
**BYLAWS
OF
GRAND RIVER MASTER ASSOCIATION, INC.**

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GRAND RIVER MASTER ASSOCIATION, INC.**

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**BYLAWS
OF
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ARTICLE I

THE MASTER ASSOCIATION

SECTION 1.01 NAME. The name of this Association shall be "Grand River Master Association, Inc.", an Alabama nonprofit corporation (the "Master Association"), which has been formed pursuant to Articles of Incorporation of Grand River Master Association, Inc. dated as of July 30, 2008 and recorded in the Office of the Judge of Probate of Jefferson County, Alabama.

SECTION 1.02 MASTER DECLARATION. The provisions of these Bylaws are expressly subject to the terms and provisions of the Grand River Master Declaration of Covenants, Conditions and Restrictions dated as of July 30, 2008, which has been or will be recorded in the Office of the Judge of Probate of Jefferson County, Alabama (which, together with all subsequent amendments thereto, is hereinafter referred to as the "Master Declaration"). *Capitalized terms not otherwise expressly defined herein shall have the same meanings given to them in the Master Declaration.*

SECTION 1.03 PRINCIPAL OFFICE. The principal office of the Master Association in the State of Alabama shall be located at 3660 Grandview Parkway, Suite 100, Birmingham, Alabama 35243. The Master Association may have such other offices, either within or without the State of Alabama, as the Board of Directors may designate from time to time.

SECTION 1.04 REGISTERED OFFICE. The registered office of the Master Association required by the Alabama Nonprofit Corporation Act to be maintained in the State of Alabama shall be the same as the principal office of the Master Association.

ARTICLE II

MEMBERS

SECTION 2.01 MEMBERSHIP.

(a) The Master Declaration creates three (3) separate Development Districts. Exhibit B to the Master Declaration sets forth the name of each Development Association created within Grand River and identifies which of the three (3) Development Districts within which each such Development Association is a part. There shall be only three (3) Members of the Association, each of whom shall represent one of the three (3) Development Districts. Each Member of the Master Association shall also be a Development District Representative, as defined in the Master Declaration. Each Member or Development District Representative for each respective Development District shall be elected (and shall be subject to removal) as provided below in this Section 2.01.

(b) Subject to the remaining terms and provisions of this Section 2.01, each Development Association which is listed in Exhibit B to the Master Declaration shall have the right to nominate one (1) individual as a candidate for Development District Representative for the Development District in which such Development Association is a part (as reflected in Exhibit B to the Master Declaration). The boards of directors of all Development Associations within each applicable Development District shall elect, by

majority vote (within each such board of directors of each such Development Association having one (1) vote), one (1) Development District Representative for each Development District. The Development District Representative elected for each Development District shall be a Member of the Master Association. Notwithstanding anything provided herein to the contrary, Developer shall have the right, at any time and from time to time, in its sole and absolute discretion, to amend Exhibit B attached to the Master Declaration in order to add additional Development Associations thereto who shall thereafter be entitled to nominate and vote on the Development District Representative for the applicable Development District of which such Development Association is a part (as reflected in Exhibit B to the Master Declaration).

(c) The Development Associations for each respective Development District, acting through their respective boards of directors, shall have the sole and exclusive right to remove, at any time and from time to time, with or without cause, the Development District Representative for such Development District by a majority of all of the boards of directors of the Development Associations within such Development District.

(d) In all voting to be undertaken by the boards of directors of the Development Associations pursuant to this Section 2.01, each board of directors of each Development Association shall have one (1) vote in all activities relating to the election and removal of the Development District Representative.

(e) The Development District Representative of each Development District shall have the exclusive right to act for such Development District in all matters and meetings involving the Members of the Master Association and such Development District Representative shall be entitled to exercise all voting rights which are granted to any Member of the Master Association in the Articles, these Bylaws or the Master Declaration. No Owner or Mortgagee of any Lot subjected to the terms and provisions of the Master Declaration shall be deemed a Member of the Master Association (unless such Owner is a Development District Representative). Membership in, or the rights and benefits relating to membership in, the Master Association shall be vested solely in each Development District Representative elected as provided in this Section 2.01.

