

BY-LAW INDEX

**CERTIFICATE OF AMENDMENT TO THE AMENDED AND
RESTATED BYLAWS OF
ST LUCIE FALLS PROPERTY OWNERS ASSOCIATION INC
DECEMBER 22, 2000**

**ARTICLE IV
DIRECTORS**

Pg 1-2

**AMENDED AND RESTATED
BYLAWS OF
ST LUCIE FALLS PROPERTY OWNERS ASSOCIATION INC.
NOVEMBER 22, 1999**

**ARTICLE I
IDENTITY**

Pg 1

**ARTICLE II
MEMBERSHIP AND VOTING PROVISIONS**

Pg 1-3

1. Membership Limited to Owners of the Lots
2. Voting
3. Quorum
4. Proxies
5. Designation of Voting Member

**ARTICLE III
MEETING OF THE MEMBERSHIP**

Pg 3-4

1. Place
2. Notices
3. Annual Meeting
4. Special Meeting
5. Waiver and Consent
6. Adjourned Meeting
7. Approval or Disapproval

BY-LAW INDEX

ARTICLE IV **DIRECTORS**

Pg 4-7

- | | |
|--|-------------------------------|
| 1. Number, Term, and Qualifications | 6. Regular Meeting |
| 2. Organizational Meeting | 7. Special Meeting |
| 3. Removal of Directors | 8. Directors Waiver of Notice |
| 4. Vacancies | 9. Quorum |
| 5. Disqualification and Resignation of Directors | 10. Compensation |
| | 11. Powers and Duties |

ARTICLE V **OFFICERS**

Pg 7-8

- | | |
|------------------------|-----------------------|
| 1. Elective Officers | 5. The President |
| 2. Election | 6. The Vice-President |
| 3. Appointive Officers | 7. The Secretary |
| 4. Term | 8. The Treasurer |

ARTICLE VI **FINANCES AND ASSESSMENTS**

Pg 8-10

1. Depositories
2. Fidelity Bonds
3. Fiscal or Calendar Year
4. Determination of Assessments
5. Application of Payments and Commingling of Funds
6. Acceleration of Assessment Installments Upon Default
7. Audit

ARTICLE VII **COMPLIANCE AND DEFAULT**

Pg 10-12

- | | |
|---|-------------------------|
| 1. Violations | 4. No Waiver of Rights |
| 2. Negligence or Carelessness of Lot Owners | 5. Election of Remedies |
| 3. Cost and Attorneys' Fees | |

BY-LAW INDEX

ARTICLE VIII
ACQUISITION OF UNITS OR LOTS
Pg 12

1. Acquisitions on Foreclosures

ARTICLE IX
AMENDMENTS TO THE BY-LAWS
Pg 12-13

ARTICLE X
NOTICES
Pg 13

ARTICLE XI
INDEMNIFICATION
Pg 13

ARTICLE XII
LIABILITY SURVIVES TERMINATION OF MEMBERSHIP
Pg 13

ARTICLE XIII
LIMITATION OF LIABILITY
Pg 14

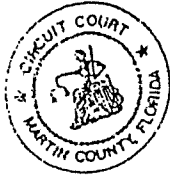
ARTICLE XIV
PARLIMENTARY RULES
Pg 14

ARTICLE XV
FIRST MORTGAGE REGISTER
Pg 14

BY-LAW INDEX

ARTICLE XVI **RULES AND REGULATIONS** **Pg 14-15**

1. The Board of Directors may, from time to time, adopt or amend previously adopted administrative Rules and Regulations as set forth in the Amended and Restated Declaration of Covenants and Restrictions. A copy of the Rules and Regulations adopted from time to time, as herein provided, shall be furnished each Lot Owner.
2. As to Lots; The Board of Directors may from time to time adopt or amend previously adopted Rules and Regulations governing and restricting the use and maintenance of the Lots, provided, however, that copies of such Rules and Regulations prior to the time same become effective, shall be furnished to each Lot Owner.
3. Conflict; In the event of any conflict between the Rules and Regulations adopted, or from time to time amended, and the Amended and Restated Declaration of Covenants and Restrictions, the latter shall prevail. If any unreconciled conflict should exist or hereafter arise with respect to the interpretation of these Amended and Restated Declaration of Covenants and Restrictions, the provisions of said Amended and Restated Declaration shall prevail.



