

5 MIN. RETURN

COVENANTS AND RESTRICTIONS

PINE EAGLE ESTATES

**THIS DOCUMENT PREPARED BY
AND RETURNED TO:**

Pine Eagle Estates, Inc.
1361 13th Avenue South, Suite 245
Jacksonville Beach, FL 32250

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FOR
PINE EAGLE ESTATES**

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DECLARATION
OF
COVENANTS AND RESTRICTIONS

THIS DECLARATION is made this 13th day of September, 2005 by **Pine Eagle Estates, Inc.** (the "Developer"), which declares that the real property described on Exhibit A attached hereto and made a part hereof (the "Property"), which is owned by the Developer, shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges, liens and all other matters set forth in this Declaration which shall be deemed to be covenants running with the title to the Property and shall be binding upon the Developer and all parties having or acquiring any right, title or interest in the Property or any part thereof.

ARTICLE I
MUTUALITY OF BENEFIT AND OBLIGATION

Section 1.1 **Mutuality**. The covenants, restrictions, and agreements set forth in this Declaration are made for the mutual and reciprocal benefit of every parcel within the Property, and are intended to create mutual equitable servitudes upon each such parcel in favor of the other parcels, to create reciprocal rights among the respective Owners, and to create privity of contract and an estate between the grantees of each and every parcel within the Property, their heirs, successors and assigns.

Section 1.2 **Benefits and Burdens**. Every person who is an Owner does by reason of taking title to land located within the Property agree to all the terms and provisions of this Declaration and shall be entitled to its benefits and subject to its burdens.

ARTICLE II
DEFINITIONS

The following words, when used in this Declaration shall have the following meanings:

Section 2.1 **Association**. Pine Eagle Estates Homeowners Association, Inc., a Florida corporation not-for-profit. This is the Declaration to which the Articles of Incorporation (the "Articles") and Bylaws (the "Bylaws") of the Association make reference. Copies of the Articles and Bylaws are attached as Exhibits B and C, respectively.

Section 2.2 **Board**. The Board of Directors of the Association.

Section 2.3 **Common Area**. All real property (including easements, licenses and rights to use real property) and personal property located within or adjacent to the Property, if any, which is owned by the Developer, or by the Association, and which the Developer has designated for the common use of the Owners by reference thereto in this Section 2.3, or by recording a Supplementary Declaration, pursuant to the terms of Section 5.3 hereof. The Common Area initially designated by the Developer shall consist of the real property (and interests therein) described as all private roads (variable width right-of-way), Tract A – Landscape & Buffer Area, Tract B – Wetland Preservation Area, Tract C – Stormwater Management Facility, Tract D – Perimeter Drainage Swale, Tract E – Access Parcel, and Tract F

– Park, Retention, Sidewalk, Landscape, & Signage Area, all more particularly described on Exhibit D attached hereto.

Section 2.4 **Developer.** Pine Eagle Estates, Inc. and their successors and such of their assigns as to which the rights of the Developer hereunder are specifically assigned. Developer may assign all or only a portion of such rights in connection with portions of the Property. In the event of such a partial assignment, the assignee may exercise such rights of the Developer as are specifically assigned to it. Any such assignment may be made on a non-exclusive basis. Reference in this Declaration to Pine Eagle Estates, Inc. as the Developer of the Property is not intended and shall not be construed, to impose upon Pine Eagle Estates, Inc. any obligations, legal or otherwise, for the acts or omissions of third parties who purchase lots or parcels within the Property from Pine Eagle Estates, Inc. and develop and resell the same.

Section 2.5 **Limited Common Area.** The Limited Common Area of a Lot shall consist of the portion of the Property between the Lot line and the nearest edge of the paved road surface (as it may exist from time to time) and between the rear Lot line and the nearest shore line of any lake contiguous to or within twenty (20) feet of the Lot, within the area bounded by the extension of the side Lot lines, together with any portion of the Property contiguous to a Lot which, as a result of the natural configuration of the Property, is primarily of benefit to such Lot. Any question concerning the boundary of a limited common area shall be determined by the Board of Directors of the Association.

Section 2.6 **Lot.** Any platted Lot or any other parcel of real property located within the Property, on which one or more residential dwellings have been or could be constructed.

Section 2.7 **Owner.** The record owner or owners of any Lot.

Section 2.8 **Property or Subdivision.** The real property described on the attached Exhibit A and such additions and deletions thereto as may be made in accordance with the provisions of Sections 3.2 and 3.3 of this Declaration.

Section 2.9 **Zoning PUD.** (Planned Unit Development). The Clay County Rezoning Ordinance for Pine Eagle Estates, as enacted by the Board of County Commissioners of Clay County, Florida, as the same may be amended from time to time.

Section 2.10 **Surface Water or Stormwater Management System.** A system which is designed and constructed or implemented within the Property to control discharges which are necessitated by rainfall events, incorporating methods to collect, convey, store, absorb, inhibit, treat, use or reuse water to prevent or reduce flooding, overdrainage, environmental degradation, and water pollution or otherwise affect the quantity and quality of discharges from the system, as permitted pursuant to Chapters 40C-4, 40C-40, or 40C-42, F.A.C. or regulations of similar import. For purposes of this Declaration, the Surface Water or Stormwater Management System shall be deemed to be a part of the Common Area.

Section 2.11 **St. Johns River Water Management District, SJRWMD.** A state government agency having jurisdiction over water and wetland resources in northeast Florida, which is also referred to as “the district” or abbreviated as “SRJWMD.” The Pine Eagle Estates permit number for the Property is referred to herein as the “Surface Water Permit”.

ARTICLE III
PROPERTY SUBJECT TO THIS DECLARATION:
ADDITIONS AND DELETIONS

Section 3.1 **No Implied Extension of Covenants.** Each Owner and each tenant of any improvements constructed on any Lot, by becoming an Owner or tenant, shall be deemed to have agreed that (a) the Property described on Exhibit A and such additional property as may be annexed pursuant to Section 3.2 hereof shall be the only Property subject to this Declaration, (b) that nothing contained in this Declaration or in any recorded or unrecorded plat, map, picture, drawing, brochure or other representation of a scheme of development, shall be construed as subjecting, or requiring the Developer to subject any other property now or hereafter owned by the Developer to this Declaration, and (c) that the only manner in which additional land may be subjected to this Declaration is by the procedure set forth in Section 3.2 hereof.

Section 3.2 **Additional Lands.** Developer may, but shall not be obligated to, subject additional land to this Declaration (or to the assessment provisions of this Declaration) from time to time provided only that (a) any additional land subjected to this Declaration (or its assessment provisions) shall be contiguous to the Property then subject to this Declaration (for purposes of this Section 3.2, property separated only by public or private roads, water bodies, or open space shall be deemed contiguous), and (b) the Owners of property within additional lands made subject to this Declaration (or its assessment provisions) shall be and become subject to this Declaration (or its assessment provisions), and shall be responsible for their pro rata share of common expenses for which assessments may be levied pursuant to the terms of Article VII of the Declaration. Addition of lands to this Declaration shall be made and evidenced by filing in the public records of Clay County, Florida, a Supplementary Declaration executed by the Developer with respect to the lands to be added. Developer reserves the right to supplement this Declaration to add land to the scheme of this Declaration (or its assessment provisions) pursuant to the foregoing provisions without the consent or joinder of any Owner or mortgagee of land within the Property.

Section 3.3 **Withdrawal of Lands.** With the consent and joinder of any Owners which are materially adversely affected by such withdrawal, the Developer may, but shall have no obligation to, withdraw at any time, or from time to time, portions of the Property from the terms and effect of this Declaration. Upon the Developer's request, the consent and joinder of each and every Owner to such withdrawal shall not be unreasonably withheld. The withdrawal of lands as aforesaid shall be made and evidenced by filing in the public records of Clay County, Florida, a Supplementary Declaration executed by the Developer with respect to the lands to be withdrawn.

Any withdrawal of lands on which is located a portion of the surface water management system authorized by a permit of the St. Johns River Water Management District will be considered an amendment to this Declaration which alters a provision relating to the surface water or stormwater management system beyond maintenance in its original condition and must have the prior written approval of the District.

ARTICLE IV **THE ASSOCIATION**

Section 4.1 **Membership.** Each Owner, including the Developer (at all times so long as it owns any part of the Property), shall be a member of the Association, provided that any such person or entity who holds such interest only as security for the performance of an obligation shall not be a member. Membership shall be appurtenant to, and may not be separated from, ownership of any Lot.

Section 4.2 **Classes and Voting.** The Association shall have two classes of membership:

(a) **Class A Members.** The Class A Members shall be all Owners, with the exception of the Developer, who shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members of the Association. However, the vote for any such Lot shall be exercised as the Owners thereof shall determine, but in no event shall more than one vote be cast with respect to any Lot.

(b) **Class B Members.** The Class B Member shall be the Developer who shall be entitled to three (3) votes for each Lot owned by the Developer. The Class B Membership shall cease and be converted to Class A Membership on the happening of one of the following events, whichever occurs earlier:

- (i) When the total votes outstanding in the Class A Membership equals the total votes outstanding in the Class B Membership;
- (ii) On December 31, 2010;
- (iii) Three (3) months after ninety percent (90%) of the Lots have been conveyed to members of the Association other than the Developer; or
- (iv) Such earlier date as the Developer may choose to terminate the Class B Membership upon notice to the Association.