(f) **Notwithstanding anything provided herein or in the Articles of Incorporation to the contrary, until the occurrence of the Master Turnover Date, Developer shall have the sole and exclusive right to (a) appoint and remove all of the members of the Board of Directors of the Master Association and (b) exercise all voting in the Master Association (except as specifically provided to the contrary in Sections 8.04 and 10.02 of the Master Declaration).**

(g) In addition to the Members, the Members may, in their sole discretion, allow such other Persons to serve as *ex officio* Members of the Master Association, which *ex officio* Members may be appointed and removed at any time and from time to time, with or without cause, by the Members of the Master Association and which *ex officio* Member shall not have any voting rights in the Master Association.

SECTION 2.02 ANNUAL MEETING. The annual meeting of the Members of the Master Association shall be held at 10:00 a.m. on the last business day of January of each year or at such other time, day or month as shall be fixed by the Board of Directors; provided, however, that unless Developer requires otherwise, the first meeting of the Members of the Master Association shall not be held until immediately following the Master Turnover Date; and, provided further, however, that unless otherwise approved by the Board of Directors, all subsequent annual meetings of the Members shall be held on the anniversary date of the Master Turnover Date. If the day fixed for the annual meeting shall be a legal holiday, such meeting shall be held on the next succeeding business day. Subject to the provisions of Section 2.09 below, at each annual meeting, the Members of the Master Association shall, subject to the

terms of Sections 2.01 and 3.03 of these Bylaws, elect the Board of Directors of the Master Association and otherwise transact such other business as may come before such meeting. Subject to the provisions of Section 2.09 below, if the election of Directors shall not be held on the day designated herein for any annual meeting of the Members of the Master Association, or any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the Members of the Master Association as soon thereafter as may be convenient.

SECTION 2.03 SPECIAL MEETINGS. Subject to the provisions of Section 2.09 below, special meetings of Members, for any purpose or purposes, unless otherwise prescribed by statute, may be called either by the President or the Board of Directors of the Master Association and, after the Master Turnover Date, shall be called by the President or Secretary of the Master Association upon the petition of at least fifty-one percent (51%) or more of the Members of the Master Association.

SECTION 2.04 PLACE OF MEETING. Subject to the provisions of Section 2.09 below, the Board of Directors may designate any place, either within or without the State of Alabama, as the place of meeting for any annual or special meeting. In the absence of any designation, all meetings shall be held at the principal office of the Master Association in the State of Alabama.

SECTION 2.05 NOTICE OF MEETING. Subject to the provisions of Section 2.09 below, written or printed notice (or wireless transmission via facsimile or electronic mail) stating the place, day and hour of the meeting and, in case of a special meeting, or of a meeting which is required by statute to be held for any special purpose, or of any annual meeting at which special action is to be taken, the purpose or purposes for which the meeting is called, or the special action which is proposed to be taken, shall be delivered not less than ten (10) nor more than fifty (50) days before the date of the meeting, either personally or by mail, by or at the direction of the Board of Directors, the President, the Secretary, or the officer or persons calling the meeting, to each Member of the Master Association. All notices shall be deemed given or served upon any Member when given as provided in Section 9.14 of the Master Declaration.

SECTION 2.06 QUORUM. Subject to the provisions of Sections 2.09 and 2.10 below, with respect to the annual or any special meeting of the Members of the Master Association, a quorum shall be deemed to exist only if all Development District Representatives/Members of the Master Association are present, in person or by proxy, at such meeting. At such time that a quorum is obtained, the vote of one hundred percent (100%) of all of the Members shall be required to approve any matter submitted to the Members of the Master Association for approval. The Members present at a duly organized meeting may not continue to transact business if, at any time, a quorum of all Members fails to exist as such meeting.

