

Prepared by and Return to:
Melissa S. Turra, Esq.
Holland & Knight LLP
50 North Laura Street, Suite 3900
Jacksonville, Florida 32202

**AMENDMENT TO THE
DECLARATION OF COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS FOR
MIDTOWNE**

THIS AMENDMENT is made this 24TH day of JANUARY, 2008, by PULTE HOME CORPORATION, a Michigan corporation ("Developer").

RECITALS:

A. Developer has subjected certain property to the terms and conditions of that certain Declaration of Covenants, Conditions, Restrictions and Easements for Midtowne ("Declaration"), recorded in Official Records Book 13590, page 877 of the public records of Duval County, Florida (referred to herein as "Declaration").

B. Pursuant to the provisions of Article 16.8 of the Declaration, the Developer has the authority, so long as it owns any of the Property as defined under the Declaration, to amend the Declaration in such a manner as the Developer may deem necessary or convenient.

NOW, THEREFORE, in consideration of the premises, the Developer hereby amends the Declaration as follows:

1. The recitals are incorporated into and made a part of this Amendment.
2. Terms not otherwise defined herein shall have the meaning set forth in the Declaration.
3. The following language is added to the end of Article 1.1 EE Residence:

"The townhomes located on Studio Park Avenue within Midtowne may sometimes be referred to as the 'Midtowne Residences' and the townhomes located on Metron Drive and Clybourne Lane within Midtowne may sometimes be referred to as the 'Midtowne Chase Residences.' The term Residence when used herein shall include collectively the Midtowne Residences and the Midtowne Chase Residences."

4. The following definitions are added to Article 1.1:

"Midtowne Residences" means those townhomes located on Studio Park Avenue within Midtowne. Except the Developer prior to Turnover, Owners of Parcels upon which Midtowne Residences are constructed or to be constructed shall be Class A members.

"Midtowne Chase Residences" means those townhomes located on Metron Drive and / or Clybourne Lane within Midtowne. Except the Developer prior to Turnover, Owners of Parcels upon which Midtowne Chase Residences are constructed or to be constructed shall be Class C members.

5. Article 4.1(A) is amended and restated in its entirety to read as follows:

"The right of the Association to mortgage the Common Property for the purpose of improvement or repair of the Common Property, with the approval of the Owners of two-thirds (2/3) of the Parcels owned by Class A and Class C Members, and to take such steps as are reasonably necessary to protect the Common Property against foreclosure, also with the approval of the Owners of two-thirds (2/3) of the Parcels owned by the Class A and Class C Members."

6. Article 4.1(C) is amended and restated in its entirety to read as follows:

"The right of the Association to sell, convey or transfer the Common Property or any portion thereof to a third party for such purposes as are not addressed in Section 4.1(B) above and subject to the Permits and such conditions as may be approved by the Owners of two-thirds (2/3) of the Parcels owned by the Class A and Class C Members."

7. The last sentence of Article 4.2(C) is amended and restated to read as follows:

"Notwithstanding the foregoing, no part of the Common Property may be conveyed to any party other than the Association, dedicated to the public (other than the roads and drainage easements as shown on the Plat), mortgaged, or otherwise encumbered without the written consent or vote of two thirds (2/3) of the Class A and Class C Members (voting at a duly noticed meeting at which a quorum is present in person or by proxy) and, until Turnover, the prior written consent of the FHA or VA in accordance with HUD regulations, if the FHA or VA is the insurer of any Mortgage encumbering a Parcel."

8. Article 7.1 is amended and restated in its entirety to read as follows:

"7.1 Rates of Assessments. In accordance with the Articles of Incorporation, the Parcels upon which the Midtowne Residences are or will be constructed are Class A members, and the Parcels upon which Midtowne Chase Residences are or will be constructed are Class C members; provided however that prior to Turnover the Developer shall be a Class B member as to all Parcels it owns. For the purposes of Assessments, Class C members (Midtowne Chase Residences) incur higher costs, including but not limited to maintenance and landscaping costs, than the Class A Members (Midtowne Residences) due to the fact that the Class C Parcels encompass more of the Property than the Class A Parcels. As a result, 42.34 percent of the annual and monthly Association budget shall be allocated to the Class A members (Midtowne Residences), to be shared equally among the Class A members, and 57.66 percent of the annual and monthly Association budget shall be allocated to the Class C members (Midtowne Chase Residences), to be shared equally among the Class C members."

9. The first sentence of Article 13.4 is amended and restated to read as follows:

"In the event that any Additional Property is annexed to the Property pursuant to the provisions of this Article upon recording of the supplemental declaration, (a) such Additional Property shall be considered within the definition of the term Property for all purposes of this Declaration, and (b) all voting of each class of membership of the Association and all voting by the Owners hereunder shall be aggregated, it being intended that (i) any voting requirements need not be fulfilled separately for the Additional Property, and (ii) any Class B Member shall at all times have a majority of the votes of the Association until converted to Class A and Class C membership as described in Article 2."

10. The first sentence of Article 16.8 is amended and restated to read as follows:

“This Declaration may be amended at any time by an instrument signed by the President or Vice President and the Secretary or Assistant Secretary of the Association, certifying that such amendment has been adopted by the written consent of sixty-six and two-thirds percent (66 2/3%) of the Class A and Class C Members or upon a sixty-six and two-thirds percent (66 2/3%) vote of the Class A and Class C Members voting in person or by proxy at a regular Association meeting or a special meeting called for that purpose at which there is a quorum, which amendment shall become effective upon its filing in the public records of the County.”