INSTR # 1473051
OR BK 01523 PG 2166
RECORDED 12/27/2000 04:11 PM
MARSHA EWING
MARTIN COUNTY Florida
DEPUTY CLERK T Copus (asst mgr)

CERTIFICATE OF AMENDMENT
TO THE
AMENDED AND RESTATED
BYLAWS
OF
ST. LUCIE FALLS PROPERTY OWNERS ASSOCIATION, INC.

The Amended and Restated By-Laws of St. Lucie Falls Property Owners Association, Inc. were recorded in the public records of Martin County, Florida at Official Records Book 1448, Page 1378 et.seq. The same Amended and Restated By-Laws are amended as approved by the membership by vote sufficient for approval at a Special Members' Meeting held on October 24, 2000.

1. Article IV is amended to read as follows:

ARTICLE IV
DIRECTORS

Section 11. Powers and Duties. The Board of Directors of the Association shall have the powers and duties necessary for the administration of the affairs of the Association. These powers shall specifically include, but shall not be limited to the following:

(a) To exercise all common law and statutory powers and all powers specifically set forth in the Amended and Restated Declaration of Covenants and Restrictions, the Amended and Restated Articles of Incorporation, in these Amended and Restated By-Laws, and all powers incidental thereto. Except that the purchase, sale, conveyance, mortgage, lease or any other disposition of the Common Properties must be approved by two-thirds (2/3rd) of those members present and voting at a duly convened meeting of the members.

Record and Return to:
Cornett, Gooze, Ross & Earle, P.A.
P.O. Box 66
Stuart, Florida 34995

(f) The further improvement of the Common Properties, subject to the approval of two-thirds (2/3rds) of the members present and voting at a duly convened meeting of the members.

(The balance of Article IV remains unchanged)

2. The foregoing amendments to the Amended and Restated By-Laws for St. Lucie Falls Property Owners Association, Inc. was adopted by the membership by a vote sufficient for approval at a Special Members' Meeting held on October 24, 2000.

3. The adoption of these amendments appears upon the minutes of said meeting and are unrevoked.

4. All provisions of the Amended and Restated By-Laws for St. Lucie Falls Property Owners Association, Inc. are herein confirmed and shall remain in full force and effect, except as specifically amended herein.

IN WITNESS WHEREOF, the undersigned has caused these presents to be signed in its name by its President, its Secretary and its corporate seal affixed this 22nd day of December, 2000.

WITNESSES:

ST. LUCIE FALLS PROPERTY
OWNERS ASSOCIATION, INC.

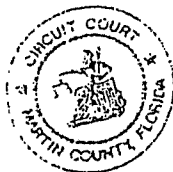
David B. Earle
Witness #1 Signature

By: Nancy L. Smith
Nancy L. Smith, its President

DAVID B. EARLE
Printed Name of Witness

Nancy T. Hixie
Witness #2 Signature

Nancy T. Hixie
Printed Name of Witness



AMENDED AND RESTATED
BY-LAWS
OF
ST. LUCIE FALLS PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE I.
IDENTITY

The By-Laws of the St. Lucie Falls Property Owners Association, Inc. have been recorded at O.R. Book 516, Page 1530, Martin County, Florida public records. The following Amended and Restated By-Laws, which shall govern the operation of ST. LUCIE FALLS PROPERTY OWNERS ASSOCIATION, INC., were adopted and approved by the voting members of St. Lucie Falls Property Owners Association, Inc. at a meeting held on November 1, 1999.

The Association is a Florida Corporation not-for-profit, organized and existing under the laws of the State of Florida for the purpose of administering the community to be known as ST. LUCIE FALLS, which is located in Martin County, Florida.

Section 1. The office of the Association shall be at such place as may be subsequently designated by the Board of Directors of the Association.

Section 2. The Seal of the Corporation shall bear the name of the Corporation, the word "Florida," the words "Corporation not-for-profit," and the year of incorporation.

ARTICLE II.
MEMBERSHIP AND VOTING PROVISIONS

Section 1. Membership in the Association shall be limited to owners of the Lots at St. Lucie Falls. Transfer of Lot ownership, either voluntary or by operation of law, shall terminate membership in the Association, and said membership is to become vested in the transferee. If Lot ownership is vested in more than one person, then all of the owners shall be members eligible to hold office, attend meetings, etc., but the vote of a Lot shall be cast by the "voting member." If Lot ownership is vested in a corporation, said corporation shall designate an individual officer or employee of the corporation as its "voting member."

