

**AMENDED BYLAWS OF  
THE ESTATES OF LAKE CLARKE SHORES HOMEOWNER'S ASSOCIATION, INC.**

A Corporation not-for-profit under the laws of The State of Florida

This document contains the ELCS HOA Bylaws, edited to include amendments approved on April 2, 2025. Amendment additions are indicated by “underlining”; deletions by “~~strikethrough~~”. Copies of the original 1983 Bylaws and the 2025 Approved Amendments can be found on the ELCS HOA website at [EstatesofLCS.com](http://EstatesofLCS.com).

**ARTICLE I  
IDENTITY**

A. These are the Bylaws of THE ESTATES OF LAKE CLARKE SHORES HOMEOWNERS ASSOCIATION, INC., hereinafter called “Association” in these Bylaws, a corporation not-for-profit under the laws of the State of Florida, the Articles of Incorporation of which were filed in the Office of the Secretary of State on the 17<sup>th</sup> day of May, 1983. The Association has been organized for the purpose of owning and operating certain lands and personal property located in Palm Beach County, Florida, which lands and personal property are to be used in common by the members of the THE ESTATES OF LAKE CLARKE SHORES HOMEOWNER’S ASSOCIATION, INC., which members shall all be property owners at THE ESTATES OF LAKE CLARKE SHORES. Such operation by the Association shall include the management of THE ESTATES OF LAKE CLARKE SHORES in keeping with the terms and conditions as set forth in the “Declaration of Covenants and Restrictions”, and the enforcement of such covenants, conditions, and facilities.

B. The initial office of the Association shall be at 2330 South Congress Avenue, West Palm Beach, Florida, 33406.

C. The fiscal year of the Association shall be the calendar year.

D. The seal of the Association shall bear the name of the corporation, the word “Florida” and words “Corporation not-for-profit”, the year of incorporation, an impression of which is as follows:

**ARTICLE II  
MEMBERS' MEETING**

A. ~~The annual members' meeting shall be held at such location as shall be designated in the Notice of Meeting at 2330 S. Congress Avenue, on the third Thursday in August of each year, for the purpose of electing directors and transacting any other business authorized to be transacted by the members; provided however, that if that day is a legal holiday, the meeting shall be held at the same hour on the next day that is not a legal holiday.~~ The annual membership meeting shall be held on the third Thursday in October of each year at such location as shall be designated in the Notice of Annual Meeting.

B. Special member’s meetings shall be held whenever called by the President or Vice-President or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from members entitled to cast one-third (1/3) of the votes of the entire membership.

C. Notice to all members’ meetings stating the time and place and the object for which the meeting is called shall be given by the President or Vice-President or Secretary unless waived in writing by all of the members. Such notice shall be in writing to each member at his address as it appears on the books of the Association and shall be mailed not less than fifteen (15) days nor more than sixty (60)

days prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice.

D. A quorum at members' meetings shall consist of persons entitled to cast ~~a majority~~ **thirty percent (30%)** of the votes of the entire membership. The acts approved by a majority of the votes present at a meeting at which a quorum is present shall constitute the acts of the members, except when approval by a greater number of members is required by the Articles of Incorporation, or these Bylaws.

E. Voting.

1. In any meeting of members, the voting rights of the owners of a lot shall be determined by the Associations' Articles of Incorporation; provided, however, the owners of each lot shall be entitled to one vote.

2. If a lot is owned by one person, ~~his~~ **the person's** right to vote shall be established by the record title to his lot. If any lot is owned by more than one person, the person entitled to cast the vote for the lot shall be designated ~~as the owner who signs the meeting attendance sheet or proxy form by a certificate signed by all of the record owners of the lot and filed with the Secretary of the Association.~~ If a lot is owned by a corporation, ~~limited liability company, or a land trust,~~ the person entitled to cast the vote for the lot shall be designated by certificate signed by the President or Vice-President, ~~or other such authorized representative for such entity~~ and attested by the Secretary or Assistant Secretary of the ~~corporation~~ **entity** and filed with the Secretary of the Association. Such certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the lot concerned. A certificate designating the person entitled to cast the vote of a lot may be revoked by any owner of the lot. If such a certificate is not on file, the vote of such owner shall not be considered in determining the requirement for a quorum nor for any other purpose.

F. Votes may be cast in person or by proxy. A proxy may be made by any person entitled to vote and shall be valid only for the particular meeting designated in the proxy and must be filed with the Secretary before the appointed time of the meeting or any adjournment of the meeting.