ARTICLE V **COMMON AREA RIGHTS**

Section 5.1 **Conveyance of Common Area.** Developer agrees that all of the Common Area owned by Developer shall be conveyed or assigned to the Association, subject to covenants, easements, restrictions and other matters of record, before the date which is ninety (90) days following the conveyance of the last Lot owned by the Developer to any third party. Upon the recordation of any deed or deeds conveying Common Area to the Association, the Association shall be conclusively deemed to have accepted the conveyance evidenced by such deed or deeds.

Section 5.2 **Owners' Easement of Enjoyment.** Each Owner shall have a right and easement of enjoyment in and to the Common Area for its intended purpose, which shall be appurtenant to, and shall pass with, the title to the land of such Owner, subject to the following:

- (a) The right of the owner of the Common Area, with the consent of the Developer (if different from such owner) and Owners holding not less than sixty-seven percent (67%) of the total votes of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility; or to mortgage the Common Area;
- (b) All provisions of this Declaration, any plat of all or any parts of the Property, governmental restrictions, including the provisions of the PUD;
- (c) Reasonable rules and regulations governing use and enjoyment of the Common Area adopted by the Developer or the Association;
- (d) The rights of the Developer under Section 5.3 to add to or withdraw land from the Common Area;
- (e) Easements, restrictions, agreements and other matters of record.

The foregoing easement of enjoyment in favor of the Owners shall not be construed to create or imply any other easements or rights not expressly created by this Declaration, it being the intent hereof to limit the Owners' rights of use of specific portions of the Common Area to only the intended purposes of such portions of the Common Area. For example, the creation of each Owner's right to drain such Owner's Lot into the portions of the Common Area included within the Surface Water or Stormwater Management System, does not create any right of access by any Owner to such portions of the Common Area over any other Owner's Lot or other privately owned portions of the Subdivision.

Section 5.3 Right of the Developer to Designate Property as Common Area or to Withdraw Property from the Common Area. Notwithstanding anything to the contrary contained in this Declaration, the Developer shall have the right, in its sole discretion, to designate land, easements, use rights and personal property owned by the Developer as Common Area, provided only that such land shall be located within the Property or contiguous to the Property (for purposes of this Section 5.3, property separated only by public or private roads, water bodies, or open space shall be deemed contiguous). For so long as the Developer shall own any Lot, the Developer may, at any time, withdraw, or cause to be withdrawn, land from the Common Area in the Developer's sole discretion. The prior sentence notwithstanding, in the event such withdrawal of Common Area shall materially and adversely affect any Lot, or materially and adversely affect access, or drainage to or from any Lot, the Developer shall not have the right to withdraw such Common Area without the consent and joinder of the Owner of the Lot which is so affected. The Developer is prohibited from withdrawing any parts of the common area that include portions of the surface water or stormwater management system without the prior written approval of the St. Johns River Water Management District. Addition of land to and withdrawal of land from the Common Area shall be evidenced by recording a Supplementary Declaration in the public records of Clay County, Florida, which shall specifically reference such addition or withdrawal. Withdrawal of land from the Common Area by the Developer shall terminate any and all easements and rights of use of the Owners in such land. No land owned by the Developer shall be deemed to be Common Area unless such land is expressly referenced as such under Section 2.3 hereof, or subsequently designated as such by the Developer pursuant to Section 2.3 hereof and this Section 5.3, even if the Developer consents or

acquiesces to the use of such land by the Owners. In the event any land, easements, use rights, or personal property owned by the Association shall be withdrawn from the Common Area pursuant to this Section 5.3, upon the Developer's written request, the Association shall promptly execute and deliver to the Developer any and all deeds, bills of sale, assignments or other conveyance documents as may be necessary or appropriate to effectuate the withdrawal of such Common Area.

Section 5.4 Maintenance of Common Area and Compliance with Applicable Permits. The Association shall at all times maintain in good repair and manage, operate and insure, and shall replace as often as necessary, the Common Area and any improvements and landscaping (except utilities owned and maintained by public or private utility companies providing water, sewer, electrical, fire protection, cable television, telephone, or similar utilities to the Property, or any portion thereof) situated on the Common Area, if any. The Association shall maintain all lakes, drainage areas, drainage easements, and control structures, and shall preserve and protect all designated conservation areas and littoral zones located within, adjacent, or in near proximity to the Property, in accordance with all permit requirements and conditions contained in applicable dredge fill, consumptive use, surface water permits, or any other applicable permits issued by the United States Army Corps of Engineers ("ACOE"), Florida Department of Environmental Protection ("FDEP"), St. Johns River Water Management District, and Clay County, Florida and all statutes, rules, regulations and requirements pertaining to surface water management, drainage and water quality promulgated by the SJRWMD, the FDEP, and all other local, state and federal authorities having jurisdiction. The Association shall maintain those portions of the Common Area designated by applicable permit as conservation tracts, stormwater management tracts or similar designations, in accordance with all permit requirements, rules, and regulations promulgated by all local, state and federal authorities having jurisdiction. The Association shall be responsible for the maintenance, operation and repair of the Surface Water or Stormwater Management System. Maintenance of the Surface Water or Stormwater Management System shall mean the exercise of practices which allow the system to provide drainage, water storage, and conveyance of surface water, and stormwater management capabilities as permitted by the SJRWMD. The Association shall be responsible for such maintenance and operation. Any repair or reconstruction of the Surface Water or Stormwater Management System shall be as permitted, or if modified, as approved by the SJRWMD. All maintenance obligations of the Association shall be performed as ordered by the Board of Directors of the Association, and all or any portion of the cost of such maintenance incurred by the Association pursuant to this Section 5.4, shall be a common expense of the Association to be collected and paid in the manner prescribed by this Declaration.

Section 5.5 Easement for Maintenance, Access and Drainage . The Developer hereby grants to the Association and its successors, assigns, agents, and contractors, a perpetual easement in, on, over and upon those portions of the Property as may be reasonably necessary for the purpose of operating and maintaining the Common Area, including the Surface Water or Storm Water Management System, or other portions of Property to be operated or maintained by the Association, in accordance with the requirements of this Declaration. Pursuant to this easement, the Association shall have the right to enter upon any portion of any Lot, the boundaries of which include any part of the Surface Water or Stormwater Management System, at all reasonable times and in a reasonable manner, to operate, maintain or repair the Surface Water or Stormwater Management System as required by the SJRWMD. Additionally, the

Association shall have a perpetual, non-exclusive easement for drainage over the entire Surface Water or Stormwater Management System. No person shall alter the drainage flow of the Surface Water or Stormwater Management System, including buffer areas or swales, without the prior written approval of the SJRWMD.

Section 5.6 ~~Lake~~^{LAKE} **Bank and Swale Maintenance.** The Developer has constructed a drainage system composed of a lake and swale upon certain Lots as depicted on the Grading and Drainage Plan prepared by Greenhorne and O'Mara, Inc., dated November 11, 2004, and shown on the plat recorded in the public records of Clay County for Pine Eagle Estates prepared by Clarson and Associates, Inc., for the purpose of managing and containing the flow of excess surface water, if any, found upon such Lots and conveying it through underground pipes to the lake for treatment and discharge to the Pine Avenue ditch. Each Lot owner, including builders, and the Association shall be responsible for the maintenance, operation and repair of the lake bank and drainage swales located on the Lots. Maintenance, operation and repair shall mean the exercise of practices, such as mowing and erosion repair, which allow the lake bank and drainage swales to provide drainage, water storage, conveyance or other stormwater management capabilities as permitted by the St. Johns River Water Management District. Filling, excavation, construction of fences (which obstruct surface water flow) or otherwise obstructing of the surface water flow in the swales is prohibited. No alteration of the Drainage Swales or lake bank shall be authorized and any damage to any Drainage Swale, whether caused by natural or human-induced phenomena, shall be repaired and the Drainage Swale and lake bank returned to its former condition as soon as possible by the Owner(s) of the Lot(s) upon which the Drainage swale or lake bank are located.

ARTICLE VI **ARCHITECTURAL CONTROL**

Section 6.1 **Architectural Review and Approval.** Except for the initial construction of residential dwellings and related structures, landscaping, and other improvements ("Initial Construction"), no structure of any kind, including without limitation, any building, fence, wall, pool, screen enclosure, sewer, drain, landscape device, tank or object, driveway or other improvement shall be commenced, erected, placed or maintained upon any Lot, nor shall any addition, change or alteration therein or thereof be made, unless and until the plans, specifications and location of the same have been submitted to, and approved in writing by the Association. All plans and specifications shall be evaluated as to visual and acoustical privacy and as to the harmony of external design and location in relation to surrounding structures, topography, existing trees and other natural vegetation and as to specific conformance with architectural criteria which may be imposed from time to time by the Developer or the Association. It shall be the burden of each Owner to supply two (2) sets of completed plans and specifications to the Architectural Review Board ("ARB") and no plan or specification shall be deemed approved unless a written approval is granted by the ARB to the Owner submitting same. The ARB shall approve or disapprove plans and specifications properly submitted within thirty (30) days of each submission. Any change or modification to an approved plan shall not be deemed approved unless a written approval is granted by the ARB to the Owner submitting same.

Section 6.2 **Architectural Review Board.** The architectural review and control functions of the Association shall be administered and performed by the ARB, which shall consist of three (3) or five (5) members who need not be members of the Association. So long as Developer owns any Lot, Developer shall have the right to appoint and remove the members of the ARB. After Developer ceases to own any Lot, the Board of Directors of the Association shall have the right to appoint all of the members of the ARB. A majority of the ARB shall constitute a quorum to transact business at any meeting of the ARB, and the action of a majority present at a meeting at which a quorum is present shall constitute the action of the ARB. Any vacancy occurring on the ARB because of death, resignation, or other termination of service of any member thereof shall be filled by the Developer or the Board of Directors, as applicable.