Section 2. Voting.

(a) The owner(s) of each Lot shall have one equal vote for each Lot. If a Lot Owner owns more than one Lot, he shall be entitled to vote for each Lot owned. The vote of a Lot is not divisible.

EXHIBIT C

(b) A majority of the members' total votes shall decide any question, unless the Amended and Restated Declaration, these Amended and Restated By-Laws or Amended and Restated Articles of Incorporation of the Association provide otherwise.

Section 3. Quorum. Unless otherwise provided in these Amended and Restated By-Laws, the presence in person or by proxy of a majority of the members' total votes shall constitute a quorum.

Section 4. Proxies. Votes may be cast in person or by proxy. All proxies shall be in writing and signed by the person entitled to vote (as set forth below in Section 5), and shall be filed with the Secretary prior to the meeting in which they are to be used and shall be valid only for the particular meeting designated or any adjournment for up to ninety (90) days. Where a Unit is owned jointly by a husband and wife, and if they have not designated one of them as a Voting Member, a proxy must be signed by both husband and wife.

Section 5. Designation of Voting Member. If a Lot or Unit is owned by one person, his right to vote shall be established by the recorded title to the Lot. If a Lot is owned by more than one (1) person, the person entitled to cast the vote for the Lot shall be designated in a certificate, signed by all of the recorded Owners of the Lot and filed with the Secretary of the Association. If a Lot is owned by a corporation, the officer or employee thereof entitled to cast the vote of the Lot for the corporation shall be designated in a certificate for this purpose, signed by the president or vice-president, attested to by the secretary or assistant secretary of the corporation, and filed with the secretary of the association. The person designated in such certificate who is entitled to cast the vote for a Lot shall be known as the "voting member." If such a certificate is not on file with the Secretary of the Association for a Lot owned by more than one person or by a corporation, the vote of the Lot concerned shall not be considered in determining the requirement for a quorum, or for any purpose requiring the approval of a person entitled to cast the vote for the Lot except if said Lot is owned by a husband and wife. Such certificate shall be valid until revoked or until superseded by a subsequent certificate, or until a change in the ownership of the Lot concerned takes place. If a Lot or Unit is owned jointly by a husband and wife, the following three (3) provisions are applicable:

(a) They may, but shall not be required to, designate a voting member.

(b) If they do not designate a voting member, and if both are present at a meeting and are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to vote on that subject at that meeting. (As previously provided, the vote of a Lot or Unit is not divisible.)

(c) Where they do not designate a voting member, and only one is present at a meeting, the person present may cast the Lot or Unit vote, just as though he or she owned the Lot or Unit individually and without establishing the concurrence of the absent person.

ARTICLE III. MEETING OF THE MEMBERSHIP

Section 1. Place. All meetings of the Association and membership shall be held in Martin County, Florida, at such place and at such time as shall be designated by the Board of Directors of the Association and stated in the Notice of the meeting.

Section 2. Notices. It shall be the duty of the Secretary to mail or deliver a notice of each annual or special meeting, stating the time and place, to each Lot Owner of record at least fourteen (14), but not more than thirty (30) days prior to such meeting. Notice of any annual or special meeting shall state the purpose thereof and said meeting shall be confined to the matters stated in said notice. All notices mailed shall be to the address of the Lot Owner as it appears on the books of the Association.

Section 3. Annual Meeting. The annual meeting for the purpose of electing Directors and transacting any other business authorized to be transacted by the members shall be held in January of each year, at such time and on such date as the Board of Directors shall determine. At the annual meeting, the members, shall elect by plurality vote (cumulative voting prohibited), the Board of Directors and shall transact such other business as may properly be brought before the meeting.

Section 4. Special Meeting. Special meetings of the members for any purpose or purposes may be called by the President and shall be called by the President or Secretary at the request, in writing, of a majority of the Board of Directors or at the request, in writing, of voting members representing twenty-five (25%) percent of the members' total votes, which request shall state the purpose or purposes of the proposed meeting. Business transacted at all special meetings shall be confined to the subjects stated in the notice.