SECTION 2.07 PROXIES. At all meetings of the Members of the Master Association and in all ballot votes of the Members of the Master Association held pursuant to Section 2.09 below, a Member may vote either in person or by proxy executed in writing by the Member or by its duly authorized Representative. Such proxy shall be filed with the Secretary of the Master Association before or at the time of the meeting or at the time of any ballot vote held pursuant to Section 2.09 below. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.

SECTION 2.08 VOTING BY MEMBERS. Subject to the provisions of Section 2.01 above, this Section 2.08 and Sections 2.10 and 3.03 below, each Member of the Master Association shall be entitled to one (1) vote in any matter submitted to the Members of the Master Association for approval. The Representative of each Member shall be entitled to cast the vote attributable to its respective Member. No fractional voting shall be permitted. For purposes of the Master Declaration, these Bylaws and the Articles of Incorporation, the vote of all of the Members of the Master Association, whether in person or by proxy, shall be required regardless of whether such vote is taken at either (a) a duly constituted annual

or special meeting of the Members (*i.e.*, an annual or special meeting at which a quorum is present) or (b) in a ballot vote held in accordance with the terms and provisions of Section 2.09 hereof. Any matter which requires the vote of, approval, disapproval or consent of the Members of the Master Association shall be deemed to have been given only if one hundred percent (100%) of all of the Members of the Master Association, either in person or by proxy, affirmatively vote for, approve, disapprove or consent to the same. **Notwithstanding anything provided herein to the contrary, until the occurrence of the Master Turnover Date, Developer shall have the sole and exclusive right to exercise all voting rights in the Master Association other than with respect to: (1) any Special Master Assessments to be made pursuant to Section 6.04 of the Master Declaration which require the consent and approval of all of the Members, in which event such Special Assessment shall be submitted to the Members for approval in accordance with the voting requirements of Section 6.04 of the Master Declaration and the provisions of this Section 2.08 and (2) amendments to the Master Declaration which, pursuant to Section 8.02 of the Master Declaration, require the consent or approval of all of the Members, in which event such amendment shall be submitted to the Members entitled to vote on such matter for approval in accordance with the voting requirements set forth in this Section 2.08.** Except for the exclusive voting rights reserved above by Developer, there shall be no cumulative voting by the Members.

SECTION 2.09 BALLOT VOTING IN LIEU OF MEETINGS.

(a) Notwithstanding anything provided to the contrary in the Master Declaration, the Articles of Incorporation or these Bylaws, any matter which is required or permitted to be approved by the Members of the Master Association, including, without limitation, amendments to the Master Declaration, the Articles of Incorporation and the Bylaws which require any consent or approval of the Members and the approval of Special Assessments, may, subject to the rights retained and reserved by Developer until the Master Turnover Date pursuant to the terms of Sections 2.08 and 3.03 hereof, be submitted to the Members of the Master Association by a ballot vote, without any requirement that either an annual or special meeting of the Members of the Master Association be held, subject to the satisfaction of the following terms and conditions:

(i) Any matters to be submitted to the Members for approval pursuant to a ballot vote shall (1) be set forth on a ballot, the form of which must be approved by the Board of Directors, (2) subject to the provisions of Section 2.10 below, be mailed to all Members of the Master Association (utilizing the notice provisions set forth in Section 5.10 hereof) not less than ten (10) days nor more than fifty (50) days before the date such ballots shall be counted by the Board of Directors and (3) specify that all such ballots must be returned to and received by the Master Association no later than 12:00 p.m. on the date specified on such ballot as the date on which the ballots will be counted by the Board of Directors; and

(ii) Any matter submitted to the Members for approval by ballot vote shall be deemed approved only if all of the Members approve such matter.

(b) The ballot voting procedures set forth above may be utilized in lieu of the holding of any annual or special meeting of the Members of the Master Association.

SECTION 2.10 VOTING BY UNANIMOUS WRITTEN CONSENT. In addition to any matters which may be submitted to the Members for consent and approval as provided in Sections 2.08 and 2.09, any matter may be submitted to the Members for approval and may be approved by the Members by a unanimous written consent (or approval) signed by all of the Members.