11. Article 16.8(i) is amended and restated to read as follows:

“(i) any notice that is required to be given to the Class A and Class C Members under any provision of the Association Documents;”

12. Exhibit B to the Declaration “Articles of Incorporation of Midtowne Homeowners’ Association, Inc.” is replaced in its entirety by the “Amended and Restated Articles of Incorporation of Midtowne Homeowners’ Association, Inc.” attached as Amended Exhibit B attached hereto.

13. Exhibit C to the Declaration “Bylaws of Midtowne Homeowners’ Association, Inc.” is replaced in its entirety by the “Amended and Restated Bylaws of Midtowne Homeowners’ Association, Inc.” attached as Amended Exhibit C attached hereto.

14. Except as herein amended, the terms and conditions of the Declaration remain in full force and effect.

[Signatures are on following page]

This Amendment to the Declaration of Covenants has been duly executed on this 24TH day of JANUARY, 2008.

PULTE HOME CORPORATION,
a Michigan corporation

By: [Signature]
Print Name: Christine R. Braun
Its: Attorney In Fact

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 24th day of January, 2008 by Christine Braun, as attorney-in-fact of Pulte Home Corporation, a Michigan corporation, on behalf of the corporation. He/She is personally known to me or ___ who produced _____ as identification.



Tiffany W. Mills
Commission # DD617178
Expires November 26, 2010
Bonded Tray Film Insurance File: 800-385-7019

[SEAL]

Tiffany W. Mills
Print Name Tiffany W. Mills
Notary Public State of Florida
My commission expires: Nov. 26, 2010
Commission Number DD617178

Amended Exhibit B to Declaration
AMENDED AND RESTATED
ARTICLES OF INCORPORATION OF
MIDTOWNE HOMEOWNERS' ASSOCIATION, INC.

**AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF
MIDTOWNE HOMEOWNERS' ASSOCIATION, INC.**

These Amended and Restated Articles of Incorporation shall amend, restate and replace those certain Articles of Incorporation of Midtowne Homeowners' Association, Inc. filed with the Secretary of State of the State of Florida on October 17, 2006. The members have agreed to amend and restate the Articles of Incorporation in accordance with the requirements of Article XII of the original Articles of Incorporation on JANUARY 24TH, 2008.

In compliance with the laws of the State of Florida, the undersigned do hereby voluntarily associate for the purpose of forming a corporation not-for-profit for the purposes and with powers set forth herein. All capitalized terms set forth herein, to the extent not defined herein, shall have the meanings set forth in the Declaration of Covenants, Conditions, Restrictions and Easements for Midtowne to be recorded in the public records of Duval County, Florida, as it may be modified and supplemented from time to time ("Declaration").

ARTICLE I - NAME

The name of the corporation is MIDTOWNE HOMEOWNERS' ASSOCIATION, INC., hereinafter referred to as the "Association."

ARTICLE II - REGISTERED AGENT

The name and address of the Registered Agent of the Association is:

Sterling Fin. & Mgmt, Inc.
11555 Central Parkway, Suite 603
Jacksonville, Florida 32224

ARTICLE III - PRINCIPAL OFFICE

The principal office of the Association shall be located at 5210 Belfort Road, Suite 400, Jacksonville, Florida 32256; but the Association may maintain offices and transact business in such places, within or without the State of Florida, as may from time to time be designated by the Board of Directors.

ARTICLE IV - PURPOSE AND POWERS

The Association does not contemplate pecuniary gain or profit to its Members. The specific purposes for which it is formed are to operate as a corporation-not-for-profit pursuant to Chapter 617, Florida Statutes, and to provide for the maintenance, preservation and architectural control of all Improvements on the Property and the Common Property, all within that certain tract of land described in the Declaration ("Property"), as such is supplemented from time to time, all for the mutual advantage and benefit of the Members of this Association, who shall be the Owners of the Parcels. For such purposes, the Association shall have and exercise the following authority and powers:

1. To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration, as the same may be amended from time to time as therein provided, as well as in the provisions of these Articles and the Bylaws. The Declaration is incorporated herein by this reference as if set forth in detail.

2. To fix, levy, collect and by any lawful means enforce payment of all Assessments pursuant to the terms of the Declaration, and to pay all expenses in connection therewith, and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association, including without limitation, adequate Assessments for the costs of maintenance, repair and operation of the Stormwater Management System, including without limitation drainage structures and drainage easements.

3. To buy, accept, own, operate, lease, sell, trade and mortgage both real and personal property in accordance with the provisions of the Declaration; provided however, the Common Property may not be mortgaged without the prior approval of Members holding two thirds (2/3) of the votes present in person or by proxy at a duly called meeting at which a quorum is present or by written approvals of Members holding two thirds (2/3) of the total votes.

4. To borrow money and, with the assent of seventy-five percent (75%) of the holders of votes at a duly noticed meeting of members at which a quorum is present in person or by proxy, to mortgage, pledge or hypothecate any and all of the Association's real or personal property as security for money borrowed or debts incurred.