Section 5. Waiver and Consent. Whenever the vote of members at a meeting is required or permitted by any provision of these Amended and Restated By-Laws to be taken in connection with any action of the Association, the meeting and vote of members may be dispensed with if not less than seventy-five (75%) percent of the members who would have been entitled to vote upon the action if such meeting were held, shall consent in writing to such action being taken; however, notice of such action shall be given to all members unless all members approve such action.

Section 6. Adjourned Meeting. If any meeting of members cannot be organized because a quorum of voting members is not present, either in person or by proxy, the meeting may be adjourned from time to time until a quorum is present.

Section 7. Approval or Disapproval of a Lot Owner upon any matter, whether or not the subject of an Association meeting, shall be by the voting members, provided, however, that where a Lot is owned jointly by a husband and wife and they have not designated one of them as a voting member, their joint approval or disapproval shall be required where they are both present, or in the event only one is present, the person present may cast the vote without establishing the concurrence of the absent person.

ARTICLE IV. DIRECTORS

Section 1. Number, Term and Qualifications. The affairs of the Association shall be governed by a Board of Directors composed of nine (9) members. The term of each Director's service shall extend for two (2) years, until his successor is duly elected and qualified, or until he is removed in the manner provided in Section 3. All Directors shall be members of the Association.

In order to institute staggered terms, at the election in 1999, five (5) directors shall be elected for a term of two (2) years and four (4) for a term of one (1) year. The directors receiving the greatest number of votes shall receive the two year terms. In case of a tie, the issue will be settled by drawing lots. Thereafter, each even numbered year, four (4) directors shall be elected, and each odd numbered year, five (5) directors shall be elected.

Section 2. The organizational meeting of a newly elected Board of Directors of the Association shall be held within ten (10) days of their election at such place and time as shall be fixed by the Directors at the meeting at which they were elected.

Section 3. Removal of Directors. At any duly convened regular or special meeting of the members, any one or more of the Directors may be removed, with or without cause, by the affirmative vote of the voting members casting not less than two-thirds (2/3) of the total votes present at said meeting, and a successor may then and there be elected to fill the vacancy thus created. Should the membership fail to elect a successor, the Board of Directors may fill the vacancy in the manner provided in Section 4 below.

Section 4. Vacancies. If the office of any Director or Directors becomes vacant by reason of death, resignation, retirement, disqualification or otherwise, a majority of the remaining Directors, though less than a quorum, shall choose a successor or successors who shall hold office for the balance of the unexpired term.

Section 5. Disqualification and Resignation of Directors. Any Director may resign at any time by sending a written notice of such resignation to the office of the Corporation, delivered to the Secretary. Unless otherwise specified therein, such resignation shall take effect upon receipt by the Secretary. More than three (3) consecutive absences from regular meetings of the Board of Directors, unless excused by resolution of the Board of Directors, shall automatically constitute a resignation effective when such resignation is accepted by the Board of Directors. The transfer of title of a Lot by a Director shall automatically constitute a resignation. No member shall continue to serve on the Board should he be more than thirty (30) days delinquent in the payment of an assessment, and said delinquency shall automatically constitute a resignation, effective when such resignation is accepted by the Board of Directors.

Section 6. Regular Meetings. The Board of Directors may establish a schedule of regular meetings to be held at such time and place as the Board of Directors may designate. Notice shall provided to all directors and owners through the news letter.

Section 7. Special Meetings. Special meetings of the Board of Directors may be called by the President, and in his absence, by the Vice-President, or by a majority of the members of the Board of Directors, by giving five (5) days' notice, in writing, to all of the members of the Board of Directors of the time and place of said meeting. All notices of special meetings shall state the purpose(s) of the meeting. Notice of all special meetings must be posted on the Association bulletin board or on the community cable channel at least 48 hours prior to the meeting, except in an emergency.

Section 8. Directors' Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may waive notice of such meeting and such waiver shall be deemed equivalent to the giving of notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof.

Section 9. Quorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at such meetings at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At each such adjourned meeting, any business which might have been transacted at the meeting, as originally called, may be transacted without further notice.

Section 10. Compensation. The Directors' fee, if any, shall be determined by the voting members.

Section 11. Powers and Duties. The Board of Directors of the Association shall have the powers and duties necessary for the administration of the affairs of the Association. These powers shall specifically include, but shall not be limited to the following:

(a) To exercise all common law and statutory powers and all powers specifically set forth in the Amended and Restated Declaration of Covenants and Restrictions, the Amended and Restated Articles of Incorporation, in these Amended and Restated By-Laws, and all powers incidental thereto.