ARTICLE III

BOARD OF DIRECTORS

SECTION 3.01 GENERAL POWERS.

(a) The business and affairs of the Master Association shall be managed by or under the direction of its Board of Directors (individually a "Director" and collectively, the "Directors"). All actions required or permitted to be taken by the Master Association under the Master Declaration shall be taken by the sole action of the Board of Directors without any requirement that any Owners or Mortgagees consent to or approve of such action.

(b) As provided in the Master Declaration, the Board of Directors shall adopt each year an annual budget for Annual Assessments for the Master Association. The Master Association and the Board of Directors are specifically authorized, directed and empowered to exercise all rights set forth in the Master Declaration, including, without limitation, the levy of any Annual Assessments, Special Assessments and Individual Assessments in accordance with the terms and provisions of the Master Declaration.

SECTION 3.02 NUMBER, TENURE AND QUALIFICATIONS.

(a) The number of Directors of the Master Association shall be three (3). As provided in Section 2.01(a) of these Bylaws and in the Master Declaration, Developer has reserved the right, at any time and from time to time, in its sole and absolute discretion, to add additional Development Associations to Exhibit B to the Master Declaration. Accordingly, the number of Directors of the Master Association shall always equal the greater of three (3) Directors or the number of Development Associations which are listed in Exhibit B to the Master Declaration. Each Director shall hold office until his or her successor shall have been appointed as hereinafter provided. Directors need not be residents of the State of Alabama or Owners.

(b) Prior to the Master Turnover Date, each Director appointed by Developer shall serve at the will of and for such term as Developer elects; provided, however, that Developer may, in its sole discretion, remove any Director appointed by Developer at any time, with or without cause, upon written notice to such Director. Each Director shall hold office until his or her successor shall have been appointed.

(c) At the first meeting of the Members of the Master Association following the Master Turnover Date and at each annual meeting thereafter, the Members of the Master Association shall elect (and shall thereafter have the right to remove) all members of the Board of Directors of the Master Association in accordance with the terms and provisions of Section 3.03 below.

SECTION 3.03 ELECTION, REMOVAL AND REPLACEMENT OF DIRECTORS.

(a) Until the occurrence of the Master Turnover Date, Developer shall have the sole and exclusive right to appoint and remove, with or without cause, all of the members of the Board of Directors of the Master Association. Each member of the Board of Directors appointed by Developer shall serve at the will and for such term as Developer elects; provided, however, that Developer may, in its sole discretion, remove any member of the Board of Directors at any time, with or without cause, upon written notice to such member of the Board of Directors. In the event of the death or resignation of a member of the Board of Directors at any time prior to the Master Turnover Date, then Developer shall appoint a

substitute member of the Board of Directors to fill the vacancy of such deceased or resigned member of the Board of Directors.

(b) Immediately prior to the Master Turnover Date, Developer shall provide written notice to each of the Development Associations and the Development Associations shall thereafter elect Development District Representatives to serve as Members of the Master Association as provided in Section 2.01 above. Immediately following their election, the Member shall, by unanimous consent, nominate and elect three (3) individuals to serve as members of the Board of Directors of the Association. The members of the Board of Directors of the Master Association shall be elected for such terms as determined by all of the Members of the Master Association. Any member of the Board of Directors of the Master Association may be a Member.

(c) From and after the Master Turnover Date, any member of the Board of Directors may be removed at any time, with or without cause, by the unanimous vote of all Members of the Master Association. To the extent any member of the Board of Directors of the Master Association is removed, then the Members shall thereafter elect a successor to serve as a member of the Board of Directors, which successor shall be elected in the manner set forth above in Section 3.03(b).

(d) In the event of the death or resignation of any member of the Board of Directors of the Master Association, then the Members shall immediately thereafter hold a special election to elect a replacement of the member of the Board of Directors who has died or who has resigned. Such election shall be undertaken in accordance with the terms and provisions of Section 3.03(b) above.