G. If any meeting of the members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

H. The order of Business at annual members' meetings, and as far as practical at other members' meetings, shall be:

1. Election of chairman of the meeting.
2. Calling of the roll and certifying of proxies.
3. Proof of notice of meeting or waiver of notice.
4. Reading and disposal of any unapproved minutes.
5. Reports of officers.
6. Reports of committees.
7. Election of inspectors of elections.
8. Election of directors.
9. Unfinished business.
10. New business.
11. Adjournment.

I. Provided, however, that until Declarant of THE ESTATES OF LAKE CLARKE SHORES has closed seventy-five (75%) percent of sales of all of the lots located at THE ESTATES OF LAKE CLARKE SHORES, or five (5) years from the date of the first conveyance of a unit, whichever shall first occur, the proceeding of all meetings of members of the Association shall have no effect unless approved by the Board of Directors.

### **ARTICLE III** **DIRECTORS**

A. The affairs of the Association shall be managed by a board of not less than three (3) nor more than nine (9) directors, the exact number to be determined at the time of election.

B. Election of Directors shall be conducted in the following manner:

1. Election of Directors shall be held at the annual members' meeting.

2. A nominating committee of five (5) members shall be appointed by the Board of Directors not less than thirty (30) days prior to the annual members' meeting. ~~The committee shall nominate one person for each director then serving. Nominations for additional directorships created at the meeting shall be made from the floor, and other nominations may be made from the floor. Nominations must be submitted to the nominating committee and accepted by the nominee not less than thirty (30) days prior to the annual meeting. No nominations will be accepted from the floor on the day of or during the meeting.~~

3. The election shall be by ballot (unless dispensed with by unanimous consent) and by plurality of the votes cast; each person voting being entitled to cast his vote for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

4. Except as to vacancies created by removal of Directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the remaining Directors.

5. Any Director may be removed by concurrence of two-thirds (2/3) of the votes of the entire membership at a special meeting of the members called for that purpose. The vacancy in the Board of Directors so created shall be filled by the members of the Association at the same meeting.

C. The term of each Director's service shall be the calendar year following his election and subsequently until his successor is duly elected and qualified or until he is removed in the manner elsewhere provided.

D. The organization meeting of a newly-elected Board of Directors shall be held within ten (10) days of their election at such place and times as shall be fixed by the Directors at the meeting at which they were elected, and no further notice of the organization meeting shall be necessary.

E. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors. Notice of regular meetings shall be given to each Directors, personally or by mail, telephone, or ~~email telegraph~~, at least ~~three (3) five (5)~~ business days prior to the day named for such meeting.

F. Special meetings of the Directors may be called by the President and must be called by the Secretary at the written request of one-third (1/3) of the Directors. Not less than five (5) days notice of the meeting shall be given personally or by mail, telephone, or telegraph, which notice shall state the time, place, and purpose of the meeting.

G. Any Director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.

H. A quorum at a Directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except when approval by a greater number of Directors is required by the Articles of Incorporation or these By-Laws.

I. 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 until a quorum is present. At any adjourned meeting any business that might have been transacted at the meeting as originally called may be transacted without further notice.

J. The joinder of a Director in the action of a meeting by signing and concurring in the minutes of that meeting shall constitute the presence of such Director for the purpose of determining a quorum.

K. The presiding officer of Directors' meetings shall be the Chairman of the Board if such an officer has been elected; and if none, the President shall preside. The presiding officer of Director's meeting shall be the President. In the absence of the President the Vice President shall preside over such Directors' meetings. ~~In the absence of the presiding officer, the Directors present shall designate one their number to preside.~~

L. The order of business at Directors' meetings shall be:

1. Calling of roll.
2. Proof of due notice of meeting.
3. Reading and disposal of any unapproved minutes.
4. Reports of officers and committees.
5. Election of officers.
6. Unfinished business.
7. New business.
8. Adjournment.

M. ~~Directors' fees, if any, shall be determined by members.~~ Directors shall not receive compensation for their service on the Board of Directors.

#### **ARTICLE IV** **POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

All of the powers and duties of the Association existing under the Articles of Incorporation and these Bylaws shall be exercised exclusively by the Board of Directors, its agents, contractors or employees, subject only to approval by owners where such approval is specifically required.