(b) To make assessments for the purposes set forth in the Amended and Restated Declaration of Covenants and Restrictions, including but not limited to the hiring of personnel, management, taxes, maintenance, repair, upkeep, replacement and insurance for Common Properties, and other property, both real or personal, required to be maintained, repaired, replaced, insured or managed by the Association; collect said assessments; use and expend the assessments to carry out the purposes and powers of the Association as aforesaid; the power to assess; file liens; and foreclose liens.

(c) To employ, dismiss and control the personnel necessary for the maintenance and operation of the Common Properties and other property as provided in (b) above, including the right and power to employ attorneys, accountants, lawyers, contractors, and other professionals, as the need arises.

(d) To make and amend rules and regulations concerning the Association property and responsibilities.

(e) To contract for the management of the Common Properties and other property of the Association.

(f) The further improvement of the Common Properties, subject to the approval of the members.

(g) Designate an executive committee which, to the extent provided in the resolution designating said committee, may have the powers of the Board of Directors in the management and affairs and business of the Association. Such committee shall consist of at least three (3) members of the Association and such committee(s) may consist of only members of the Board of Directors.

(h) To maintain, repair, replace and operate property of the Association, both real and personal, utilized for drainage purposes.

ARTICLE V. OFFICERS

Section 1. Elective Officers. The principal officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors. One person may not hold more than one of the aforementioned offices, except one person may be both Secretary and Treasurer. The President shall be a member of the Board of Directors.

Section 2. Election. The Officers of the Association designated in Section 1 above shall be elected annually by the Board of Directors at the organizational meeting of each new Board following the meeting of the members.

Section 3. Appointive Officers. The Board may appoint assistant secretaries and assistant treasurers and such other officers as the Board of Directors deems necessary.

Section 4. Term. The Officers of the Association shall hold office until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Directors may be removed at any time, with or without cause, by the Board of Directors, provided, however, that no officer shall be removed except by the affirmative vote for removal by a majority of the whole Board of Directors (e.g., if the Board of Directors is composed of five persons, then three of said Directors must vote for removal). If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Directors.

Section 5. The President. He shall be the chief executive officer of the Association; he shall preside at all meetings of the membership and of the Board of Directors. He shall have executive powers and general supervision over the affairs of the Association and other officers. He shall sign all written contracts to perform all of the duties incident to his office and which may be delegated to him from time to time by the Board of Directors.

Section 6. The Vice-President. He shall perform all of the duties of the President in his absence, and such other duties as may be required of him from time to time by the Board of Directors of the Association.

Section 7. The Secretary. He shall issue notices of all Board of Directors' meetings and all meetings of the membership; he shall attend and keep the minutes of same; he shall have charge of all of the Association's books, records and papers, except those kept by the Treasurer. The Assistant Secretary shall perform the duties of the secretary when the Secretary is absent.

Section 8. The Treasurer.

(a) He shall have custody of the Association's funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association, and shall deposit all monies and other valuable effects in the name of and to the credit of the Association in such depositories as may be designated from time to time by the Board of Directors. The books shall reflect an account for each Lot.

(b) He shall disburse the funds of the Association as may be ordered by the Board of Directors in accordance with these Amended and Restated By-Laws, making proper vouchers for such disbursements, and shall render to the President and Board of Directors at the regular meetings of the Board of Directors, or whenever they may require it, an account of all of his transactions as the Treasurer and of the financial condition of the Association.

(c) He shall collect the assessments and promptly report the status of collections and of all delinquencies to the Board of Directors.

(d) He shall give status reports to potential transferees on which reports the transferees may rely.

(e) The Assistant Treasurer shall perform the duties of the Treasurer when the Treasurer is absent.

ARTICLE VI.
FINANCES AND ASSESSMENTS

Section 1. Depositories. The funds of the Association shall be deposited in such banks and depositories as may be determined by the Board of Directors from time to time upon resolutions approved by the Board of Directors, and shall be withdrawn only upon checks and demands for money signed by such officer or officers of the Association as may be designated by the Board of Directors. Obligations of the Association shall be signed by at least two (2) officers of the Association.