SECTION 3.04 ANNUAL AND REGULAR MEETINGS. An annual meeting of the Board of Directors shall be held, without further notice, immediately after, and at the same place as, the annual meeting of the Members of the Master Association; provided, however, that any such annual meeting may be held at any other time or place as determined by all of the members of the Board of Directors. The Board of Directors may provide, by resolution, the time and place, either within or without the State of Alabama, for the holding of regular meetings without further notice other than as set forth in such resolution.

SECTION 3.05 SPECIAL MEETINGS. Special meetings of the Board of Directors may be called only by or at the request of all of the members of the Board of Directors. The person or persons authorized to call special meetings of the Board of Directors may fix any place, either within or without the State of Alabama, as the place for holding any special meeting of the Board of Directors called by them.

SECTION 3.06 NOTICE. No notice of any annual, regular or special meeting of the Board of Directors shall be given so long as a quorum is present at any such meeting.

SECTION 3.07 QUORUM. Subject to the provisions of Section 3.13 below, the presence of all three (3) members of the Board of Directors is required to establish a quorum for the transaction of business at any meeting of the Board of Directors. If, during any meeting of the Directors, a quorum ceases to exist, then the meeting must be reconvened at such time as a quorum exists.

SECTION 3.08 MANNER OF ACTING. The unanimous act of all of the Directors at which a quorum is present shall be the act of the Board of Directors.

SECTION 3.09 ACTION WITHOUT A MEETING. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting of the Board of Directors if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors.

SECTION 3.10 VACANCIES. Any vacancy occurring in the Board of Directors shall be filled as provided in Section 3.03 above. A Director appointed to fill a vacancy shall be elected to serve until such Directors dies, resigns or is replaced as provided in Section 3.03 above.

SECTION 3.11 COMPENSATION. By resolution of the Board of Directors, each Director may be paid his or her expenses, if any, of attendance at each meeting of the Board of Directors. No such payment shall preclude any Director from serving the Master Association in any other capacity and receiving compensation therefor.

SECTION 3.12 COMMITTEES. The Board of Directors, by resolution adopted by a majority of the Directors, may designate any individuals (who may or may not be Members) to serve on any committees established by the Board of Directors. No such committee shall have the authority of the Board of Directors. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Directors. The designation of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors or any Director of any responsibility imposed upon it or such Director by law.

SECTION 3.13 PARTICIPATION IN MEETINGS BY CONFERENCE TELEPHONE. Members of the Board of Directors or any committee designated thereby may participate in a meeting of such Board or committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time and participation by such means shall constitute presence in person at such meeting.

ARTICLE IV

OFFICERS

SECTION 4.01 PRINCIPAL OFFICERS. The principal officers of the Master Association shall be elected by the Board of Directors and shall include a President, one or more Vice Presidents, a Secretary and a Treasurer and may, at the discretion of the Board of Directors, also include a Chairman of the Board and such other officers as may be designated from time to time. Any number of offices may be held by the same person, except the offices of President and Secretary. None of the principal officers need be Directors of the Master Association.

SECTION 4.02 ELECTION OF PRINCIPAL OFFICERS; TERM OF OFFICE. The principal officers of the Master Association shall be elected annually by the Board of Directors. Each principal officer shall hold office until his or her successor shall have been duly elected and qualified or until such officer's death or until such officer shall resign or shall have been removed in the manner hereinafter provided. If the Board of Directors shall fail to fill any principal office at an annual meeting of the Board of Directors, or if any vacancy in any principal office shall occur, or if any principal office shall be newly created, such principal office may be filled at any regular or special meeting of the Board of Directors.

SECTION 4.03 SUBORDINATE OFFICERS, AGENTS AND EMPLOYEES. In addition to the principal officers, the Master Association may have such other subordinate officers, agents and employees as the Board of Directors may deem advisable each of whom shall hold office for such period and have such authority and perform such duties as the Board of Directors, the Chairman of the Board or the President may from time to time determine. The Board of Directors at any time may appoint and remove, or may delegate to any principal officer the power to appoint and to remove, any subordinate officer, agent or employee of the Master Association.