5. To dedicate, sell or transfer all or any part of the Common Property to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Board of Directors.

6. To participate in mergers and consolidations with other nonprofit corporations organized for the same purposes, as more fully provided in the Declaration.

7. To make, establish and amend reasonable rules and regulations governing the use of the Parcels and Common Property.

8. To maintain, repair, replace, operate and manage the Common Property.

9. To employ personnel, agents or independent contractors to perform the services required for the proper operation of the Common Property.

10. To exercise architectural control over Improvements within the Property pursuant to the rights granted to the Association in the Declaration.

11. To operate, maintain and manage the Stormwater Management System in a manner which is consistent with the St. Johns River Water Management District Permit No. 40-031-81631-4 requirements and applicable St. Johns River Water Management District rules, and to assist in the enforcement of the terms and conditions of the Declaration which relate to the Stormwater Management District.

12. To have and to exercise any and all powers, rights and privileges which a corporation organized under the law of the State of Florida may now or hereafter have or exercise.

13. To timely file all required corporate filings with the Florida Secretary of State's office.

All of the Association's assets and earnings shall be used exclusively for the purposes set forth herein and in accordance with Section 528 of the Internal Revenue Code of 1986, as amended ("Code"), and no part of the assets of this Association shall inure to the benefit of any individual Member or any other person. The Association may, however, reimburse its Members for actual

expenses incurred for or on behalf of the Association, and may pay compensation in a reasonable amount to its Members for actual services rendered to the Association, as permitted by Section 528 of the Code, other applicable provisions of the Code, federal and state law. In addition, the Board of Directors shall also have the right to exercise the powers and duties set forth in the Bylaws.

ARTICLE V - MEMBERSHIP

1. Every person or entity who is record owner of a fee or undivided fee interest in any Parcel, including Pulte Home Corporation, a Michigan corporation ("Developer"), and contract sellers, shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Parcel which is subject to Assessment by the Association.

2. The transfer of the membership of any Owner shall be established by the recording in the public records of Duval County of a deed or other instrument establishing a transfer of record title to any Parcels for which membership has already been established. Upon such recordation the membership interest of the transferor shall immediately terminate. Notwithstanding the foregoing, the Association shall not be obligated to recognize such a transfer of membership until such time as the Association receives a copy of the deed or other instrument establishing the transfer of ownership of the Parcel. It shall be the responsibility and obligation of the former and new Owner of the Parcel to provide such copy to the Association.

3. The interest of a Member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner, except as an appurtenance to the Parcel owned by such Member.

ARTICLE VI - VOTING RIGHTS

The Association shall have three (3) classes of voting Members, as follows:

1. **Class A.** Class A Members shall be all Owners of the Parcels upon which Midtowne Residences are or will be constructed, with the exception of Developer while the Class B Membership exists. Class A Members shall be entitled to one vote for each Parcel owned, which may be cast by such member after Turnover (as hereinafter defined). When more than one person holds an interest in any Parcel, all such persons shall be Members; however, the vote for such Parcel shall be exercised as they shall determine among themselves, but in no event shall more than one vote be cast with respect to any Parcel. Notwithstanding the foregoing, if title to any Parcel is held by a husband and wife, either spouse may cast the vote for such Parcel unless and until a written voting authorization is filed with the Association. When title to a Parcel is in a corporation, partnership, association, trust, or other entity (with the exception of Developer), such entity shall be subject to the applicable rules and regulations contained in the Articles and Bylaws.

2. **Class B.** The Class B Member shall be Developer and shall be entitled to the sole right to vote in Association matters until the occurrence of the earlier of the following events ("Turnover"):

a. Three (3) months after ninety percent (90%) of the Parcels in the Property that will ultimately be operated by the Association have been conveyed to Class A and Class C Members.

b. On or before seven (7) years from the recording of the Declaration.

c. Such earlier date as Developer, in its sole discretion, may determine in writing.

After Turnover, the Class A and Class C Members may vote for all matters properly brought before the Association and to elect the majority of the members of the Board of Directors. After Turnover, the Developer shall have one vote for each Parcel owned by Developer. For the purposes of this Article builders, contractors or others who purchase a Parcel for the purpose of constructing improvements thereon for resale shall not be deemed to be Class A or Class C Members.

3. Class C. Class C Members shall be all Owners of the Parcels upon which the Midtowne Chase Residences are or will be constructed, with the exception of Developer while the Class B Membership exists. Class C Members shall be entitled to one vote for each Parcel owned, which may be cast by such member after Turnover (as hereinafter defined). When more than one person holds an interest in any Parcel, all such persons shall be Members; however, the vote for such Parcel shall be exercised as they shall determine among themselves, but in no event shall more than one vote be cast with respect to any Parcel. Notwithstanding the foregoing, if title to any Parcel is held by a husband and wife, either spouse may cast the vote for such Parcel unless and until a written voting authorization is filed with the Association. When title to a Parcel is in a corporation, partnership, association, trust, or other entity (with the exception of Developer), such entity shall be subject to the applicable rules and regulations contained in the Articles and Bylaws.