#### **ARTICLE V** **OFFICERS**

A. The executive officers of the Association shall be a President, who shall be a Director; a Vice-President who shall be a Director; a Treasurer and a Secretary, all of whom shall be Directors and elected annually by the Board of Directors and who may be peremptory removed by vote of the Directors at any meeting. ~~Any person may hold two or more offices except that the President shall not be the Secretary.~~ The Board of Directors, from time to time, shall elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

B. The President shall be the Chief Executive Officer of the Association. He shall have all of the powers and duties usually vested in the office of the President of an association, including but not limited to the power to appoint committees from among the members from time to time as he or she, in his or her discretion, may determine appropriate to assist in the conduct of the affairs of the Association.

C. The Vice-President, in the absence or disability of the President, shall exercise the powers and perform the duties of the President. He or she also shall assist the President generally and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

D. The Secretary shall keep the minutes of all proceedings of the Directors and the members. He or she shall attend to the giving and servicing of all notices to the members and directors and other notices required by law. He or she shall have custody of the seal of the Association and affix it to instruments requiring a seal when duly signed. He or she shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of Secretary of an association and as may be required by the Directors or the President.

E. The Treasurer shall have the custody of all property of the Association including funds, securities and evidences of indebtedness. He or she shall keep the books of the Association in accordance with good accounting practices and perform all other duties incident to the office of Treasurer or either independently or via the services of an accredited accounting firm or bookkeeping service.

F. The compensation, if any, of all employees of the Association may be fixed by the Directors. ~~The provision that Directors' fees may be determined by members shall not preclude the Board of Directors from employing a Director as an employee of the Association.~~

## **ARTICLE VI**

### **FISCAL MANAGEMENT**

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

A. Accounts. The receipts and expenditures of the Association shall be created and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be common expenses:

1. Current expenses which shall include all receipts and expenditures within the year for which the budget is made, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves, to additional improvements or to operations. The balance of this fund at the end of each year shall be applied to reduce the assessments for current expenses for the succeeding year.
2. Reserve for deferred maintenance, which shall include funds for maintenance items that occur less frequently than annually.
3. Reserve for replacement, which shall include funds for repair or replacement required because of damage, depreciation or obsolescence.
4. Betterments, which shall include the funds to be used for capital expenditures for additional improvements or additional personal property that will be a part of the recreation facility.

B. The Board of Directors shall adopt a budget for each calendar year that shall include the estimated funds required to defray the assessments and to provide and maintain funds for the foregoing accounts and reserves according to good accounting practices as follows:

1. Current expenses.
2. Reserve for deferred maintenance.
3. Reserve for replacement.

4. Betterments, which shall include the funds to be used for capital expenditures for additional improvements to the common property, ~~provided, however, that in the expenditure of this fund, no sum in excess of TWO THOUSAND (\$2,000.00) DOLLARS shall be expended for a single item or for a single purpose without approval of the members of the Association:~~

5. Operation, the amount of which may be to provide a working fund or to meet losses.

~~6. Provided, however, that the amount of each budgeted item may be increased over the foregoing limitations when approved by owners entitled to cast not less than seventy-five (75%) percent of the votes of the entire membership of the Association; and further provided that until the Declarant has closed on the sale of seventy-five (75%) percent of the lots at THE ESTATES OF LAKE CLAKE SHORES, or five (5) years from the conveyance of the first lot to an owner, whichever shall first occur, the Board of Directors may omit from the budget all allowances for contingencies, reserves, and betterments:~~

7. Copies of the budget and proposed assessments shall be transmitted to each member on or before December 31, preceding the year for which the budget is made. If the budget is amended subsequently, a copy of the amended budget shall be furnished to each member.

B. Assessments against the owners for their shares of the items of the budget shall be made for the calendar year annually in advance on or before December 31 preceding the year for which the assessments are made. Such assessments shall be due quarterly in four (4) equal installments on the first day of January, April, July and October of each year for which the assessments are made. If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior assessment and quarterly installments on such assessments shall be due upon each installment payment date until changed by an amended assessment. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board of Directors if the accounts of the amended budget do not exceed the limitations for that year. Any account that does exceed such limitations shall be subject to the prior approval of the membership of the Association as previously required by these Bylaws. The unpaid assessment for the remaining portion of the calendar year for which the amended assessment is made shall be due upon the date of the assessment if made on or after July 1; and if made prior to July 1, one-half of the increase shall be due upon the date of the assessment and the balance of the assessment upon the next July 1. The first assessment shall be determined by the Board of Directors of the Association. Assessments for repair and maintenance of the limited common property shall be made as funds are expended or liability therefore is incurred by the Association.

