

Bear Island Homeowners Association, Inc.  
c/o MMI of the Palm Beaches, Inc.  
1201 US Highway One, Suite 330  
North Palm Beach, FL 33408  
December 1, 2011

Enclosed are Revised Rules, Regulations and Reminders of Courtesy (the "Rules and Regulations"), and Architectural Standards and Procedures (the "Architectural Standards"). Both documents have been unanimously approved by your Board and will go into effect as of January 1, 2012. This letter outlines, in as plain language as possible, these two important documents.

#### Revised Rules, Regulations and Reminders of Courtesy

Articles I and II provide a quick overview of how our community is organized and operated for the benefit of our residents. Article III contains a list of rules in alphabetical order for ease of access. The rules are intended to express plain common sense and courtesy and to encourage compliance.

The biggest change, perhaps, is Section 3 (Animals; Pets), which incorporates by reference the County's Animal Care and Control Ordinance. Section 3(a) emphasizes our responsibility to control our pets at all times. ***Section 3(b) limits the number of permitted pets and requires their registration.*** The Resident's Information Form can be found on BearIsland.usa web-site.

Flags and holiday decorations are covered in Section 11. New Gate House Rules are found in Section 14. Contractors will now have to depart by 6 P.M., except for emergencies. Please comply with Paragraph 17 (Keys) and notify the Property Manager of the name and telephone number of the person having a duplicate key to your home, using the Resident's Information Form.

The rules with respect to Leases and Sales (Section 19) require that you give your tenant or purchaser a copy of the rules and deliver a receipt signed by your tenant or purchaser to the Property Manager. It will be difficult for a purchaser or tenant to plead ignorance of these rules. A credit and criminal report must accompany the Sale or Lease form or disapproval will be automatic.

Maintenance of your home and yards is a very important subject and has also been the source of many violation letters (see Sections 22 and 23 of the Rules and Article VI of the Declaration). Section 24 covers both the kind of vehicles permitted to enter and when and where to be parked. Owners and tenants and permanent guests must register their vehicle on the Resident's Information Form.

Section 29 covers the improper handling of rubbish, which causes more violation letters than any other act or failure to act by an owner. The Rules are simple and are covered in the pamphlet issued by the City of West Palm Beach entitled "Talking Trash."

Section 37 outlines Violation Procedures, which seek to provide an alleged violator with due process. See also Paragraph 14 of Article IV and Articles XI and XII of the Declaration.

#### Architectural Standards and Procedures

Florida, in Florida Statutes Section 720.3035(1) recently amended the law regarding Homeowner Association authority to enforce "architectural standards:"

"The authority of an . . . association . . . to enforce standards for the external appearance of any . . . improvement located on a parcel, shall be permitted only to the extent that the authority is specifically stated or reasonably inferred as to . . . *location, size, type, or appearance* in the . . . published . . . standards authorized by the declaration of covenants."

Article VIII of the Amended and Restated Declaration of Covenants and Restrictions (“the Declaration”) creates the Architectural Control Committee (“ACC”) and outlines its authority. The ACC is charged with maintaining our community in harmony with the developer’s original design plan while still allowing opportunity for individual expression and community improvement. Compliance with the Architectural Standards will protect, preserve and enhance our property values.

The following “changes” to your property require prior approval by the ACC: (1) painting your house or driveway, (2) replacing your roof or repairing over 25% of your existing roof, (3) changing the exterior appearance of your house (which includes windows and shutters and changing the location, appearance or materials used for the driveway and walkways in your Front Yard), (4) adding or replacing landscape material in your property and (5) installing or replacing a pool, hot tub or spa. The appropriate forms can be found on the Bear Island web site.

In addition to passing on a specific application, the ACC periodically inspects our community for compliance with our Architectural Standards and reports violations to the Board via our Property Manager. The Board (not the ACC) has the authority to enforce our Governing Documents (including the Architectural Standards).

The approval process begins when you submit an appropriate application that complies with the requirements spelled out in the application to our Property Manager. The application may be submitted (1) by depositing it in the “drop box” at the Exit, (2) by e-mail, facsimile, surface mail or an express servicer. The street address, e-mail address and facsimile number of our Property Manager is found in Exhibit B to the Architectural Standards. The Property Manager date-stamps the application and attachments, scans it into our electronic archives and delivers a copy to the Chair of the ACC.

The ACC must act on an application within 45 days after the date stamp. It can approve, disapprove, or return the application for modification, with suggestions as to how to modify it so it can be approved by the ACC. If the ACC fails to act within the 45-day time period, the application is “deemed” to be approved. The Board becomes involved *only* when an Owner files a written appeal to the Board within 45 days after the date of final action by the ACC. The Board then holds a kind of “hearing” at which the owner, the Property Manager, witnesses and, if either side deems it necessary, attorneys appear. The Board can affirm the ACC action, reverse it (in effect approving the application), or can send the application back to the ACC for clarification or further information. This puts everything back on Square One, with new time limits for action.

Before starting on changes to your residence we encourage you to review (1) the Architectural Standards and (2) the appropriate application. If you have questions, do not hesitate to e-mail or FAX them to the Property Manager (or, if you do not use e-mail, drop a note off at the “drop box” at the Exit).

If any of you have questions, comments or constructive criticisms, do not hesitate to deliver them to the Board via the Property Manager. You are also encouraged to attend Board meetings and will be given time to speak at the end of the business meeting. Your Board takes its fiduciary duties seriously and will review such questions, comments and criticisms.

Yours truly,  
Howard Berman, President  
Enclosures