ARTICLE VII - BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of Directors, who shall be Members of the Association, provided, however, that until Turnover, the Directors need not be Members of the Association. There shall be three (3) Directors of the Association prior to Turnover. The first Board of Directors after Turnover shall include five (5) Directors, unless there are fewer than five (5) Members willing to serve on the Board of Directors, in which case the Board of Directors shall include three (3) Directors. After the first post-Turnover Board of Directors is elected, the Members may vote to increase the number of Directors on the Board of Directors to a maximum of seven (7) Directors, by amending these Articles of Incorporation in accordance with the Amendment requirements set forth in Article XII of these Articles.

The names and addresses of the current Directors until the selection and qualification of their successors are:

<u>Name</u>	<u>Address</u>
William Genovese	5210 Belfort Road, Suite 400 Jacksonville, Florida 32256
Shawn Budd	5210 Belfort Road, Suite 400 Jacksonville, Florida 32256
Chet Skinner	5210 Belfort Road, Suite 400 Jacksonville, Florida 32256

Until Turnover, the Board of Directors shall consist of Directors appointed by the Class B Member who shall serve until the Class B Member no longer has the right to appoint any Directors.

At the first annual meeting after Turnover, the Class A and Class C Members shall elect one-third (1/3) of the Directors to be elected by the Class A and Class C Members for a term of one (1) year, one-third (1/3) of the Directors to be elected by the Class A and Class C Members for a term of two (2) years and one-third (1/3) of the Directors to be elected by the Class A and Class C Members for a term of three (3) years (should the membership of the Board of Directors not be divisible by three, then the classes of directors should be made as nearly equal as possible). Notwithstanding the foregoing, each Director elected at the turnover meeting to serve a one (1) year term shall serve until the first annual meeting following the turnover meeting; provided, however, that if such period shall be less than six (6) months, such directors shall serve until the second annual meeting following the turnover meeting. At each annual meeting thereafter, the Members shall elect the Directors to be elected by the Class A and Class C Members for terms of three (3) years; provided however, for so long as the Class B Member has the right to appoint the minority of the Directors or at least one Director, the Class B member shall appoint and replace such persons at its sole discretion. (After Turnover and for so long as the Class B Member owns at least five percent (5%) of the Parcels within the Property, the Class B Member may appoint the minority of the Board of Directors or not less than one (1) Director). Any vacancy on the Board of Directors which is not subject to appointment by the Class B Member shall be filled for the unexpired term of the vacated office by the remaining Directors. Notwithstanding the foregoing, any Director designated by the Developer shall serve at the pleasure of the Developer and may be removed and replaced by the Developer at any time.

ARTICLE VIII - TERM OF EXISTENCE

This corporation shall have perpetual existence unless sooner dissolved in accordance with the provisions herein contained or in accordance with the laws of the State of Florida. The date on which corporate existence shall begin is the date on which these Articles of Incorporation are filed with the Secretary of State of the State of Florida.

ARTICLE IX - DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than seventy-five percent (75%) of each class of Members in accordance with the provisions of the Declaration. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association is created, or for the general welfare of the residents of the county in which the Property is located. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to similar purposes. In addition, the conveyance of any portion of the Stormwater Management System, or the transfer of any maintenance obligations pertaining to the Stormwater Management System must be to an entity which would comply with Section 40C-42.027, Florida Administrative Code, and the approval of the St. Johns River Water Management District must be obtained, prior to such termination, dissolution or liquidation.

ARTICLE X - OFFICERS

Subject to the direction of the Board of Directors, the affairs of this Association shall be administered by its officers, as designated in the Bylaws of this Association. Said officers shall be elected annually by the Board of Directors. The names and addresses of the current officers who shall serve until the next annual meeting of the Board of Directors are:

<u>Name and Title</u>	<u>Address</u>
William Genovese	5210 Belfort Road, Suite 400

President	Jacksonville, Florida 32256
Shawn Budd Vice President	5210 Belfort Road, Suite 400 Jacksonville, Florida 32256
Chet Skinner Secretary/Treasurer	5210 Belfort Road, Suite 400 Jacksonville, Florida 32256

ARTICLE XI - BYLAWS

The Bylaws of this Association shall be adopted by the first Board of Directors, which Bylaws may be altered, amended, modified or appealed in the manner set forth in the Bylaws.

ARTICLE XII - AMENDMENTS

The members of the Association shall have the right to amend or repeal any of the provisions contained in these Articles or any amendments hereto, provided, however, that any such amendment shall require the written consent of sixty-six and two-thirds percent (66 2/3%) of the voting interests within the Property (Midtowne) or the approval of persons holding seventy-five percent (75%) of the votes at a duly noticed meeting at which a quorum is present, in person or by proxy. Provided, further, that no amendment shall conflict with any provisions of the Declaration. After Turnover, the consent of any Institutional Mortgagees shall be required for any amendment to these Articles which impairs the rights, priorities, remedies or interest of such Institutional Mortgagees, and such consent shall be obtained in accordance with the terms and conditions, and subject to the time limitations, set forth in the Declaration. Any amendments to these Articles that affect the rights of the St. Johns River Water Management District, shall be subject to the approval of the St. Johns River Water Management District. Amendments to these Articles need only be filed with the Secretary of State and do not need to be recorded in the public records of the County.