Section 6.3 **Powers and Duties of the ARB.** The ARB shall have the following powers and duties:

(a) To recommend amendments to the architectural criteria to the Board at such time as the Board shall have the right to adopt or amend architectural criteria for the Property. For so long as the Developer shall be entitled to elect or appoint a majority of the members of the Board, only the Developer shall have the right to promulgate, amend, eliminate, or replace architectural criteria applicable to architectural review to be conducted by the Association. At such time as members of the Association shall elect a majority of the members of the Board, such architectural criteria shall be promulgated, amended, eliminated, or replaced by the Board. Any amendment of the architectural criteria shall be consistent with the provisions of this Declaration. Notice of any amendment to the architectural criteria, which shall include a verbatim copy of such amendment, shall be delivered to each member of the Association. The delivery to each member of the Association of notice and a copy of any amendment to the architectural criteria shall not, however, constitute a condition precedent to the effectiveness or validity of such amendment. It shall not be necessary for the architectural criteria, or any amendment thereto, to be recorded.

(b) To require submission to the ARB of two (2) complete sets of all plans and specifications for any improvement or structure of any kind requiring review and approval of the ARB pursuant to this Article VI. The ARB may also require submission of samples of building materials proposed for use on any Lot, and may require tree surveys to show the effect of the proposed improvements on existing tree cover, and such additional information as reasonably may be necessary for the ARB to completely evaluate the proposed structure or improvement in accordance with this Declaration and applicable architectural criteria.

(c) To approve or disapprove in accordance with the provisions of this Article VI, any improvements or structures of any kind (other than Initial Construction), or any change or modification thereto, the construction, erection, performance or placement of which is proposed upon any Lot, and to approve or disapprove any exterior additions, changes, modifications or alterations therein or thereon. All decisions of the ARB may, but need not be evidenced by a certificate in recordable form executed under seal by the President or any Vice President of the Association. Any party aggrieved by a decision of the ARB shall have the right to make a written request to the Board, within thirty (30) days of such decision, for a review thereof. The determination of the Board upon review of any such decision shall be dispositive.

(d) To adopt a schedule of reasonable fees for processing requests for ARB approval of proposed improvements. Such fees, if any, shall be payable to the Association, in cash or bank certified funds, at the time that plans and specifications are submitted to the ARB.

Section 6.4 **Compensation of ARB.** The Board may, at its option, pay reasonable compensation to any or all members of the ARB.

Section 6.5 **Review of Initial Construction by Developer.** No Initial Construction shall be commenced upon any Lot unless and until the plans, specifications and location of the same have been submitted to, and approved by, the Developer in writing. All plans and specifications shall be evaluated as to visual and acoustical privacy, as to harmony of external design and location in relation to surrounding structures, if any, topography, existing trees and other natural vegetation, and as to consistency with this Declaration and architectural criteria made applicable to Initial Construction by the Developer from time to time. The Developer may choose to review multiple house designs and approve some or all of the plans for construction on any lot within the subdivision, meeting the requirements of Article X of these Covenants and Restrictions, in lieu of individual submittals. The ARB review fee for construction of homes built by a contractor who did not initially purchase lots from the developer is \$300 and must be submitted when the ARB package is submitted.

Section 6.6 **Variance.** The Developer and the ARB may authorize variances from compliance with any architectural provisions of this Declaration or applicable architectural criteria when circumstances such as topography, natural obstructions, hardships, or aesthetic or environmental considerations require same. Such a variance must be evidenced by a document signed by an authorized representative of the Developer or ARB, as applicable. If such a variance was granted, no violation of the covenants, conditions and restrictions contained in this Declaration shall be deemed to have occurred with respect to the matters for which the variance was granted. The granting of such a variance shall not, however, operate to waive any of the terms and provisions of this Declaration for any purpose except as to the particular Lot and particular provisions of this Declaration or applicable architectural criteria covered by the variance, nor shall it affect in any way an Owner's obligation to comply with all governmental laws and regulations, including but not limited to, zoning ordinances and setback lines or requirements imposed by any governmental or municipal authority.

Section 6.7 **Limited Liability.** In connection with all reviews, acceptances, inspections, permissions, consents or required approvals by or from the Developer, the ARB, or the Association as contemplated by this Article VI, neither the Developer, the ARB, nor the Association shall be liable to an Owner or to any other person on account of any claim, liability, damage or expense suffered or incurred by or threatened against an Owner or such other person and arising out of or in any way related to the subject matter of any such reviews, acceptances, inspections, permissions, consents or required approvals, whether given, granted or withheld by the Developer, the ARB, or the Association.

ARTICLE VII
COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 7.1 **Creation of the Lien and Personal Obligation of Assessments.** Each Owner of a Lot within the Property hereby covenants, and by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, including any purchaser at a judicial sale, shall hereafter be deemed to covenant and agree to pay to the Association any annual assessments, and any special assessments established and collected as hereinafter provided. All such assessments, together with interest thereon from the due date at the highest lawful rate and costs of collection thereof (including reasonable attorneys' fees), shall be a charge and continuing lien upon each Lot against which each such assessment is made, and shall also be the personal obligation of each Owner. No Owner may avoid liability for the assessments by waiver of rights to use, or by non-use of, the Common Areas or by abandonment.

Section 7.2 **Purpose of Assessments.**

7.2.1 The annual assessments levied by the Association shall be used for the purposes of management and accounting fees, taxes, insurance, and utility charges relating to the Common Area, to fund the obligations of the Association set forth in Section 5.4 hereof, and for all other purposes reasonably contemplated by this Declaration, the Articles, the Bylaws, or any cost sharing or similar agreement to which the Association is or may become a party. Further, such annual assessments may be levied to fund reasonable reserves for deferred maintenance of, or non-recurring expenses related to, the Common Area including the roadways and Surface Water or Stormwater Management System. The maintenance responsibilities of the Association payable through assessment of the Owners shall specifically include, but not be limited to, the perpetual maintenance of all retention ponds, drainage swales, and all other drainage and stormwater management improvements lying within the Property, and all other such improvements, constituting a part of the Surface Water or Stormwater Management System, including operation, sampling, testing and maintenance of monitoring wells as required by the Surface Water Permit. Assessments collected by the Association to fund reserves shall be separately accounted for.

7.2.2 The Board of Directors may levy special assessments for any purpose relating to permissible or required activities of the Association pursuant to this Declaration, the Articles, or the Bylaws. Any funds collected pursuant to such a special assessment shall be used solely for the purpose or purposes identified by the Board of Directors at the time such special assessment is levied.

Section 7.3 **Calculation and Collection of Assessments.** The annual assessments shall be established by the Board of Directors based upon an annual budget. Owners of Lots shall pay a pro rata share of annual and special assessments which shall be allocated among the Owners in an equal amount per Lot. The assessment obligations of each Owner other than the Developer shall commence upon the recordation of this Declaration in the current public records of Clay County, Florida. Annual assessments shall be collectable in advance on a periodic basis established by the Board of Directors from time to time, which periodic basis shall not be less frequent than annually. Special assessments shall be collectible in advance in the manner established by the Board of Directors at the time such special assessments are authorized.

Section 7.4 **Effect of Non-Payment of Assessment: Lien, Personal Obligation, and Remedies of Developer.** The lien of the Association shall be effective from and after recording in the public records of Clay County, Florida, a claim of lien stating the description of the Lot encumbered thereby, the name of the Owner, the amount and the due date. Such claim of lien shall include assessments which are due and payable when the claim of lien is recorded as well as assessments which may accrue thereafter, plus interest, costs, attorneys' fees, advances to pay taxes and prior encumbrances and interest thereon, all as herein provided. Upon full payment of all sums secured by such claim of lien, the same shall be satisfied of record, and the affected Owner shall pay the cost of such satisfaction. If the assessment is not paid within fifteen (15) days after the due date, the assessment shall bear interest from the due date at the highest lawful rate, and the Association may at any time thereafter bring an action to enforce the lien authorized hereby by appropriate foreclosure proceedings and/or a suit on the personal obligation against the Owner. In the event the Association shall fail to bring such an action for collection of a delinquent assessment within thirty (30) days following receipt of written notice from any Owner demanding that such proceedings be commenced, such Owner shall be authorized to institute such proceedings. There shall be added to the amount of such delinquent assessment the costs of collection incurred by the Association, or such Owner, which shall specifically include without limitation reasonable attorneys' fees for trial and appeal.

Section 7.5 **Subordination of Lien to Mortgages.** The lien of the assessments provided for by this Declaration shall be subordinate to the lien of any bona fide mortgage which is perfected by recording prior to the recording of the claim of lien for any such unpaid assessments. Such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of the affected Lot by deed in lieu of foreclosure, pursuant to a decree of foreclosure, or pursuant to any other proceeding in lieu of foreclosure of such mortgage. No sale or other transfer shall release any Lot from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessments. A written statement of the Association that the lien is subordinate to a mortgage, shall be dispositive of any question of subordination.