Section 2. Fidelity Bonds. The Board of Directors shall determine whether to bond the Treasurer and all officers who are authorized to sign checks, and all officers and employees of the Association, and any contractor handling or responsible for Association funds, and if bonded, the amount of such bond shall be determined by the Board of Directors. The premiums on such bonds shall be paid by the Association. The bond shall be in an amount sufficient to equal the monies an individual handles or has control of via a signatory or a bank account or other depository account.

Section 3. Fiscal or Calendar Year. The Association shall be on a calendar year basis. The Board of Directors is authorized to change to a fiscal year in accordance with the provisions and regulations from time to time prescribed by the Internal Revenue Code of the United States of America at such time as the Board of Directors deems it advisable. The setting of a fiscal year, as provided herein, shall not affect the applicable provisions of Article III, Section 3, of these Amended and Restated By-Laws as to the requirement of one annual meeting in each calendar year, as set forth therein.

Section 4. Determination of Assessments.

(a) The Board of Directors of the Association shall fix and determine from time to time the sum or sums necessary and adequate to pay for the expenses of the Association. Association expenses shall include, but not be limited to, those expenses as set forth in the Amended and Restated Declaration of Covenants and Restrictions, the costs of carrying out the powers and duties of the Association, and such other expenses as are determined by the Board of Directors. The Board of Directors is specifically empowered, on behalf of the Association, to make and collect assessments and to maintain and repair areas as provided in the Amended and Restated Declaration of Covenants and Restrictions. Funds for the payment of Association expenses shall be assessed against the Lots on an equal basis as provided in the Amended and Restated Declaration. Said assessments shall be payable in advance on a monthly, bi-monthly or quarterly basis, as determined by the Board of Directors, and shall be due on the first day of the applicable period in advance, unless otherwise ordered by the Board of Directors. Special assessments, should such be required by the Board of Directors, shall be levied in the same manner as hereinbefore provided for regular assessments and shall be payable in the manner determined by the Board of Directors.

(b) When the Board of Directors has determined the amount of any assessment, the Treasurer of the Association shall mail or present to each Lot Owner a statement of said Lot's assessment. All assessments shall be payable to the Association and, upon request, said Treasurer shall give a receipt for each payment made to him.

(c) The Board of Directors shall adopt an operating budget for each calendar year pursuant to the Amended and Restated Declaration of Covenants and Restrictions.

Section 5. Application of Payments and Commingling of Funds. All sums collected by the Association from assessments may be commingled in a single fund or divided into more than one fund as determined by the Board of Directors of the Association. All assessment payments by a Lot Owner shall be applied as to interest, delinquencies, costs, late charges, and attorneys' fees, other charges, expenses and advances, as provided herein and in the Amended and Restated Declaration of Covenants and Restrictions, and general or special assessments, in such manner and amounts as the Board of Directors determine in its sole discretion.

Section 6. Acceleration of Assessment Installments Upon Default. If a Lot Owner shall be in default in the payment of an installment upon any assessment, the Board of Directors may accelerate the remaining monthly installments for the calendar year upon notice thereof to the Lot Owner and, thereupon, the unpaid balance of the assessment shall become due upon the date stated in the notice, but not less than fifteen (15) days after delivery of or the mailing of such notice to the Lot Owner.

Section 7. Audit. An audit of the accounts of the Association shall be made annually. Said audit shall not be required to be certified but shall be prepared by such accountant as the Board of Directors determines and a copy of said report shall be available to the members of the Association in the office of said Association and with the Treasurer of the Association. Such report shall be available not later than four (4) months after the end of the year for which the report is made.

ARTICLE VII. COMPLIANCE AND DEFAULT

Section 1. Violations. In the event of a violation (other than the non-payment of an assessment) by a Lot Owner, tenant or guest, of any of the provisions of the Amended and Restated Declaration of Covenants and Restrictions or these Amended and Restated By-Laws, the Association, by direction of its Board of Directors, may notify the Lot Owner, tenant or guest by written notice of said breach, transmitted by mail, and if such violation shall continue for a period of thirty (30) days from the date of the notice, the Association, through its Board of Directors, shall have the right to treat such violation as an intentional and inexcusable and material breach of the Amended and Restated Declaration or of the Amended and Restated By-Laws, and the Association may then, at its option, have the following elections:

(a) An action at law to recover for its damage on behalf of the Association or on behalf of the other Lot Owners;

(b) An action in equity to enforce performance on the part of the Lot Owner; or

(c) An action in equity for such equitable relief as may be necessary under the circumstances, including injunctive relief.