ARTICLE XIII - INDEMNIFICATION

This Association shall indemnify any and all of its directors, officers, employees or agents, or former directors permitted by law. Said indemnification shall include, but not be limited to, the expenses, including the cost of any judgments, fines, settlements and counsel's fees, actually and necessarily paid or incurred in connection with any action, suit or proceeding, whether civil, criminal, administrative or investigative, and any appeals thereof, to which any such person or his legal representative may be made a party or may be threatened to be made a party by reason of his being or having been a director, officer, employee or agent, as herein provided. The foregoing right of indemnification shall not be inclusive of any other rights to which any such person may be entitled as a matter of law or which he may be lawfully granted. It shall be the obligation of the Association to obtain and keep in force a policy of officers' and directors' liability insurance.

ARTICLE XIV - FHA/VA PROVISIONS

For so long as the Class B Membership exists, the annexation of additional properties, the mortgaging of any part of the Common Property, any amendment to these Articles of Incorporation, the merger or consolidation of the Association with other property owners associations, and the dissolution of the Association shall require the prior written approval of the Federal Home Administration ("FHA") or the Veterans Administration ("VA") in accordance with the regulations of the U.S. Department of Housing and Urban Development, if the FHA or VA is the insurer of any Mortgage encumbering any Parcel within the Property.

The President has set his hand and seal this 24TH day of JANUARY, 2008

A handwritten signature in cursive script, reading "William Genovese", written over a horizontal line.

William Genovese
Its President

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**CERTIFICATE OF DESIGNATION OF PLACE OF BUSINESS OR
DOMICILE FOR THE SERVICE OF PROCESS WITHIN FLORIDA
FLORIDA NAMING AGENT UPON WHOM PROCESS MAY BE SERVED**

In compliance with Section 48.091, Florida Statutes, the following is submitted:

Midtowne Homeowners Association, Inc., desiring to organize or qualify under the laws of the State of Florida, with its principal place of business in the City of Jacksonville, County of Duval, State of Florida, has named Sterling Fin. & Mgmt, Inc., 6320 St. Augustine Road, Suite 6B, Jacksonville, Florida 32217 as its agent to accept service of process within Florida.

MIDTOWNE HOMEOWNERS ASSOCIATION, INC., a
Florida not-for-profit corporation

By: William Genovese

William Genovese

Its President

Date: JANUARY 24TH, 2008

Having been named to accept service of process for the above-stated corporation, at the place designated in the certificate, I agree to act in this capacity and I further agree to comply with the provisions of all statutes relative to the proper and complete performance of my duties.

STERLING FIN. & MGMT, INC.,
a Florida corporation

By: G. Mobley

Print Name: GORDON MOBLEY

Its: DIRECTOR OF OPERATIONS

Date: 1-24-08

Amended Exhibit C to Declaration
AMENDED AND RESTATED
BYLAWS OF
MIDTOWNE HOMEOWNERS' ASSOCIATION, INC.

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**AMENDED AND RESTATED
BYLAWS
OF
MIDTOWNE HOMEOWNERS' ASSOCIATION, INC.**

ARTICLE I - NAME AND LOCATION

The name of the corporation is MIDTOWNE HOMEOWNERS' ASSOCIATION, INC., hereinafter referred to as the "Association." The initial principal office of the corporation shall be located at 5210 Belfort Road, Suite 400, Jacksonville, Florida 32256, but meetings 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 capitalized terms set forth herein, except as specifically set forth herein, shall have the same meaning and definition as set forth in the Declaration of Covenants, Conditions, Restrictions and Easements for Midtowne to be recorded in the public records of Duval County, Florida, as such may be modified and supplemented from time to time ("Declaration").

ARTICLE III - MEETING OF MEMBERS

Section 1. Annual Meetings. The regular meetings of the Members shall be held on a designated day of November of each year hereafter, at the hour designated by the Board of Directors in the notice provided herein below.

Section 2. Special Meeting. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all of the votes of the Class A and Class C Membership. Business conducted at a special meeting is limited to the purposes described in the meeting notice.

Section 3. Notice of Meeting.

a. 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 hand delivery to each Parcel, by mailing a copy of such notice, postage prepaid, addressed to the Member's address last appearing on the books of the Association for the purpose of notice, or by electronically transmitting (to those Members who consent to receive notice by electronic transmission) a copy of such notice to the Member's electronic mailing address last appearing on the books of the Association for the purpose of notice at least fifteen (15) days but no more than ninety (90) days before such meeting, to each Member entitled to vote thereat. Said notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting. If mailed, the notice shall be addressed to the Member's address last appearing in the books of the Association for the purpose of notice, or to the last address supplied by the Member to the Association.

b. Any Member may waive such notice by a writing signed by such Member, and such waiver, when filed in the records of the Association before, at or after the holding of the meeting, shall constitute notice to such Member. Attendance of a Member at a meeting, either in person or by proxy, constitutes waiver of notice and waiver of any and all objection to the place of meeting, the time of meeting, or the manner in which it has been called or convened, unless the Member attends the meeting solely for the purpose of stating, at the beginning of the meeting, any such objection or objections to the transaction of affairs.

Section 4. Voting. Members shall be entitled to such votes as more fully set forth in the Articles. Matters shall be deemed approved if approved by a majority of votes represented at a duly noticed meeting at which a quorum is present in person or by proxy. Decisions that require a vote of the Members must be made by the concurrence of Members holding at least a majority of the votes present in person or by proxy, represented at a meeting at which a quorum has been attained in person or by proxy.