Section 7.6 **Developer's Assessments.** Notwithstanding any provision of this Declaration to the contrary, during the Development Period (as defined below) the Lots and other portions of the Property owned by the Developer shall not be subject to any annual or special assessments levied by the Association or to any lien for such assessments. During the Development Period, the Developer shall pay the balance of the actual operating expenses of the Association (excluding costs of major repairs, deferred maintenance, replacements and reserves) remaining after the levying of and payment of assessments due from Owners other than the Developer pursuant to assessments levied by the Board of Directors pursuant to this Declaration. The Developer shall be obligated to fund such balance only as the expenses are actually incurred by the Association during the Development Period. The Development Period shall begin upon the conveyance of the first Lot in the Property to an Owner other than the Developer and shall continue until the earlier to occur of (i) the Developer shall notify the Association that it will no longer pay for operating deficits of the Association; or (ii) the Class B Membership shall cease and be converted to Class A Membership. Upon termination of the Developer's agreement to pay operating deficits, the Developer shall become obligated to pay assessments on Lots owned by it within the Property on the same basis as other Owners. In no event shall the Developer be

obligated to pay for operating deficits of the Association after the Developer no longer owns any Lots within the Property.

ARTICLE VIII

EXTERIOR MAINTENANCE ASSESSMENT

Section 8.1 **Exterior Maintenance.** The Association may provide maintenance upon any Lot or Limited Common Area requiring same, when necessary in the opinion of the Association's Board of Directors to preserve the beauty, quality, or value of any or all portions of the Property. Such maintenance shall include but not be limited to painting, roof repair and replacement, repair of gutters, downspouts, and exterior building surfaces, and yard clean-up and yard maintenance. Each affected Owner shall have fifteen (15) days within which to perform the required maintenance after being notified in writing by the Association that such maintenance is necessary before the Association undertakes the maintenance.

Section 8.2 **Assessments of Costs.** The cost of any maintenance undertaken by the Association under the provisions of Section 8.1 shall be assessed against each Lot upon which such maintenance is performed or, in opinion of the Board, benefiting from same. Exterior maintenance assessments shall not be considered a part of the annual or special assessments imposed upon the Property pursuant to Article VII of this Declaration. Any exterior maintenance assessment shall be a lien upon each Lot assessed and the personal obligation of the Owner of each such Lot and shall become due and payable in all respects, together with interest, attorneys fees, and costs of collection, as provided for in Sections 7.3, and 7.4, and shall be subordinate to mortgage liens to the extent provided by Section 7.5.

Section 8.3 **Access.** For the purpose of performing the maintenance authorized by this Article, the Association, through its duly authorized agents or employees, shall have the right, after the notice to the Owner provided under Section 8.1, to enter upon any Lot at reasonable hours on any day except Sunday. In the case of emergency repairs, access will be permitted at any time with only such notice as under the circumstances is practically affordable.

ARTICLE IX

UTILITY PROVISIONS

Section 9.1 **Water System.** The central water supply system provided for the service of the Property shall be used as the sole source of potable water for all water spigots and outlets located within or on all buildings and improvements located on each Lot. Each Owner shall pay water meter charges of the supplier thereof and shall maintain and repair all portions of the water lines serving the Owner's Lot in accordance with the requirements of the applicable utility supplier. No individual potable water supply system or well for consumptive purposes shall be permitted on any Lot without the prior written consent of the Association.

Section 9.2 **Sewage System.** The central sewage system provided for the service of the Property shall be used as the sole sewage system for each Lot. Each Owner shall maintain and repair all portions of the sewer lines serving the Owner's Lot in accordance with the requirements of the applicable utility provider, and shall pay when due the periodic charges or rates for the furnishing of such sewage collection and disposal services made by such utility

provider. No sewage shall be discharged onto the open ground or into any wetland, lake, pond, park, ravine, drainage ditch or canal or roadway and no septic tank or drain field shall be placed or allowed within the Property.

Section 9.3 **Garbage Collection.** Garbage, trash and rubbish shall be removed from the Lots only by parties or companies approved by the Association, which approval shall not be unreasonably withheld. Each Owner shall pay when due the periodic charges or rate for such garbage collection service made by the party or company providing the same.

Section 9.4 **Utility Service.** It shall be the responsibility of the Owner or occupant of each Lot to make direct arrangements with the suppliers of electricity, water, sewer, and any other utility services for service to such Lot.

ARTICLE X **USE RESTRICTIONS AND RIGHTS AND** **EASEMENTS RESERVED BY DEVELOPER**

Section 10.1 **Residential Use.** The Lots subject to this Declaration may be used for residential dwellings and for no other purpose except that one or more Lots may be used for model homes during the development and sale of Lots within the Property or other properties. No business or commercial building may be erected on any Lot and no business may be conducted on any part thereof. No Lot may be used for roadway(s). No Lot shall be divided, subdivided or reduced in size without the prior written consent of the Developer. Assessments for common expenses attributable to any Lot which may be subdivided pursuant to this Section 10.1 shall be reallocated by the Developer, in its sole discretion, at the time written consent for such subdivision is given by the Developer.

Section 10.2 **Living Area.** Each detached single-family residence constructed upon a Lot shall contain a minimum of 2,200 square feet of enclosed living area; in the case of a two-story residence, there shall be a minimum of 1,600 square feet of enclosed living area located on the first floor. Specifically excluded from "enclosed living area", without limitation, are garages, open or screened porches, terraces, and other covered areas that are not air-conditioned.

Section 10.3 **No Detached Buildings, Structures, or Objects.** No garages, tool or storage sheds, tents, trailers, tanks, temporary or accessory buildings or structures shall be erected or permitted to remain on any Lot without the prior written consent of the Developer or the Association.

Section 10.4 **Setbacks.**

10.4.1 **Front.** No dwelling shall be erected within twenty (20) feet of any front Lot line.

10.4.2 **Side.** No dwelling shall be erected within five (5) feet of any side Lot line.

10.4.3 **Rear.** No dwelling shall be erected within ten (10) feet of any rear Lot line.

- 10.4.4 **Easement Areas.** No dwelling shall be erected within any easement area shown on any plat of all or any portion of the Property or within any easement reserved by Section 11.1 of this Declaration.
- 10.4.5 **Measurement of Setbacks.** All setbacks shall be measured from the exterior wall of the dwelling to the applicable Lot or parcel boundary.
- 10.4.6 **Maximum Lot Coverage.** The maximum lot coverage of any structure on a lot shall be Forty percent (40%) of the total lot area.
- 10.4.7 **Maximum Building Height.** No Structure shall exceed thirty-five (35) feet in height.

Section 10.5 **Construction Materials.** All houses shall be constructed of brick or stucco on all elevations. Masonry lap siding (such as hardiplank) may be used on gables, chimneys, or as an accent only. Stucco houses shall have brick, stone, or stucco architectural accents on the front façade with all windows and doorways trimmed with architectural foam.. The side and rear elevations must match the front in material and color. Exterior colors shall be conservative with complementing trim. Duplicate front elevations shall not be permitted within (2) houses to either side or across the street. Variations in architectural elements should be utilized to promote uniqueness to each structure. The roof shall be built with a minimum 7/12 pitch. Roofing materials must consist of architectural grade shingles having a minimum life expectancy of twenty five (25) years. All houses shall have an exterior wall plate height of nine (9) feet with at least one room and a covered front entry at an eleven (11) foot plate height.

Section 10.6 **Landscaping.** All areas of Lots not otherwise covered or landscaped must be sodded to the paved roadway with St. Augustine Grass. Lake front Lots must be sodded to the water's edge. Each Lot must be landscaped with a minimum of sixty (60) three gallon shrubs, sixty (60) one gallon shrubs, four (4) fifteen gallon shrubs, and three (3) hardwood type trees (min. 3" DBH), one the trees must be planted in the front yard. Landscape requirements for lake fronts Lots will be increased by twenty-five (25%) percent with the additional landscape planted along the rear elevation of the house. Lots shall be irrigated by an underground irrigation system covering all grassed and landscaped areas. Private wells will be allowed for irrigation purposes, when approved by appropriate government agencies. These wells must be constructed to a depth that the water will not stain sidewalks, driveways or buildings in any way. Natural vegetation areas will not be required to be irrigated.

10.6.1 Maximum utilization of existing trees and shrubs and natural landscaping techniques shall be encouraged. Up to two (2) of the required hardwood type trees can be replaced with existing hardwoods left on Lot, but one new hardwood at a minimum will be required to be planted. All Lots and appurtenant Limited Common Areas that are not landscaped or left in a natural wooded state shall be grassed to the paved roadway and/or lake's edge where such Lot abuts a roadway and/or lake.

10.6.2 Subsequent to approval by the Developer of landscaping plans submitted pursuant to Article VI above, the Owner shall be obligated to complete the landscaping of his Lot and Limited Common Area in accordance with such plans within thirty (30) days following the issuance of a Certificate of Occupancy or similar final approval for the residence constructed on the Lot by Clay County, Florida, or other governmental authority having jurisdiction. In the event the landscaping is not completed as provided herein, the Association shall have the right to enter the Lot and complete said landscaping in accordance with the approved plans, in the same manner as exterior maintenance may be performed by the Association pursuant to Article VIII of this Declaration. The Association shall be entitled to a lien against the Lot in an amount equal to one hundred ten percent (110%) of the cost to complete landscaping on such Lot and Limited Common Area, which sum may be collected as provided in Article VII hereof.

Section 10.7 **Pools.** All pools shall be in-ground and composed of materials thoroughly tested and accepted by the industry for such construction. The outside edges of the pool shall be a minimum distance of 4' from all sidewalls of the residence and meet all pool setback requirements imposed by Clay County, Florida. All screened enclosures must be bronze in color and approved by the ARB prior to installation.