C. If a unit owner shall be in default in the payment of an installment upon an assessment, the Board of Directors may accelerate the remaining installments of the assessment upon notice to the unit owner, and the then unpaid balance of the assessment shall be due upon the date stated in the

notice, but not less than ten (10) days after delivery of the notice to the unit owner, or not less than twenty (20) days after the mailing of such notice to him by registered or certified mail, whichever shall first occur. All installments not paid when due shall bear interest at the highest rate allowed by law, from the due date until paid in full.

D. Each of the lots in the Estates of Lake Clarke Shores is hereby made subject to a lien and permanent charge in favor of the Association for annual assessments or charges, and each lot hereafter made subject to this Declaration shall automatically be subject to said lien and permanent charge. Any and all of the assessments and charges, together with interest thereon, if any, shall constitute a permanent charge upon and a continuing lien on the lot to which such assessment relates and such permanent charge and lien shall bind such lot in the hands of any and all persons. In the event that any assessment shall not have been paid within thirty (30) days of the due date, the Treasurer of the Association shall send a delinquency notice by certified mail to the delinquent member. In the event that any assessment shall not have been paid within fifteen (15) days of the receipt of said delinquency notice, the Treasurer shall certify to the Board of Directors the name and address, as well as the amount in arrears, of the member. The Board of Directors shall then cause to be prepared for execution by the President and Secretary of the Association, a Notice of Lien to be filed with the Clerk of the Circuit Court of Palm Beach County, Florida. When necessary, on receipt of payment of a delinquent assessment, a satisfaction of lien shall be executed and recorded. In the event that any assessment continues to remain in default for thirty (30) days after filing Notice of Lien, the Association shall pursue its remedies at law or in equity to foreclose its lien in same manner as provided in Chapter 85 of the Florida Statutes. In any proceeding to enforce such lien, the Association shall be entitled to recover its costs of the proceedings and such reasonable attorney's fees as may be determined by the Court.

#### **ARTICLE VII**

##### **ARCHITECTURAL AND LANDSCAPE REVIEW COMMITTEE**

A. Appointment. In addition to the appointment of officers, the Board of Directors of the Association shall also appoint each year an Architectural and Landscape Review Committee (hereinafter sometimes referred to as the A.L.R.) consisting of three (3) members. Members of the A.L.R. elected at the first meeting of the Board of Directors shall hold office until the next annual meeting of the Board of Directors or until their successors are elected and qualify.

B. Vacancy. When a vacancy occurs in the A.L.R. for any cause before a member of the A.L.R.'s term has expired, a vacancy shall be filled by the Board of Directors at its next meeting by electing a person to serve for the unexpired term or until a successor has been elected by the Board of Directors and shall qualify. So long as Declarant owns any lot within the Subdivision, Developer shall appoint all members of the A.L.R.

#### **ARTICLE VIII**

##### **DUTIES OF THE ARCHITECTURAL AND LANDSCAPE REVIEW COMMITTEE**

A. The A.L.R. shall provide for a systematic and uniform review of all proposed improvements and construction of any type or nature whatsoever within The Estates of Lake Clarke Shores, as defined by and in accordance with the Declaration of Covenants and Restrictions of the Estates of Lake Clarke Shores. It shall hold such meetings as may be required to adequately review and consider such plans and specifications as may be submitted to it for improvements within the Subdivision.

B. The A.L.R. shall promulgate from time to time such rules and regulations as it deems necessary and proper, which shall include but not necessarily be limited to the following:

1. Guidelines and procedures to be followed by any applicant seeking its approval.
2. An adequate application form to be prepared and submitted by any applicant seeking its approval.
3. A schedule of reasonable fees applicable to the processing of applications.
4. The procedure for calling a meeting of the A.L.R. (which may include regularly scheduled meetings in the event the A.L.R. so elects).
5. Such other procedural rules, regulations, and requirements as the A.L.R. may deem necessary and which are not in conflict with the Declaration of Covenants and Restrictions of the Estates of Lake Clarke Shores, the Articles of Incorporation, and these Bylaws.