Section 5. Quorum. The presence at the meeting of Members or proxies entitled to vote twenty percent (20%) of the votes of Membership shall constitute a quorum for any action, except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws.

Section 6. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Proxies shall be dated, state the date, time, and place of the meeting for which it was given and be signed by the person authorized to give the proxy. A proxy may permit the holder to appoint in writing a substitute holder. Any proxy shall be effective only for the specific meeting for which originally given and any lawfully adjourned meetings thereof. A proxy is not valid for a period longer than ninety (90) days after the date of the first meeting for which it was given. A proxy is revocable at any time at the pleasure of the Member who executes it. Proxies need not be notarized.

Section 7. Waiver and Consent. Whenever the vote of Members at a meeting is required or permitted, the meeting and vote may be dispensed with if the applicable percentage of the Members who would have been required to vote upon the action if such meeting were held, shall consent in writing to such action being taken. Any such consent shall be distributed in accordance with the rules and regulations adopted by the Board of Directors and an executed copy shall be placed in the minute book.

Section 8. Order of Business. The order of business at the annual meeting of Members shall be as follows:

- a. Call to order;
- b. Calling of the roll and certifying proxies;
- c. Proof of notice of meeting or waiver of notice;
- d. Reading and disposal of unapproved minutes;
- e. Election or appointment of inspectors of election;
- f. Nomination and election of Board of Directors;
- g. Reports;
- h. Unfinished business; and
- i. Adjournment.

Section 9. Adjournment. The adjournment of an annual or special meeting to a different date, time or place must be announced at that meeting before adjournment is taken or notice must be given of the new time, date or place in the same manner as notice is given for such meeting. Any business that might have been transacted on the original date of the meeting may be transacted at the adjourned meeting. If a new record date for the adjourned meeting is or must be fixed, notice of the adjourned meeting must be given to persons who are entitled to vote and are Members as of the new record date but were not Members as of the previous record date.

ARTICLE IV - BOARD OF DIRECTORS

Section 1. Number of Directors. The affairs of the Association shall be managed by a Board of Directors. There shall be three (3) Directors of the Association prior to Turnover. The first Board of Directors after Turnover shall include five (5) Directors, unless there are fewer than five (5)

Members willing to serve on the Board of Directors, in which case the Board of Directors shall include three (3) Directors. After the first post-Turnover Board of Directors is elected, the Members may vote to increase the number of Directors on the Board of Directors to a maximum of seven (7) Directors, by amending the Articles of Incorporation in accordance with the Amendment requirements set forth in Article XII of the Articles. Until the Class B Membership has terminated, the Directors need not be Members of the Association. All Directors shall be elected or appointed in accordance with the applicable provisions contained in the Articles of Incorporation of the Association and herein.

Section 2. Method of Nomination. Until Turnover (as more fully defined in the Declaration), the Board of Directors shall consist of Directors appointed by the Class B Member. After Turnover, the persons to be elected by the Class A and Class C Members shall be made by a nominating committee or from the floor by Members at the annual meeting.

Section 3. Election. After Turnover, the Members may cast one vote for each Parcel or Reconfigured Parcel owned in respect to each vacancy. An election shall be by secret written ballot. Cumulative voting is not permitted. The election of Directors shall take place at the annual meeting and Members may vote in person at a meeting or by ballot that the Member personally casts prior to such meeting. Those persons receiving the largest number of votes shall be elected. At the first annual meeting after Turnover, the Class A and Class C Members shall elect one third (1/3) of the Directors to be elected by the Class A and Class C Members for a term of one (1) year, one third (1/3) of the Directors to be elected by the Class A and Class C Members for a term of two (2) years and one third (1/3) of the Directors to be elected by the Class A and Class C Members for a term of three (3) years (should the membership of the Board of Directors not be divisible by three, then the classes of Directors shall be made as nearly equal as possible). Notwithstanding the foregoing, each Director elected at the turnover meeting to serve a one (1) year term shall serve until the first annual meeting following the turnover meeting; provided, however, that if such period shall be less than six (6) months, such directors shall serve until the second annual meeting following the turnover meeting. Thereafter, all Directors to be elected by the Class A and Class C Members shall be elected for a three (3) year term, it being the intent that the terms of the Directors should be staggered. Provided however, for so long as the Class B Member has the right to appoint the minority of the Directors or at least one Director, the Class B Member shall appoint and replace such persons at its sole discretion. Any Director designated by the Developer shall serve at the pleasure of the Developer and may be removed and replaced by the Developer at any time.

Section 4. Resignation and Removal. A Director may resign at any time by delivery of a written notice to the Board of Directors, its chairman or secretary. The unexcused absence of a Director from three consecutive regular meetings of the Board of Directors shall be deemed a resignation. Any Director elected by the Class A and Class C Members may be removed from the Board of Directors, with or without cause, by a majority vote of the Members of the Association voting at a duly noticed meeting at which a quorum is present, in person or by proxy. No director appointed by the Class B Member shall be removed except by the Class B Member. A resignation is effective when notice is delivered, unless notice specifies a later effective date. If a resignation is made effective at a later date, the Board of Directors may fill the pending vacancy before the effective date if the Board of Directors provides that the successor does not take office until the effective date.