Section 10.8 **Motor Vehicles, Boats and Trailers.** No boats, recreation vehicles or other motor vehicles, except four wheel passenger automobiles or trucks, shall be placed, parked or stored upon any Lot unless completely screened from view by a 6 foot privacy fence, nor shall any maintenance or repair be performed upon any boat or motor vehicle upon any Lot, except within a building, or otherwise screened, so as to be totally isolated from public view. No trailers of any kind shall be stored in the driveway or front yard of any lot. Boat trailers may be stored in side yards if they are completely screened from view on all sides. Commercial vehicles shall not be parked within the Property within public view on a regular basis. Temporary construction trailers may be parked only with the prior written consent of the Developer and in an area designated by the Developer.

Section 10.9 **Nuisances.** Nothing shall be done or maintained on any Lot which may be or become an annoyance or nuisance to any party. Any activity on a Lot which interferes with television, cable or radio reception on another Lot shall be deemed a nuisance and a prohibited activity. If a dispute or question arises as to what may be or become a nuisance, the issue shall be submitted to the Association's Board of Directors, whose decision shall be dispositive of such dispute or question. No immoral, improper or unlawful use shall be made of any portion of the Property and all valid laws, zoning ordinances and regulations of governmental agencies having jurisdiction thereof shall be complied with.

Section 10.10 **Antenna.** The installation of all aerials and antennae shall be prohibited except satellite dishes (max. 24" in diameter) that meet State guidelines and exist in accordance with all applicable rules and regulations of the Federal Communications Commission or other governmental authorities having jurisdiction. Roof mounted satellite dishes must be placed on the rear side of the roof. If sufficient signal strength cannot be obtained by rear roof placement, the satellite dish may be placed on the side slope of the roof. Side slope placement of satellite dishes may not extend forward beyond the ridge of the roof. Satellite dishes may also be placed on an exterior wall or yard pole but may not extend forward of the center line of the house. The

installation of such satellite dishes shall be subject to the approval of the ARB in accordance with architectural criteria imposed by the Developer or the Association from time to time.

Section 10.11 **Lakes.**

- (a) The Association shall have the obligation to control the growth and eradication of plants and fungi in any lake located within the subdivision;
- (b) Subject to the consent of the SJRWMD, the Association has the right to control the water level of the lakes;
- (c) The placement of refuse in the lakes is prohibited;
- (d) The Association shall have the obligation to maintain the embankment and shoreline vegetation of the lakes to the extent that such maintenance is required to comply with the SJRWMD's permit, otherwise such maintenance shall be performed by the owner of the lot that includes or is adjacent to such embankment;
- (e) No bulkheads or other structures shall be constructed on such embankments unless and until the same shall have been approved by the Developer or the Association and if required, authorized by government agencies having jurisdiction;
- (f) The Association shall have the right to adopt reasonable rules and regulations from time to time in connection with use of the surface waters of any lake within, adjacent to or nearby the Subdivision;
- (g) The Association shall have the right to deny the use of any lake to any person who in the opinion of the Association may create or participate in the disturbance or nuisance on any part of the surface waters of any such lake;
- (h) The use of the surface waters of any such lake shall be subject to rights granted to other persons pursuant to the rules and regulations of the Association;
- (i) No gas powered boats or personal watercraft shall be operated in the lake, with the exception of lake maintenance personnel hired by the Association.
- (j) The title to any lot including or located adjacent to any portion of any lake shall not include any riparian rights associated with such title.

WITH RESPECT TO WATER QUALITY, WATER LEVELS, WILDLIFE AND LAKE BANKS, SLOPES AND LAKE BOTTOMS, ALL PERSONS ARE REFERRED TO SECTION 13.10 HEREOF.

Section 10.12 **Insurance and Casualty Damages.** Each Owner shall be required to obtain and maintain in force and effect a policy of fire and other casualty insurance with coverage adequate to cover the full replacement cost of the dwelling and other improvements located on the Owner's Lot. In the event of damage or destruction by fire or other casualty to the improvements on any Lot, the Owner shall commence reconstruction of the improvements within six (6) months from date of casualty and shall repair or rebuild such damaged or destroyed improvements in a good workmanlike manner, within a reasonable time not to exceed one year and in accordance with the provisions of this Declaration. The improvements shall be reconstructed in accordance with the original plans and specifications including color scheme, placement on Lot and materials. All debris must be removed immediately and the Lot shall be restored to an orderly condition within a reasonable time not to exceed sixty (60) days from the date of such damage or destruction.

Section 10.13 **Trees.** Any removal of trees shall comply with the rules and regulations of Clay County and be approved by the ARB, as required in Article VI.

Section 10.14 **Artificial Vegetation.** No artificial grass, plants or other artificial vegetation shall be placed or maintained upon the exterior portion of any Lot, unless approved by the ARB.

Section 10.15 **Signs.** No sign of any kind shall be displayed to the public view on any Lot, in any house constructed upon a Lot, or on or in any vehicle parked on any part of the Property, except as may be approved as to size and design and in accordance with criteria established by the Association.

Section 10.16 **Lighting.** No lighting shall be permitted which alters the residential character of the Subdivision.

Section 10.17 **Animals.** Dogs shall be kept under control by each Owner at all times and leashed when outside the boundaries of the Owner's Lot. Animals shall be kept for the pleasure of Owners only and not for any commercial or breeding use or purposes. If, in the discretion of the Board, any animal shall become dangerous or an annoyance or nuisance to other Owners, or destructive of wildlife or property, such animal may not thereafter be kept on a Lot. Further, in the event any group of animals shall collectively become dangerous or an annoyance or nuisance to other Owners, or destructive to wildlife or property, the Board shall have the right to require the applicable Owner to reduce the number of animals kept on the Lot, or to take such other remedial action as the Board shall specify.

Section 10.18 **Maintenance of Lots and Limited Common Areas.** No weeds, underbrush or other unsightly vegetation shall be permitted to grow or remain upon any Lot or Limited Common Area, and no refuse pile or unsightly objects shall be allowed to be placed or suffered to remain anywhere within the Property. All Lots and all portions of the Property and any improvements placed thereon, shall at all times be maintained in a neat and attractive

condition and landscaping shall be maintained in a neat, attractive and orderly manner, including maintenance of grass, plants, plant beds, trees, turf, proper irrigation and lake edge maintenance, all in a manner with such frequency as is consistent with good property management. In order to implement effective control, the Association, its agents and assigns, shall have the right to enter upon any Lot for the purpose of mowing, pruning, removing, clearing, or cutting underbrush, weeds or other unsightly growth and trash which in the opinion of the Board distracts from the overall beauty and safety of the Property in accordance with the provisions of Article VIII hereof. During construction upon any Lot, any and all vehicles involved in the construction or delivery of materials and supplies to the site shall enter and exit the site only over the driveway or driveway subsurface and shall not park on any roadway or any Property other than the Lot on which construction is proceeding. During construction of the dwelling or other improvements, the Owner will be required to maintain his Lot in a clean condition, providing for trash and rubbish receptacles and disposal. Construction debris shall not be permitted to remain upon any Lot.

Section 10.19 **Fences**. Fences shall be four (4) to six (6) feet in height and shall not be built beyond the imaginary line extending from ten (10) feet behind the front of the House to the side Lot lines. Fences shall be black wrought iron style of aluminum or wrought iron construction or white dog-ear style of semi-private vinyl construction. No chain link or wire fence shall be allowed on any Lot. For corner Lots, no fence shall extend into the street side, side yard beyond the rear corner of the House. Fences on lakefront lots shall be black aluminum or wrought iron construction and shall not exceed four (4) feet in height, or the height required by the Clay County Building Department for swimming pool construction, if higher. Fences on the rear lot line of each lot, with the exception of the lake front lots, shall be six (6) feet high, white dog-ear style of semi-private vinyl construction, to give a uniform perimeter boundary fence. The fence layout and specifications must be submitted to and approved by the Architectural Review Board prior to installation.

Section 10.20 **Maintenance of Driveways**. Each Lot Owner shall be responsible for maintenance of the driveway serving his Lot.

Section 10.21 **Window Air Conditioning Units/Air Conditioning Compressors**. No window air conditioning units shall be installed on any building within the Subdivision. All ground mounted air conditioning compressors shall be located so as not to be visible from the street, or effectively screened with landscaping material of equal or greater height. If landscaping is used, shrubs do not count toward other landscaping requirements contained herein.

Section 10.22 **Interior Window Coverings**. No newspaper, aluminum foil, or other reflective materials shall be installed or maintained on any window of a House. Temporary covering shall be allowed for move-in time only - not to exceed 30 days.

Section 10.23 **Garages**. Garages shall be constructed as part of the same building or be detached in rear of the lot and shall accommodate at least two cars. All detached garages are subject to ARB approval.

Section 10.24 **Compliance with Laws.** All Owners and other occupants of the Property shall at all times comply with the terms of the PUD, and all environmental, land use, marketing and consumer protection ordinances, statutes, regulations, and permits applicable to the Property or to any improvements constructed thereon.

Section 10.25 **Platting and Additional Restrictions.** The Developer shall be entitled at any time, and from time to time, to plat or replat all or any part of the Property owned by it, and to file any covenants and restrictions, or amendments to this Declaration, with respect to any undeveloped portion or portions of the Property owned by the Developer.