SECTION 4.04 DELEGATION OF DUTIES OF OFFICERS. The Board of Directors may delegate the duties and powers of any officer of the Master Association to any other officer or to any Director for a specified period of time for any reason that the Board of Directors may deem sufficient.

SECTION 4.05 REMOVAL OF OFFICERS OR AGENTS. Any officer or agent of the Master Association may be removed by the Board of Directors at any time, either with or without cause, and the Board of Directors may appoint a successor to such removed officer and agent. Election or appointment of any officer or agent shall not of itself create contract rights.

SECTION 4.06 RESIGNATIONS. Any officer may resign at any time by giving written notice of resignation to the Board of Directors, to the Chairman of the Board, to the President or to the Secretary. Any such resignation shall take effect upon receipt of such notice or at any later time specified therein. Unless otherwise specified in the notice, the acceptance of a resignation shall not be necessary to make the resignation effective.

SECTION 4.07 VACANCIES. A vacancy in any office, the holder of which is elected or appointed by the Board of Directors, because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term of such office. A vacancy in any other office for any reason shall be filled by the Board of Directors, or any committee, or officer to whom authority for the appointment, removal or filling of vacancies may have been delegated by these Bylaws or by resolution of the Board of Directors.

SECTION 4.08 CHAIRPERSON OF THE BOARD. The Chairperson of the Board, who must be a Director, shall preside at all meetings of the Members of the Master Association and of the Board of Directors at which he or she is present. The Chairperson of the Board shall have such other powers and perform such other duties as may be assigned to him from time to time by the Board of Directors.

SECTION 4.09 PRESIDENT. The President shall, in the absence of the Chairman of the Board, preside at all meetings of the Members of the Master Association at which he or she is present. The President shall be the chief executive officer of the Master Association and, subject to the control of the Board of Directors, shall have general supervision over the business and affairs of the Master Association. The President shall have all powers and duties usually incident to the office of the President except as specifically limited by resolution of the Board of Directors. The President shall have such other powers and perform such other duties as may be assigned to him or her from time to time by the Board of Directors.

SECTION 4.10 VICE PRESIDENTS. In the absence or disability of the President or if the office of President be vacant, the Vice Presidents, in the order determined by the Board of Directors, or if no such determination has been made, in the order of their seniority as a Vice President of the Master Association, shall perform the duties and exercise the powers of the President, subject to the right of the Board of Directors at any time to extend or confine such powers and duties or to assign them to others. Any Vice President may have such additional designation in his or her title as the Board of Directors may determine. Each Vice President shall generally assist the President in such manner as the President shall direct. Each Vice President shall have such other powers and perform such other duties as may be assigned to him or her from time to time by the Board of Directors or the President.

SECTION 4.11 SECRETARY. The Secretary shall act as Secretary of all meetings of the Members of the Master Association and of the Board of Directors at which he or she is present, shall record the proceedings of all such meetings in a minute book to be kept for that purpose, shall have supervision over the giving and service of notices of the Master Association, and shall have supervision over the care and custody of the records and seal of the Master Association. The Secretary shall be

empowered to affix the corporate seal to documents, the execution of which on behalf of the Master Association under its seal is duly authorized, and when so affixed may attest the same. The Secretary shall have all powers and duties usually incident to the office of Secretary, except as specifically limited by a resolution of the Board of Directors, including, without limitation, the right and authority to designate other persons who shall have the right to exercise any of the rights, duties and authority of the Secretary set forth in this Section 4.11. The Secretary shall have such other powers and perform such other duties as may be assigned to him or her from time to time by the Board of Directors or the President.

SECTION 4.12 TREASURER. The Treasurer shall have general supervision over the care and custody of the funds and over the receipts and disbursements of the Master Association and shall cause the funds of the Master Association to be deposited in the name of the Master Association in such banks or other depositories as the Board of Directors may designate. The Treasurer shall have all powers and duties usually incident to the office of Treasurer except as specifically limited by a resolution of the Board of Directors. The Treasurer shall have such other powers and perform such other duties as may be assigned to him or her from time to time by the Board of Directors or the President.