Section 5. 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 6. Action Taken Without a Meeting. To the extent permitted by law, 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. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

Section 7. Failure to Fill Vacancies. If there is a failure to fill vacancies on the Board of Directors sufficient to constitute a quorum of Directors in accordance with these Bylaws, any Member may apply to the Circuit Court of Duval County, Florida, for the appointment of a receiver to manage the affairs of the Association by certified or registered mail. At least thirty (30) days before applying to the circuit court, the Member shall mail to the Association and post in a conspicuous place on the Common Property a notice describing the intended action, giving the Association thirty (30) days to fill the vacancies. If during such time the Association fails to fill a sufficient number of the vacancies so that a quorum can be assembled, the Member may proceed with the petition. If a receiver is appointed, the Association shall be responsible for the salary of the receiver, court costs, attorney's fees and all other expenses of the receivership. The receiver has all powers and duties of a duly constituted board of directors and shall serve until the Association fills sufficient vacancies so that a quorum can be assembled.

ARTICLE V - MEETING OF DIRECTORS

Section 1. Organizational Meeting. The newly elected Board of Directors shall meet for the purposes of organization, the election of officers and the transaction of other business immediately after their election or within ten (10) days of same at such place and time as shall be fixed by the Directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary.

Section 2. Regular Meetings. Regular meetings of the Board of Directors shall be held at such place and hour as may be fixed from time to time by resolution of the Board of Directors, and shall be open to all Members. Except that meeting between the Board of Directors and its attorney with respect to proposed or pending litigation where the contents of the discussion would otherwise be governed by attorney client privilege may be closed to Members.

Notice of the meetings of the Directors shall be posted on the Common Property at least forty-eight (48) hours in advance, except in an emergency. In the alternative, if notice is not posted in a conspicuous place on the Common Property, the notice of Board of Director meetings shall be mailed, delivered or electronically transmitted (if such Member has consented to receive notice by electronic transmission) to each Member at least seven (7) days in advance, except in an emergency. Notice of any meeting in which Assessments against Parcels are to be established shall specifically contain a statement that Assessments shall be considered and a statement of the nature of such Assessments. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 3. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days' notice to each Director.

Section 4. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. A meeting at which a quorum of the Directors is present shall be deemed to be a meeting. 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 of Directors. If a quorum is present when a vote is taken, the affirmative vote of a majority of the Members is the act of the Board of Directors. A Director who is present at a meeting of the Board of Directors when corporate action is taken is deemed to have assented unless he or she objects, at the beginning of the meeting or promptly upon his arrival, to the holding of the meeting or transacting of specified affairs at the meeting, or unless he or she votes against or abstains from the action taken.

Section 5. Voting. Directors may not vote by proxy or by secret ballot at Board of Director meetings, except that secret ballots may be used in the election of officers.

ARTICLE VI - POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the powers of the Association as set forth in the Articles.

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

a. Cause to be kept a complete record of all its corporate affairs, including minutes of all meetings of Members and of the Board of Directors, in a businesslike manner, and present an annual statement thereof to the Members. Minutes of all meetings of Members and the Board of Directors must be maintained for at least seven (7) years in a written form or in another form that can be converted into written form in a reasonable time and shall be available for inspection by Members or their authorized representatives and Board of Directors members, at reasonable times and for a proper purpose. A vote or abstention from voting on each matter for each Director present at a Board of Directors meeting must be recorded in the minutes.

b. Supervise all officers, agents and employees of the Association and see that their duties are properly performed.

c. Issue, or authorize its agent to issue, upon demand by any Member, a certificate setting forth whether or not any Assessment has been paid and giving evidence thereof for which a reasonable charge may be made by the Association or by its authorized agent.

d. Designate depositories for Association funds, designate those officers, agents and/or employees who shall have authority to withdraw funds from such account on behalf of the Association, and cause such persons to be bonded as the Board of Directors deems appropriate in its sole discretion.

e. Prepare the proposed annual budget, submit the same to the Membership for comments, and approve the annual budget.

f. Fix General Assessments, Special Assessments, and Parcel Assessments at an amount sufficient to meet the obligations imposed by the Declaration.

g. Annually adopt the budget and set the date or dates Assessments will be due, and decide what, if any, interest is to be applied to Assessments which remain unpaid ten (10) days after they become due.

h. Send written notice of each Assessment to every Owner subject thereto at least thirty (30) days in advance of the due date of the Assessment or of the first installment thereof.

i. Cause the lien against any Parcel for which Assessments are not paid within thirty (30) days after the due date to be foreclosed, or cause an action at law to be brought against the Owner personally obligated to pay the same.

j. Cause the Common Property and the Stormwater Management System to be maintained in accordance with the Declaration and to assure that all permits assigned to the Association are maintained in accordance with their terms.

k. Procure and maintain adequate liability and hazard insurance on the Common Property as required by the Declaration, and such other insurance as the Board of Directors deems necessary or as may be required or permitted by the Declaration.

l. Exercise architectural review or designate a committee therefore, to review all Improvements, other than the Initial Improvements, in the manner set forth in the Declaration.

ARTICLE VII - OFFICERS AND THEIR DUTIES

Section 1. **Enumeration of Officers.** The officers of this Association shall be a 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 of Directors may from time to time by resolution create. Officers need not be Members of the Association.