Section 10.26 **Jurisdictional Areas and Permits.**

10.26.1 The plat of the Property may depict certain wetlands jurisdictional areas, environmental buffer zones or conservation easements established by or granted to the SJRWMD, the ACOE, or the FDEP. Neither the Association nor any Owner shall build upon, fill, or otherwise alter any portion of the Property lying within such jurisdictional areas, environmental buffer zones or conservation easements without obtaining a permit from the applicable agency. Any Owner violating this provision shall indemnify, defend and hold harmless the Developer, the Association and their respective employees, agents, independent contractors, successors and assigns from and against all claims, investigations, enforcement proceedings, fines, penalties, costs or damages arising out of such violation, including all reasonable attorneys fees and expenses incurred by such parties in connection therewith.

10.26.2 In addition to the foregoing, in the event that any other conservation easements are granted or created with respect to any portion of the Property, the Owners of any land subject to such conservation easements shall strictly abide by all restrictions contained therein.

10.26.3 The Property is or may be subject to the rights of the State of Florida and the United States over any portion of the Property, which may be considered wetlands, marshes, sovereignty or jurisdictional lands. The Developer has obtained certain permits to allow the development of the Property. The construction periods for works authorized by the permits are finite; however, certain limitations and prohibitions set forth in the permits do not expire. Every Owner, upon acquisition of title to a Lot, shall be deemed to accept the transfer of the portion of each permit which relates to the Owner's Lot including the assumption of all rights and obligations associated therewith.

ARTICLE XI **RIGHTS AND EASEMENTS RESERVED BY DEVELOPER**

Section 11.1 **Easements for Ingress, Egress, Utilities and Drainage.** The Developer reserves for itself, its successors, assigns and designees, a right-of-way and perpetual, nonexclusive easement for ingress and egress and to erect, maintain and use utilities, electric, telephone and street lighting poles, wires, cables, conduits, storm sewers, sanitary sewers, water mains, gas, sewer, water lines, drainage ways and structures, cable television and radio equipment or other public conveniences or utilities, on, in and over, (i) any portion of the Common Area; (ii) any area designated as an easement, private street or right-of-way area on any

plat of all or any portion of the Property; and (iii) a strip of land within each Lot ten feet in width along the front and rear, and five feet along the sides of each Lot.

Section 11.2 **Drainage Flow.** Drainage flow shall not be obstructed or diverted from drainage easements except as provided in Section 5.5 hereof.

Section 11.3 **Future Easements.** Developer reserves the right to impose further restrictions and to grant or dedicate additional easements and rights of way on any Lots within the Property owned by Developer. In addition, Developer hereby expressly reserves the right to grant easements and rights-of-way over, under and through the Common Area so long as Developer shall own any portion of the Property. The easements granted by Developer shall not materially or adversely affect any improvements or unreasonably interfere with the enjoyment of the Common Area.

Section 11.4 **Cable Television, Radio or Internet.** Developer reserves for itself, and its successors and assigns, an exclusive easement for the installation, maintenance and supply of radio, television or internet access cables within the rights of way and easement areas depicted upon any plat of any portion of the Property or within any easement reserved by this Declaration.

Section 11.5 **Easements for Maintenance Purposes.** The Developer reserves for itself, the Association, and their respective agents, employees, successors or assigns, easements, in, on, over and upon each Lot and the Common Area as may be reasonably necessary for the purpose of preserving, maintaining or improving roadways, landscaped areas, wetland areas, lakes, ponds, hammocks, wildlife preserves or other areas, the maintenance of which may be required to be performed by the Developer or the Association.

Section 11.6 **Developer Rights Re: Temporary Structures, Etc.** Developer reserves the right for itself, its successors, assigns, nominees and grantees, to erect and maintain such temporary dwellings, model houses and/or other structures upon Lots owned by the Developer, which it may deem advisable for development purposes and to do all acts reasonably necessary in connection with the construction and sale of improvements located on the Lots within the Subdivision. Nothing contained in this Declaration shall be construed to restrict the foregoing rights of Developer.

ARTICLE XII **MORTGAGEE PROTECTION**

Section 12.1 **Rights of Mortgagees.** The following provisions are hereby made for the benefit of parties holding first mortgages that encumber any Lot or other portion of the Property ("Mortgagees"). To the extent that said provisions conflict with any other provisions of this Declaration, the following provisions shall control:

(a) The Association shall be required to make available to all Owners and Mortgagees, and to insurers and guarantors of any first mortgage, for inspection, upon request, during normal business hours or under other reasonable circumstances, current copies of this Declaration (with all amendments) and the Association's Articles of Incorporation, Bylaws, architectural criteria, rules and regulations and the books and records of the Association. Furthermore, such persons shall be entitled, upon written request, to (i) receive a copy of the

Association's financial statement for the immediately preceding fiscal year, (ii) receive notices of and attend the Association meetings, (iii) receive notice from the Association of an alleged default by an Owner in the performance of such Owner's obligations under this Declaration, the Articles of Incorporation or the Bylaws of the Association, which default is not cured within thirty (30) days after the Association learns of such default, and (iv) receive notice of any substantial damage or loss to the Common Areas.

(b) Any holder, insurer or guarantor of a mortgage encumbering a Lot shall have, if first requested in writing, the right to timely written notice of (i) any condemnation or casualty loss affecting a material portion of the Common Areas, (ii) a sixty (60) day delinquency in the payment of the Assessments on a mortgaged Lot, (iii) the occurrence of a lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association, (iv) any amendment to this Declaration, the Association's Articles of Incorporation, Bylaws, architectural criteria or rules and regulations; and (v) notice of any extraordinary action taken by the Association.

ARTICLE XIII **GENERAL PROVISIONS**

Section 13.1 Remedies for Violations.

13.1.1 If any Owner or other person shall violate or attempt to violate any of the covenants or restrictions herein set forth, it shall be lawful for the Association, the Developer, or any Owner (i) to prosecute proceedings at law for the recovery of damages against those so violating or attempting to violate any such covenant; or (ii) to maintain any proceeding against those so violating or attempting to violate any such covenant for the purpose of preventing or enjoining all or any such violations, including mandatory injunctions requiring compliance with the provisions of this Declaration. The SJRWMD shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in this Declaration which relate to the maintenance, operation and repair of the Surface Water or Stormwater Management System. In the event litigation shall be brought by any party to enforce any provisions of this Declaration, the prevailing party in such proceedings shall be entitled to recover from the non-prevailing party or parties, reasonable attorneys fees for pre-trial preparation, trial, and appellate proceedings unless governed otherwise by applicable Statute. The remedies in this section shall be construed as cumulative of all other remedies now or hereafter provided or made available elsewhere in this Declaration, or by law.

13.1.2 In addition to all other remedies, and to the maximum extent allowed by law, a fine or fines may be imposed upon an Owner for failure of an Owner, his family, guests, lessees, invitees or employees, to comply with any covenant or restriction herein contained, or rule of the Association, provided the following procedures are adhered to:

(a) For a first violation, the Association shall warn the Owner of the alleged infraction in writing.

(b) For a subsequent violation, the Association shall provide the Owner with a notice of its intent to impose a fine for such violation. Included in the notice

shall be the date and time of a meeting of a committee appointed by the Board of Directors (the "Rules Enforcement Committee") at which time the Owner shall present any argument as to why a fine should not be imposed. At least fourteen (14) days prior notice of such meeting shall be given.

(c) At the meeting, the alleged infractions shall be presented to the Rules Enforcement Committee, after which the Committee shall receive evidence and hear argument as to why a fine should not be imposed. A written decision of the Rules Enforcement Committee shall be submitted to the Owner not later than thirty (30) days after the Board of Directors meeting. At the meeting, the Owner shall have the right to be represented by counsel and to cross-examine witnesses.

(d) The Rules Enforcement Committee, by majority vote, may impose a fine not to exceed the maximum amount allowed by law from time to time.

(e) Fines shall be paid not later than five (5) days after notice of the imposition or assessment thereof.

(f) The payment of fines shall be secured by one or more liens encumbering the Lot or Lots owned by the offending Owner. Such fines and liens may be collected and enforced in the same manner as regular and special assessments are collected and enforced pursuant to Article VII hereof.

(g) All monies received from fines shall be allocated as directed by the Board of Directors.

(h) The imposition of fines shall not be construed to be an exclusive remedy, and shall exist in addition to all other rights and remedies to which the Association or any Owner may be otherwise legally entitled; provided, however, any fine paid by an offending Owner shall be deducted from or offset against any damages which may be otherwise recoverable from such Owner.

(i) The Rules Enforcement Committee shall be comprised of not less than three (3) members who are not officers, directors, or employees of the Association, or the spouse, parent, child, brother or sister of an officer, director or employee.

Section 13.2 **Severability**. Invalidation of any of the provisions of this Declaration by judgment or court order shall not affect or modify any of the other provisions, which shall remain in full force and effect.

Section 13.3 **Additional Restrictions**. No Owner, without the prior written consent of the Developer, may impose any additional covenants or restrictions on any part of the Property, but the Developer may include in any contract or deed hereafter made and covering all or any part of the Property, any additional covenants or restrictions applicable to the Property so covered which are not inconsistent with and which do not lower standards established by this Declaration.

Section 13.4 **Titles**. The addition of titles to the various sections of this Declaration are for convenience and identification only and the use of such titles shall not be construed to limit, enlarge, change, or otherwise modify any of the provisions hereof, each and all of which shall be construed as if not entitled.