**ARTICLE IX**  
**POWERS AND DUTIES OF THE CORPORATION AND THE EXERCISE THEREOF**

The Association shall have all powers granted it by law, The Declaration of Covenants and Restrictions of the Estates of Lake Clarke Shores, the Articles of Incorporation and these Bylaws, all of which shall be exercised by its Board of Directors unless the exercise thereof is otherwise restricted in the Declaration of Covenants and Restrictions, these Bylaws or by law; and the aforementioned powers of the Association shall include but not be limited to the following:

- A. All of the powers specifically provided for in the Declaration of Covenants and Restrictions of the Estates of Lake Clarke Shores.
- B. The power to levy and collect general assessments, special assessments and individual assessments.
- C. The power to expend monies collected for the purpose of paying the expenses of the Association.
- D. The power to purchase equipment, supplies and materials required in the maintenance, repair, replacement, operation and management of the Association property.
- E. The power to insure and keep insured the buildings and improvements of the Association.
- F. The power to employ the personnel required for the operation of the Association and the Association property.
- G. The power to pay utility bills for utilities serving the Association property.
- H. The power to contract for the management of the corporation property and to delegate to its contractor as manager, all the powers and duties of the Association, except those things which must be approved by members.
- I. The power to make reasonable rules and regulations governing all of the Estates of Lake Clarke Shores, and to amend them from time to time, and see to it that all members are notified of such changes in the rules and regulations as may be enacted.
- J. The power to improve the Association property subject to the limitations of the Declaration of Covenants and Restrictions of the Estates of Lake Clarke Shores.
- K. The power to enforce by any legal means, the provisions of the Articles of Incorporation, the Bylaws, the Declaration of Covenants and Restrictions, and the regulations promulgated by the Association.



L. The power to collect delinquent assessments by suit or otherwise, and to abate nuisances and enjoin or seek damages from lot owners for violations of the provisions of the Declaration of Covenants and Restrictions and related documents.

M. The power to pay all taxes and assessments which are liens against the Association property.

N. The power to control and regulate residential development within the Estates of Lake Clarke Shores and to promote, assist, and further provide adequate and proper maintenance of the Estates of Lake Clarke Shores and the lots therein for the benefit of all owners therein. This provision shall not be deemed to require the Association to maintain any lot, unit, or parcel individually owned.

O. The power to select depositories for the corporation funds, and to determine the manner of receiving, depositing, and disbursing corporate funds and the form of check and the person or persons by whom the same shall be signed, except as otherwise provided by these Bylaws.

P. The power to acquire real and personal property for the benefit and use of its members and to dispose of said property in accordance with the Declaration of Covenants and Restrictions of the Estates of Lake Clarke Shores and related documents.

Q. The power to enter into a contract with any person, firm, corporation or real estate management agent of any nature or kind; to provide for the maintenance, operation, repair and upkeep of the Association's property and of any facilities on lease to the Association or otherwise provided for the Association member's usage. Said contract may provide that the total operation of said management agent, firm or corporation shall be at the cost of this Association. Said contract may further provide that the managing agent shall be paid from time to time a reasonable fee ~~either stated as a fixed fee or as a percentage of the total costs of maintenance, operation, repair and upkeep or of the total funds of the corporation handled and managed by the managing agent.~~ Such fee, if any, shall be another of the management function costs to be borne by the Association, unless the contract provides to the contrary.

R. The power to establish the office of additional officers of this corporation and to appoint all officers.

S. The power to possess, employ and exercise all powers necessary to implement, enforce and carry into effect the powers above described, including the power to acquire, hold, convey and deal in real and personal property.

#### **ARTICLE X** **COMPLIANCE AND DEFAULT**

A. Violation. In the event of a violation (other than the non-payment of assessments) by any lot owner of any of the provision of these Bylaws, of the Articles of Incorporation, or any valid restrictive covenants recorded by plat or otherwise, the Association, by direction of its Board of Directors, may notify the lot owner 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, inexcusable and material breach of the Bylaws, Articles of Incorporation or Declaration of Restrictions, and the Association may then, as its option, the following elections:

1. An action at law to recover damages on behalf of the Association or on behalf of the other lot owners;
2. An action in equity to enforce performance on the part of the lot owner; or

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

4. Upon finding by the Court that the violation complained of is willful and deliberate, the lot owner so violating shall reimburse the Association for reasonable attorney's fees incurred by it in bringing such action. 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.

B. Costs and Attorneys' Fees. In any proceeding arising because of an alleged default by a lot owner, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees as may be determined by the court.

C. 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 plat or by any other valid restrictive covenant shall not constitute a waiver of the right of the Association or lot owner to enforce such right, provision, covenant, or condition in the future.