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. Voting may be by secret ballot.

Section 3. **Term.** The officers of this Association shall be elected annually by the Board of Directors and each shall hold office for such period, have such authority, and perform such duties as the Board of Directors may determine from time to time.

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

Section 5. **Resignation and Removal.** Any officer may be removed from office with or without cause by the Board of Directors. Any officer may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall be necessary to make it effective.

Section 6. **Vacancies.** A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. **Multiple Offices.** After Turnover, the offices of President and Secretary may not be held by the same person.

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 of Directors are carried out; shall sign all leases, mortgages, deeds and other written instruments; and shall co-sign all promissory notes and contracts as the Board of Directors may approve from time to time.

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 of Directors.

c. **Secretary.** The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members; maintain the minute

book; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board of Directors 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 of Directors.

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 co-sign any promissory notes and contracts of the Association; keep proper books of account; cause an annual review of the Association books to be made by 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 Board of Directors and to the membership at its regular annual meetings.

ARTICLE VIII - COMMITTEES

The Association shall appoint such committees as are provided in the Declaration and shall appoint other committees as deemed appropriate in carrying out its purpose.

Meetings of committees shall be open to Members. Members of the committees may not vote by proxy or secret ballot.

ARTICLE IX - FISCAL YEAR

The Fiscal Year of the Association shall begin on the first day of January and end on the thirty-first day of December of every year, except that the first Fiscal Year shall begin on the date of incorporation.

ARTICLE X - BUDGETS AND ASSESSMENTS

Section 1. Budgets. The Association shall prepare an annual budget. The budget shall 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. 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 to the Member upon request with no charge.

Section 2. Assessments. As more fully provided in the Declaration, each Member is obligated to pay to the Association certain 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. The Assessment shall bear interest from the date of delinquency at an interest rate equal to the highest rate allowed by law, or as otherwise determined by the Board of Directors. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Parcel, and interest, costs and reasonable attorney's fees of any Assessment. No Owner may waive or otherwise escape liability for the Assessments provided for herein by nonuse of the Common Property or abandonment of his Parcel.

Section 3. Financial Reports. The Association shall prepare and annual financial report with sixty (60) days after the close of the fiscal year. The financial report shall comply with the applicable provisions of Florida Law.

ARTICLE XI - NOTICE OF TRANSFER

Prior to conveyance of any Parcel to an Owner, such Owner shall provide to the Association written notice of the party to whom the Parcel is to be conveyed together with an address for such new Owner for Association records.

ARTICLE XII - ASSOCIATION RECORDS

In accordance with the requirement of Section 720.303(4), Florida Statutes, the Official Records of the Association shall consist of:

Section 1. General Records.

a. A copy of any plans, specifications, permits and warranties related to improvements constructed on the Common Property or other property which 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 of Covenants and 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 Owners 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. A copy of the disclosure summary described in Section 720.401(1), Florida Statutes.

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

Section 2. Financial Records. Accounting records for the Association shall be 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, but are not limited to:

- a. Accurate, itemized, and detailed records of all receipts and expenditures.
- b. A current account and a periodic statement of the account for each Member of the Association, 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.
- c. All tax returns, financial statements and financial reports of the Association.
- d. Any other records that identify, measure, record or communicate financial information.

Section 3. Inspection and Copying of Records. The foregoing official records shall be maintained within the State of Florida and must be open to inspection and available for photocopying by Members or their authorized agents at reasonable times and places within ten (10) business days after receipt of a written request for access. The Association may adopt reasonable rules and regulations governing the frequency, time, location, notice and manner of inspections and may impose fees to cover the costs of providing copies of official records.

ARTICLE XIII - AMENDMENT

Section 1. Procedure. Until Turnover, these Bylaws may be amended by the Class B Member without the consent or joinder of any Class A or Class C Member. Thereafter, these Bylaws may be amended at a regular or special meeting of the Board of Directors by a majority vote of the Directors. Amendments to these Bylaws need only be filed in the minute book, and need not be recorded in the public records of the County.

Section 2. FHA/VA Approval. For so long as the Class B Membership exists, any amendment to these Bylaws shall require the prior written approval of the Federal Home Administration ("FHA") or the Veterans Administration ("VA") in accordance with the regulations of the U.S. Department of Housing and Urban Development, if the FHA or VA is the insurer of any Mortgage encumbering any Parcel within the Property, as such terms as defined within the Declaration.

Section 3. Conflict. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles of Incorporation shall prevail. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall prevail.

ARTICLE XIV – SEAL

The seal of the Association is hereby adopted in the form affixed hereto including the name of the Association, the words "Corporation Not For Profit" and the year of incorporation.

ARTICLE XV - INTERPRETATION

These Bylaws have been adopted in accordance with the provisions of Chapter 617, Florida Statutes (Corporations Not for Profit) and Chapter 720, Florida Statutes (Homeowner's Associations). To the extent that the provisions of these Chapters are amended or modified in a manner that is inconsistent herewith or that expands or clarifies any provisions hereof, the amendments or modifications of the statutes shall prevail.

The foregoing Bylaws of Midtowne Homeowners Association, Inc., a corporation not-for-profit under the laws of the State of Florida, were adopted at the first meeting of the Board of Directors.

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