Failure on the part of the Association to maintain such action at law or in equity within thirty (30) days from date of a written request, signed by a Lot Owner, sent to the Board of Directors, shall authorize any Lot Owner to bring an action in equity or suit at law on account of the violation.

Any violations which are deemed by the Board of Directors to be a hazard to public health may be corrected immediately as an emergency matter by the Association, and the cost thereof shall be charged to the Lot Owner as a specific item which shall be a lien against said Lot with the same force and effect as if the charge were a part of the Association assessment or special assessment.

Section 2. Negligence or Carelessness of Lot Owner. All owners of a Lot shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, or by that of any member of his family, or his or their guests, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in insurance rates occasioned by use, misuse, occupancy or abandonment of any Lot or its appurtenances. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance company of rights of subrogation. The expense for any maintenance, repair or replacement required, as provided in this Section, shall be charged to said Lot Owner as a specific item, which shall be a lien against said Lot with the same force and effect as if the charge were a part of the Association expenses.

Section 3. Costs and Attorneys' Fees. In any proceeding arising because of an alleged default by a Lot Owner, his tenants, guests, employees or agents, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees, including costs and reasonable attorneys' fees on appeal, as may be determined by the Court.

Section 4. No Waiver of Rights. The failure of the Association or of a Lot Owner to enforce any right, provision, covenant or condition which may be granted by the Amended and Restated Declaration of Covenants and Restrictions or these Amended and Restated By-Laws shall not constitute a waiver of the right of the Association or Lot Owner to enforce such right, provision, covenant or condition of the future.

Section 5. Election of Remedies. All rights, remedies and privileges granted to the Association or Lot Owners, pursuant to any terms, provisions, covenants or conditions of the Amended and Restated Declaration of Covenants and Restrictions documents, shall be deemed to be cumulative and. the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be granted to such other party by the Amended and Restated Declaration of Covenants and Restrictions or these Amended and Restated By-Laws, or at law or in equity.

ARTICLE VIII. ACQUISITION OF UNITS OR LOTS

Section 1. Acquisition on Foreclosure. At any mortgage foreclosure sale of a Lot, the Board of Directors may, with the authorization and approval by the affirmative vote of voting members casting not less than sixty (60%) percent of the total votes of the members present at any regular or special meeting of the members wherein said matter is voted upon, acquire, in the name of the Association, or its designee, a Lot being foreclosed. The term "foreclosure," as used in this Section, shall mean and include any foreclosure of any lien, excluding the Association's lien for assessments. The power of the Board of Directors to acquire a Lot at any foreclosure sale shall never be interpreted as any requirement or obligation on the part of the said Board of Directors or of the Association to do so at any foreclosure sale, the provisions hereof being permissive in nature and for the purpose of setting forth the power in the Board of Directors to do so should the requisite approval of the voting members be obtained. The Board of Directors shall not be required to obtain the approval of Lot Owners at the foreclosure sale of a Lot, due to the foreclosure of the Association's lien for assessments under the provisions of the Amended and Restated Declaration of Covenants and Restrictions, notwithstanding the sum the Board of Directors determines to bid at such foreclosure sale.

ARTICLE IX. AMENDMENTS TO THE BY-LAWS

The Amended and Restated By-Laws may be altered, amended or added to at any duly called meeting of the membership, provided:

1. (a) The amendment shall be approved by the affirmative vote of the voting members casting not less than sixty (60%) percent of the votes of the members of the Association present and voting, in person or by proxy, at a duly called meeting of the members; and

(b) Said amendment shall be recorded and certified, as required by the Amended and Restated Declaration of Covenants and Restrictions. Notwithstanding anything above to the contrary, these Amended and Restated By-Laws may not be amended without a prior written resolution requesting the said Amendment from the Board of Directors.

ARTICLE X. NOTICES

Whatever notices are required to be sent hereunder shall be delivered or sent in accordance with the applicable provisions for notices, as set forth in the Amended and Restated Declaration of Covenants and Restrictions.