#### **ARTICLE XI**

##### **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 to said lot owner's ownership and membership 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 XII**

##### **PARLIAMENTARY RULES**

Roberts' Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Articles of Incorporation or these Bylaws.

#### **ARTICLE XIII**

##### **RULES AND REGULATIONS**

The Board of Directors may, from time to time, adopt or amend previously adopted administrative Rules and Regulations governing the details of the use and maintenance of the subdivision in order to ensure compliance with the restrictive covenants and with the Architectural and Landscaping Standards and any facilities or services made available to the lot owners. A copy of the Rules and Regulations adopted from time to time, as herein provided, shall, from time to time, be sent to the members. If any irreconcilable conflict should arise or exist with respect to the interpretation of these Bylaws, the Articles of Incorporation or the Declaration of Covenants and Restrictions, the latter shall prevail.

**ARTICLE XIV**  
**MORTGAGEE'S RIGHTS**

Notwithstanding anything herein to the contrary, a mortgagee holding a recorded first mortgage on any lot (improved or otherwise) shall have the following rights:

A. Any such first mortgagee who obtains title to a lot pursuant to the remedies provided in the mortgage or foreclosure of the mortgage will not be liable for such lot's unpaid assessments which accrue prior to the acquisition of title to such lot by the mortgagee. Such unpaid assessments shall be deemed to be a common expense of the Association, and collectible from all lot owners including said mortgagee.

B. Unless at least two-thirds (2/3) of the first mortgagees (based upon one vote for each first mortgage owned) or two-thirds (2/3) of the owners (other than the developer) of the individual lots have given their prior written approval, the Association shall not be entitled to:

1. by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the common property owned, directly or indirectly, by the Association, for the benefit of the low owners in the subdivision (the granting of easements for public utilities or for other public purposes consistent with the intended use of such common property shall not be deemed a transfer within the meaning of this clause);

2. change the method of determining the obligations, assessments, due or other charges which may be levied against a lot owner;

3. by act or omission change, waive, or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior appearance of lots and improvements thereon, the exterior maintenance of lots and improvements, or the maintenance of the common property;

4. fail to maintain fire and extended coverage on insurable Association common property on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value (based on current replacement cost);

5. use hazard insurance proceeds for losses to any Association common property for other than the repair, replacement or reconstruction of such common property.

C. First mortgagees of lots may, jointly or singly, pay taxes, assessments, or other charges which are in default and which may or have become a charge against any Association common property and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for such common property and first mortgagees making such payments shall be owed immediate reimbursement therefor from the Association.

D. No provision herein or in the Declaration of Protective Covenants shall give a lot owner, or any other party, priority over any rights of the first mortgagee of a lot in the subdivision pursuant to its mortgage in the case of a distribution of condemnation awards for losses to or taking of Association common property.

E. A first mortgagee, upon request, is entitled to written notification from the Association of any default in the performance by the individual lot owner/borrower of any obligation under the Articles of Incorporation, these Bylaws or the Declaration of Protective Covenants, which is not cured within sixty (60) days.

**ARTICLE XV**  
**AMENDMENT OF BYLAWS**

These Bylaws may be amended in the following manner:

A. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

B. A Resolution adopting a proposed amendment may be proposed by either the Board of Directors of the Association or by the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, provided such approval is delivered to the Secretary at or prior to the meeting. Except as elsewhere provided, such approvals must be by:

1. Not less than seventy-five (75%) of the entire membership of the Board of Directors and not less than ~~a majority~~ ~~seventy-five (75%) percent~~ of the votes of the entire membership of the Association; or

~~2. Not less than eighty (80%) percent of the votes of the entire membership of the Association; or~~

~~3. Until the first election of Directors, by all of the Directors.~~

C. Proviso. Provided, however, that no amendment shall discriminate against any lot owner or class group of lot owners unless the lot owners so affected shall consent. No amendment shall be made that is in conflict with the Articles of Incorporation.

D. Provided further, that for so long as Declarant is a member of this Association, Declarant retains the right to amend these Bylaws, the Articles of Incorporation, and the Declaration of Covenants, without member approval.

E. Except as otherwise provided above, a copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment to the Bylaws, which certificate shall be executed by the officers of the Association with the formalities of the execution of a deed. The amendment shall be effective when such certificate and copy of the amendment are recorded in the public records of Palm Beach County, Florida.