Section 13.5 **Termination or Amendment**. The covenants, restrictions, easements and other matters set forth herein shall run with the title to the Property and be binding upon each Owner, the Developer, the Association, and their respective successors and assigns for a period of fifty (50) years, and shall be automatically renewed for successive ten (10) year periods unless terminated as herein provided. The Owners holding not less than sixty-seven percent (67%) of the total votes of the Association (which must include Owners other than the Developer holding a majority of the total votes allocated to such Owners) may alter, amend or terminate these covenants provided however, that so long as the Developer owns any land within the Property or owns any property contiguous to the Property, no such termination or amendment shall be effective without the written consent and joinder of the Developer. Further, until such time as the Developer shall not own any lands subject to this Declaration, the Developer shall have the unilateral right to amend this Declaration without the consent or joinder of any other party, to correct any scrivener's errors or ambiguities contained herein, or to comply with any requirements imposed by the federal department of Housing and Urban Development ("HUD"), the Veteran's Administration ("VA") or any similar government or government sponsored agency. Any amendment to this Declaration which alters any provision relating to the Surface Water or Stormwater Management System, beyond maintenance in its original condition, including the water management portion of the Common Areas, must have the prior written approval of the SJRWMD. This Declaration may not be terminated unless adequate provision for transferring perpetual maintenance responsibility for the Surface Water or Stormwater Management System obligation to the then Owners of the Lots is made, and said transfer obligation is permitted under the then existing requirements of the SJRWMD or its successors and the County or any other governmental body that may have authority over such transfer. Any such amendment to this Declaration shall be executed by the Association and Developer, if applicable, and shall be recorded in the current public records of Clay County, Florida. For so long as there is a Class B membership, any material amendments to this Declaration, or extraordinary actions of the Association shall require the approval of HUD and VA, provided that HUD or VA has guaranteed any loans secured by any Lot or Lots within the Property.

Section 13.6 **Assignment of Permit Responsibilities and Indemnification**. In connection with the platting and development of the Property, the Developer assumed certain obligations in connection with the maintenance of the Surface Water or Stormwater Management System. The Developer hereby assigns to the Association, and the Association shall be solely responsible for, all of the Developer's obligations and responsibilities for maintenance of the Surface Water or Stormwater Management System pursuant to all applicable permits and the plat of the Subdivision. Subsequent to the termination of the Class B Membership, the Association shall indemnify, defend and hold the Developer harmless from all suits, actions, damages, liability and expenses in connection with loss of life, bodily or personal injury or property damage, or any other damage arising from or out of an occurrence in, upon, at or resulting from the operation or maintenance of the Surface Water or Stormwater Management System, occasioned wholly or in part by any act or omission of the Association or its agents, contractors, employees, servants or licensees.

Section 13.7 **Conflict or Ambiguity in Documents.** To the extent of any conflict, ambiguity, or inconsistency between this Declaration, the Articles, or the Bylaws, the terms of this Declaration shall control both the Articles and Bylaws.

Section 13.8 **Usage.** Whenever used, the singular shall include the plural and the singular, and the use of any gender shall include all genders.

Section 13.9 **Effective Date.** This Declaration shall become effective upon its recordation in the public records of Clay County, Florida.

Section 13.10 **Disclaimers as to Water Bodies.** NEITHER THE DEVELOPER, THE ASSOCIATION, NOR ANY OF THEIR SUCCESSORS, ASSIGNS, OFFICERS, DIRECTORS, COMMITTEE MEMBERS, EMPLOYEES, MANAGEMENT AGENTS, CONTRACTORS OR SUB-CONTRACTORS (COLLECTIVELY, THE "LISTED PARTIES") SHALL BE LIABLE OR RESPONSIBLE FOR MAINTAINING OR ASSURING THE WATER QUALITY OR LEVEL IN ANY LAKE, POND, CANAL, CREEK, STREAM OR OTHER WATER BODY ADJACENT TO OR WITHIN THE PROPERTY, EXCEPT AS SUCH RESPONSIBILITY MAY BE SPECIFICALLY IMPOSED BY AN APPLICABLE GOVERNMENTAL OR QUASI-GOVERNMENTAL AGENCY OR AUTHORITY. FURTHER, ALL OWNERS AND USERS OF ANY PORTION OF THE PROPERTY LOCATED ADJACENT TO OR HAVING A VIEW OF ANY OF THE AFORESAID WATER BODIES SHALL BE DEEMED, BY VIRTUE OF THEIR ACCEPTANCE OF THE DEED TO OR USE OF, SUCH PROPERTY, TO HAVE AGREED TO HOLD HARMLESS THE LISTED PARTIES FOR ANY AND ALL CHANGES IN THE QUALITY AND LEVEL OF THE WATER IN SUCH BODIES.

ALL PERSONS ARE HEREBY NOTIFIED THAT FROM TIME TO TIME ALLIGATORS, POISONOUS SNAKES, AND OTHER WILDLIFE MAY INHABIT OR ENTER INTO WATER BODIES WITHIN THE PROPERTY AND MAY POSE A THREAT TO PERSONS, PETS AND PROPERTY, BUT THAT THE LISTED PARTIES ARE UNDER NO DUTY TO PROTECT AGAINST, AND DO NOT IN ANY MANNER WARRANT AGAINST, ANY DEATH, INJURY OR DAMAGE CAUSED BY SUCH WILDLIFE.

ALL PERSONS ARE HEREBY NOTIFIED THAT LAKE BANKS AND SLOPES WITHIN CERTAIN AREAS OF THE PROPERTY MAY BE STEEP AND THAT DEPTHS NEAR SHORE MAY DROP OFF SHARPLY. BY ACCEPTANCE OF A DEED TO, OR USE OF, ANY LOT OR OTHER PORTION OF THE PROPERTY, ALL OWNERS OR USERS OF SUCH PROPERTY SHALL BE DEEMED TO HAVE AGREED TO HOLD HARMLESS THE LISTED PARTIES FROM ANY AND ALL LIABILITY OR DAMAGES ARISING FROM THE DESIGN, CONSTRUCTION, OR TOPOGRAPHY OF ANY LAKE BANKS, SLOPES, OR LAKE BOTTOMS LOCATED THEREIN.

ARTICLE XIV **FITZSIMMONS PROPERTY**

The lands described in Exhibit E attached hereto (the "Fitzsimmons Property") are currently owned by Leonard P. Fitzsimmons and Susan K. Fitzsimmons (the "Fitzsimmons").

By execution hereof Fitzsimmons agrees that the Fitzsimmons Property shall be benefited by and subject to the easements and covenants contained herein, except as set forth in this Article XIV. During such time as Fitzsimmons, or either of them, owns any part of the Fitzsimmons Property, Fitzsimmons shall not be obligated to pay any assessment or special assessment under Article VII, nor shall any part of the Fitzsimmons Property be subject to the use restrictions (except as to any use which creates a material nuisance) or architectural review and approval restrictions contained in this Declaration (the foregoing not being a limitation on conformance with rules and regulations governing the Common Areas). Initially, the Fitzsimmons Property shall be deemed to constitute a Lot. The Fitzsimmons Property may be subdivided and each subdivided parcel shall constitute a Lot hereunder and shall (with the exception of any such parcel owned by Fitzsimmons or either of them) be subject to this Declaration in all respects, including, but not limited to, the obligation to pay assessments. In addition, any person who succeeds Fitzsimmons in the ownership of all or any part of the Fitzsimmons Property shall be fully subject to the terms of this Declaration, including, but not limited to, the obligation to pay assessments, except as to any use thereof or other non compliance which existed during such time as Fitzsimmons or either of them last owned such portion of the Fitzsimmons Property. The Fitzsimmons Property shall not be obligated by the requirements of Article IX, sections 9.1, 9.2 or 9.3. These declarations shall in no way restrict the existing water supply system and sewage disposal system in existence on the Fitzsimmons single family residence at the time that this document is recorded.

IN WITNESS WHEREOF, the Developer has caused this instrument to be executed under seal this 13th day of September, 2005.

Signed, sealed and delivered
in the presence of

Print: Edmundo Gonzalez

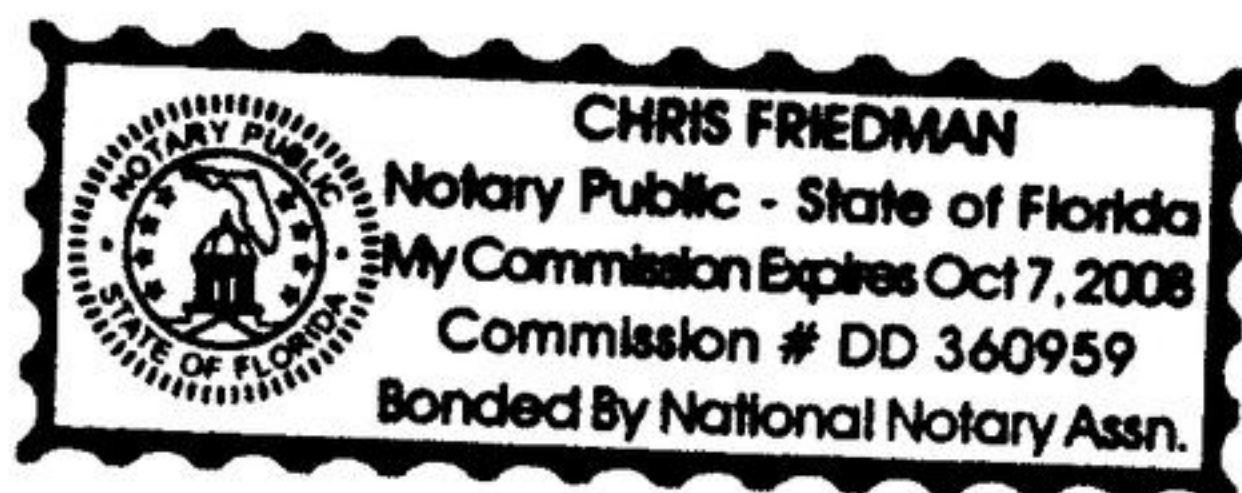
Print: Steve Smith

PINE EAGLE ESTATES, INC.
a Florida corporation

Ronnie Leinwohl
President

STATE OF FLORIDA)
)SS
COUNTY OF DUVAL)

The foregoing instrument was acknowledged before me this 13th day of September, 2005, by Ronnie Leinwohl, the President of Pine Eagle Estates, Inc., a Florida corporation, on behalf of the corporation. He is personally known to me.