SECTION 4.13 SALARIES. The officers of the Master Association shall not be entitled to any salaries or other compensation except for expenses incurred on behalf of the Master Association which shall be reimbursed; provided, however, that members of the ARC may be compensated for their services rendered to the Master Association.

ARTICLE V

FISCAL MATTERS AND BOOKS AND RECORDS

SECTION 5.01 FIDELITY BONDS. The Board of Directors may require that any contractor or employee of the Master Association handling or responsible for Association funds furnish an adequate fidelity bond. The premium for any such bond shall be paid by the Master Association and shall constitute a Common Expense.

SECTION 5.02 BOOKS AND RECORDS KEPT BY THE MASTER ASSOCIATION. The Master Association shall keep accurate financial records, including itemized records of all receipts and disbursements, shall keep minutes of the proceeds of all meetings of the Members and of the Board of Directors and committees having any of the authority of the Board of Directors, and shall keep such other books and records as may be required by law or necessary to reflect accurately the affairs and activities of the Master Association. The Master Association shall keep at the office of the Master Association a record giving the names and addresses of the Directors and all Members of the Master Association, which shall be furnished by each Member pursuant to Section 5.10 of these Bylaws.

SECTION 5.03 INSPECTIONS. The books, records and papers of the Master Association shall, during reasonable business hours, be subject to inspection by any Member or his or her agent or attorney for any proper purpose upon not less than 72 hours prior written notice to the Master Association, which notice shall specify which books, records or papers of the Master Association such Member desires to inspect or review. To the extent the Master Association incurs any costs and expenses, including administration costs, in satisfying any request by a Member to inspect the books, records or papers of the Master Association, then the Member making such request shall pay all such costs and expenses incurred by the Master Association. True and correct copies of the Articles of Incorporation, these Bylaws, the Master Declaration and all rules and regulations of the Master Association with all amendments thereto, shall be maintained at the principal registered offices of the Master Association and copies thereof shall be furnished to any Member on request upon payment by such Member of a reasonable charge therefor.

SECTION 5.04 CONTRACTS. The Board of Directors may authorize any officer or officers, or agent or agents of the Master Association, in addition to the officers so authorized by the Master Declaration and these Bylaws, to enter into any contract or execute and deliver any instrument in the name of, or on behalf of the Master Association, and such authority may be general or confined to specific instances.

SECTION 5.05 CHECKS, DRAFTS, ETC. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Master Association, shall be signed by such officer or officers or agents of the Master Association in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer of the Master Association.

SECTION 5.06 DEPOSITS. All funds of the Master Association shall be deposited from time to time to the credit of the Master Association in such banks, trust companies or other depositories as the Board of Directors may select.

SECTION 5.07 GIFTS. The Board of Directors may accept and give, on behalf of the Master Association, any contribution, gift, bequest or devise for the general purposes, or for any special purpose, of the Master Association.

SECTION 5.08 FISCAL YEAR. The fiscal year of the Master Association shall be the calendar year.

SECTION 5.09 ANNUAL BUDGETS AND ASSESSMENTS; ANNUAL STATEMENTS.

(a) The Board of Directors shall determine and approve annually an annual budget covering the estimated Common Expenses for the Property for the upcoming year, such budget to include a capital contribution or reserve account, if necessary, for the capital needs of the Master Association. The amount set forth in such budget shall constitute the aggregate amount of all Annual Master Assessments for all of the Property for the then applicable year and each Member shall pay his or her prorata share of the same in accordance with the terms and provisions of the Master Declaration. Furthermore, the Board of Directors shall also have the right, pursuant to Section 6.04 of the Master Declaration, to levy Special Master Assessments. Furthermore, Individual Master Assessments may be levied by the Master Association against any Member in accordance with the terms and provisions of Section 6.05 of the Master Declaration.