ARTICLE XI. INDEMNIFICATION

The Association shall indemnify every Director and every Officer, his heirs, executors and administrators, against all loss, cost and expense reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a Director or Officer of the Association, including reasonable counsel fees and costs and reasonable counsel fees on appeal, to be approved by the Association, except as to matters wherein he shall be finally adjudged in such action, suit or proceeding, to be liable for or guilty of gross negligence or willful misconduct. The foregoing rights shall be in addition to and not exclusive of all other rights to which such Director or Officer may be entitled.

ARTICLE XII. LIABILITY SURVIVES TERMINATION OF MEMBERSHIP

The termination of membership in the Association shall not relieve or release any such former owner or member from any liability or obligations incurred under or in any way connected with the Association during the period of such ownership of a Lot and membership in the Association, or impair any rights or remedies which the Association may have against such former owner and member arising out of or in any way connected with such ownership and membership, and the covenants and obligations incident thereto.

ARTICLE XIII.
LIMITATION OF LIABILITY

Notwithstanding the duty of the Association to maintain and repair areas as provided in the Amended and Restated Declaration of Covenants and Restrictions, the Association shall not be liable for injury or damage caused by a latent condition in the property, nor for injury or damage caused by the elements or by other owners or persons.

ARTICLE XIV.
PARLIAMENTARY RULES

Roberts' Rules of Order (latest edition) shall govern the conduct of the Association's meeting when not in conflict with the Amended and Restated Declaration of Covenants and Restrictions, or these Amended and Restated By-Laws, or applicable Florida law.

ARTICLE XV.
FIRST MORTGAGE REGISTER

The Association may maintain a register of all first mortgages, and at the request of a first mortgagee, the Association shall forward copies of all notices for unpaid assessments or violations served upon a Lot Owner to said first mortgagee. If a register is maintained, the Board of Directors of the Association may make such charge as it deems appropriate against the applicable Lot for supplying the information provided herein.

ARTICLE XVI.
RULES AND REGULATIONS

Section 1. The Board of Directors may, from time to time, adopt or amend previously adopted administrative Rules and Regulations as set forth in the Amended and Restated Declaration of Covenants and Restrictions. A copy of the Rules and Regulations adopted from time to time, as herein provided, shall be furnished each Lot Owner.

Section 2. As to Lots. The Board of Directors may from time to time adopt or amend previously adopted Rules and Regulations governing and restricting the use and maintenance of the Lots, provided, however, that copies of such Rules and Regulations, prior to the time same become effective, shall be furnished to each Lot Owner.

Section 3. Conflict. In the event of any conflict between the Rules and Regulations adopted, or from time to time amended, and the Amended and Restated Declaration of Covenants and Restrictions, the latter shall prevail. If any unreconciled conflict should exist or hereafter arise with respect to the interpretation of these Amended and Restated By-Laws as between these Amended and Restated By-Laws and the Amended and Restated Declaration of Covenants and Restrictions, the provisions of said Amended and Restated Declaration shall prevail.

APPROVED AND DECLARED as the Amended and Restated By-Laws of the Association named below.

IN WITNESS WHEREOF, the undersigned entities have caused these presents to be signed by their proper officers, and their corporate seals to be affixed, this 22nd day of November, 1999.

ST. LUCIE FALLS PROPERTY
OWNERS ASSOCIATION, INC.,
A Florida not for profit corporation

By: Anthony Cuda
President

Attest: Thomas R. Hoffmann
Secretary

[SEAL]

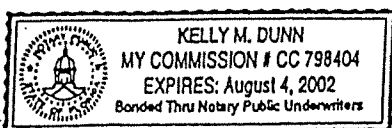
JANE L CORRETT
Print Name: JANE L CORRETT

William L Furgus
Print Name: William L Furgus

STATE OF FLORIDA
COUNTY OF MARTIN

BEFORE ME, an officer duly authorized in the State and county aforesaid to take acknowledgments, personally appeared Anthony Cuda and Thomas R Hoffmann, known to me to be the individuals described in and who executed the foregoing instrument as President and Secretary of the above named ST. LUCIE FALLS PROPERTY OWNERS ASSOCIATION, INC., a Florida corporation not-for-profit, and severally acknowledged to and before me that they executed such instrument as President and Secretary, respectively, of said corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that it was affixed to said instrument by due and regular corporate authority, and that said instrument is the free act and deed of said corporation.

WITNESS my hand and official seal this 22nd day of November, 1999.



Kelly M. Dunn
Notary Public, State of Florida