but in no event less than the greater of One Hundred Thousand Dollars ($100,000) or the maximum amount that will be in the custody or control of the Association or any persons handling or responsible for Association funds at any one time. The premiums on such bonds shall be paid by the Association as a Common Expense.

Section 7. Accounting Records and Reports. The Association shall maintain accounting records in the State of Florida, according to accounting practices normally used by similar associations. All financial and accounting records must be kept by the Association for a period of at least seven (7) years. The records shall include, but not be limited to: (a) accurate, itemized and detailed records of all receipts and expenditures; (b) a current account and periodic statement of the account of each Member, designating the name and current mailing address of each Member, the amount of each Assessment, 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; (c) all tax returns, financial statements and financial reports of the Association; and (d) any other Association records that identify, measure, record or communicate financial information.

Within ninety (90) days following the end of each Fiscal Year, the Association shall prepare, or contract with a third party to have prepared, a complete annual financial report. The annual financial report will consist of a complete set of financial statements that were prepared in accordance with generally accepted accounting principles, and with such other requirements established by Florida law for a homeowners' association with total annual revenue of the Association. When the Board of Directors completes or receives this annual financial report, the Association shall within twenty-one (21) calendar days, but no later than August 1 of each calendar year either: mail or deliver a copy of the annual financial report to each Member; or mail or deliver a written notice to each Member that a copy of the annual financial report is available upon request at no charge to the Member.

ARTICLE XII

AMENDMENTS TO THE BYLAWS

These Bylaws may be amended, altered, modified, repealed and/or rescinded in the following manner:

Section 1. Notice. Notice of the subject matter of a proposed amendment, alteration, rescission, and/or modification to these Bylaws shall be included in the notice of the meeting of the Association's Board of Directors at which a proposed amendment, alteration, rescission and/or modification to these Bylaws is to be considered.

Section 2. Adoption. An amendment, alteration, modification and/or rescission of these Bylaws may be made upon the approval of a majority of the entire Board of Directors at a duly noticed meeting of the Board.

Section 3. Effective Date. The effective date for any amendment, alteration, modification and/or rescission of these Bylaws shall be when a Certificate of Amendment is signed by an officer of the Association and filed in the Public Records of Duval County, Florida along with a copy of the text of the amendment, alteration, modification and/or rescission.

ARTICLE XIII

CONFLICTING PROVISIONS

Section 1. Conflicting Provisions. In case any of these Bylaws conflict with any provisions of the laws of the State of Florida, such conflicting Bylaws shall be null and void, but all other provisions of these Bylaws shall remain in full force and effect. In case of any conflict between the Articles and these Bylaws, the Articles shall control. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

Section 2. Waiver. No provision of these Bylaws or any regulation promulgated by the Board of Directors pursuant hereto shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches which may have occurred.

Section 3. Severability. The provisions of these Bylaws are severable, and the invalidity of one or more provisions hereof shall not be deemed to impair or affect in any manner the enforceability or effect of the remainder.

Section 4. Captions. Captions and headings are inserted herein only as a matter of convenience and for reference and in no way define, limit, or describe the scope of these Bylaws or the intent of any provision.

Section 5. Gender and Number. All nouns and pronouns used herein shall be deemed to include the masculine, the feminine, and the neuter, and the singular shall include the plural and the plural shall include the singular whenever the context requires or permits.

IN WITNESS WHEREOF, the members of the Board of Directors have adopted these Bylaws of Ahern Townhome Association, Inc. effective as of this 21st day of September, 2018.

Print Name: Richard Johnston

Title: President

Attested by:

Print Name: Joseph J. Van Ry

Title: Secretary