(b) Not later than four (4) months after the close of each fiscal year, the Board of Directors shall prepare or cause to be prepared a balance sheet showing in reasonable detail the financial condition of the Master Association as of the close of its fiscal year and an income and expense statement showing the results of its operations during its fiscal year. Prior to the Master Turnover Date, such statements may be unaudited. After the Master Turnover Date such statements may, in the discretion of the Board, be audited statements. Upon receipt of written request, the Treasurer shall promptly mail to any Member copies of the most recent such balance sheet and income and expense statement upon payment by such Member of a reasonable charge therefor.

SECTION 5.10 NOTICES. Each Member shall be obligated to furnish to the Secretary of the Master Association, in writing, the address of such Member to which any notice to such Member under the Master Declaration or these Bylaws is to be given and, if no address shall have been designated in writing, then all such notices and demands to such Member shall be mailed or delivered to such Member in care of the respective Development Association within the Development District from which such

Member was elected, as such addresses are set forth in Exhibit B to the Master Declaration. Any Member may, for the purposes of notices hereunder, specify in writing to the Master Association that all notices be submitted to such Member by facsimile transmission or through the Internet utilizing a specific electronic mailbox for that particular Member.

SECTION 5.11 PAYMENT OF TAXES ON COMMON AREAS AND INSURANCE PREMIUMS. The Board of Directors shall, to the extent funds are available, cause payment to be made, in a timely manner, of all taxes assessed against the Common Areas or Master Association property and of all insurance premiums payable by the Master Association.

SECTION 5.12 RULES AND REGULATIONS. The Board of Directors shall have the right, from time to time and at any time, to adopt, amend, modify and repeal rules and regulations governing the use of any of the Common Areas, which rules and regulations shall be binding upon all Members, Owners and Occupants.

ARTICLE VI

INSURANCE

SECTION 6.01 TYPES OF COVERAGE. The Master Association shall maintain in effect at all times as a Common Expense the types of insurance coverage required by the Master Declaration and any other insurance required by law or which the Board of Directors may from time to time deem appropriate. The Board of Directors shall review the amount and terms of such insurance annually.

SECTION 6.02 INDEMNIFICATION INSURANCE. The Master Association shall have the power and authority to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Master Association or is or was serving at the request of the Master Association as a director, officer, partner, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Master Association would have the power to indemnify him against such liability under applicable law.

ARTICLE VII

GENERAL PROVISIONS

SECTION 7.01 WAIVER OF NOTICE. Whenever any notice is required to be given under any provision of law, the Master Declaration, the Articles of Incorporation or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Members, the Board of Directors or members of any committees established by the Board of Directors need be specified in any written waiver of notice unless otherwise required by these Bylaws. Attendance of a Director at a meeting of the Board of Directors shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

SECTION 7.02 INCORPORATION BY REFERENCE. All of the terms, provisions, definitions, covenants and conditions set forth in the Master Declaration are hereby expressly incorporated herein by reference as if fully set forth herein. In the event of any conflict or ambiguity between the terms,

provisions, definitions, covenants and conditions set forth herein in these Bylaws and in the Master Declaration, then the provisions of the Master Declaration shall at all times control.

SECTION 7.03 AMENDMENTS. The Board of Directors, by actions of all of the Directors, shall have the sole right, power and authority, without the consent or approval of the Members, to alter, amend or repeal the Bylaws of the Master Association or adopt new bylaws for the Master Association at any regular or special meeting of the Board of Directors; provided, however, that notwithstanding anything provided in this Section 7.03 to the contrary, any amendments to these Bylaws prior to the Master Turnover Date must also be approved by Developer.

SECTION 7.04 SEAL. The Board of Directors may, but shall not be obligated to, provide a corporate seal which shall be circular in form and have inscribed thereon the name of the Master Association, the state of incorporation and such other words as the Board of Directors may prescribe; provided, however, that the use of the seal of the Master Association on any contract or agreement shall not be required to evidence the validity, authenticity or approval of such contract or agreement.