Print: CHRIS FRIEDMAN
NOTARY PUBLIC, State of Florida at Large
Commission # DD 360959
My Commission Expires:

Signed, sealed and delivered
in the presence of

Leonard J. Leinhardt
Print: RONALD J. LEINHARDT

Edmund Leinhardt
Print: EDMUND LEINHARDT

Leonard P. Fitzsimmons
Leonard P. Fitzsimmons

Susan K. Fitzsimmons
Susan K. Fitzsimmons

As to both

STATE OF FLORIDA)
)SS
COUNTY OF DUVAL)

The foregoing instrument was acknowledged before me this 13th day of September, 2005, by Leonard P. Fitzsimmons and Susan K. Fitzsimmons. They are personally known to me.

Print: Chris Friedman
NOTARY PUBLIC, State of Florida at Large
Commission # DD 360959
My Commission Expires:

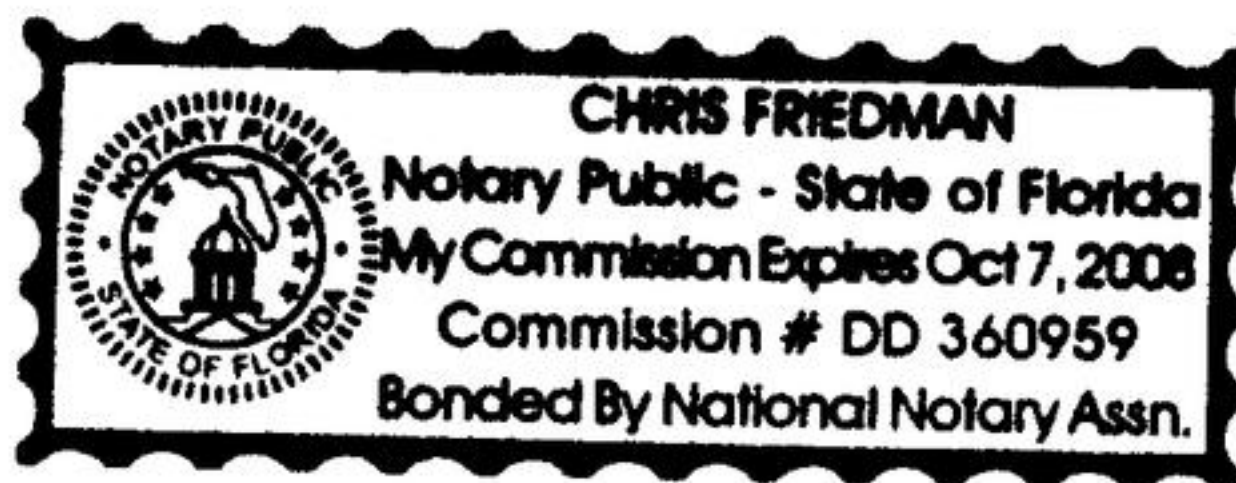


EXHIBIT "A"

Property

*CLARSON AND ASSOCIATES, INC.
PROFESSIONAL SURVEYORS & MAPPERS
1643 NALDO AVENUE
JACKSONVILLE, FLORIDA 32207*

PROPOSED "PINE EAGLE ESTATES"

BEING A PORTION OF GOVERNMENT LOT 2, SECTION 33, TOWNSHIP 4 SOUTH, RANGE 26 EAST, CLAY COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

FOR A POINT OF REFERENCE COMMENCE AT THE INTERSECTION OF THE NORTHERLY RIGHT OF WAY LINE OF STATE ROAD NO. S-15-A (ALSO KNOWN AS BALD EAGLE ROAD) WITH THE WESTERLY LINE OF SAID GOVERNMENT LOT 2, SECTION 33, TOWNSHIP 4 SOUTH, RANGE 26 EAST AND RUN NORTH 00° 25' 10" WEST, ALONG SAID WESTERLY LINE OF GOVERNMENT LOT 2, A DISTANCE OF 242.00 FEET TO THE POINT OF BEGINNING.

FROM THE POINT OF BEGINNING THUS DESCRIBED CONTINUE NORTH 00° 25' 10" WEST ALONG SAID WESTERLY LINE OF GOVERNMENT LOT 2, A DISTANCE OF 1,026.69 FEET TO THE NORTHERLY LINE OF SAID GOVERNMENT LOT 2; THENCE NORTH 89° 27' 21" EAST, ALONG LAST SAID NORTHERLY LINE (ALSO BEING THE SOUTHERLY LINE OF PETERS CREEK AS RECORDED IN THE PUBLIC RECORDS OF SAID COUNTY IN PLAT BOOK 18, PAGES 60 THROUGH 64), AND ALONG THE SOUTHERLY LINE OF PETERS CREEK UNIT 2, AS RECORDED IN PLAT BOOK 19, PAGES 46 THROUGH 49, SAID PUBLIC RECORDS), A DISTANCE OF 1,534.15 FEET TO A POINT ON THE WESTERLY RIGHT OF WAY LINE OF PINE AVENUE (COUNTY ROAD S-15-A); THENCE SOUTH 00° 48' 07" EAST, ALONG SAID WESTERLY RIGHT OF WAY LINE, A DISTANCE OF 127.00 FEET; THENCE SOUTH 89° 28' 22" WEST, A DISTANCE OF 796.57 FEET; THENCE SOUTH 67° 37' 22" WEST, A DISTANCE OF 134.53 FEET; THENCE SOUTH 00° 41' 05" EAST, A DISTANCE OF 324.07 FEET; THENCE SOUTH 78° 09' 00" EAST, A DISTANCE OF 163.91 FEET TO A POINT ON THE WESTERLY LINE OF LANDS RECORDED IN THE OFFICIAL RECORDS OF SAID COUNTY IN BOOK 507, PAGE 365; THENCE SOUTH 00° 41' 05" EAST, ALONG LAST SAID WESTERLY LINE, A DISTANCE OF 169.78 FEET; THENCE SOUTH 89° 25' 48" WEST, A DISTANCE OF 244.15 FEET; THENCE SOUTH 01° 29' 11" EAST, A DISTANCE OF 320.83 FEET; THENCE SOUTH 89° 26' 20" WEST, A DISTANCE OF 537.92 FEET TO THE POINT OF BEGINNING.

EXHIBIT "B"

Articles of Incorporation



FLORIDA DEPARTMENT OF STATE

Glenda E. Hood
Secretary of State

September 27, 2005

CSC

The Articles of Incorporation for PINE EAGLE ESTATES HOMEOWNERS ASSOCIATION, INC. were filed on September 26, 2005 and assigned document number N05000009950. Please refer to this number whenever corresponding with this office regarding the above corporation. The certification you requested is enclosed.

PLEASE NOTE: Compliance with the following procedures is essential to maintaining your corporate status. Failure to do so may result in dissolution of your corporation.

A corporation annual report must be filed with this office between January 1 and May 1 of each year beginning with the calendar year following the year of the filing/effective date noted above and each year thereafter. Failure to file the annual report on time may result in administrative dissolution of your corporation.

A federal employer identification (FEI) number must be shown on the annual report form prior to its filing with this office. Contact the Internal Revenue Service to insure that you receive the FEI number in time to file the annual report. To obtain a FEI number, contact the IRS at 1-800-829-3676 and request form SS-4 or by going to their website at www.irs.ustreas.gov.

Should your corporate mailing address change, you must notify this office in writing, to insure important mailings such as the annual report notices reach you.

Should you have any questions regarding corporations, please contact this office at the address given below.

Dale White, Document Specialist
New Filings Section

Letter Number: 505A00058901

Account number: 072100000032

Amount charged: 78.75

State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of PINE EAGLE ESTATES HOMEOWNERS ASSOCIATION, INC., a Florida corporation, filed on September 26, 2005, as shown by the records of this office.

The document number of this corporation is N05000009950.

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capitol, this the
Twenty-seventh day of September, 2005



CR2EO22 (2-03)

Glenda E. Hood

Glenda E. Hood
Secretary of State

**ARTICLES OF INCORPORATION
OF
PINE EAGLE ESTATES HOMEOWNERS ASSOCIATION, INC.
(a corporation not-for-profit)**

FILED

2015 SEP 25 P 3:16

JACKSONVILLE, FLORIDA

I. NAME AND DEFINITIONS.

The name of this corporation shall be Pine Eagle Estates Homeowners Association, Inc. All defined terms contained in these Articles shall have the same meanings as such terms are defined by the Declaration of Covenants and Restrictions for Pine Eagle Estates to be recorded in the current public records of Clay County, Florida (the "Declaration").

II. PRINCIPAL OFFICE AND MAILING ADDRESS.

The location of the corporation's principal office and its mailing address shall be 1361 13th Avenue, South, Suite 245, Jacksonville Beach, FL 32250 or at such other place as may be established by resolution of the Association's Board of Directors from time to time.

III. PURPOSES.

The general nature, objects and purposes of the Association are:

A. To promote matters of common interest and concern of the Owners of property within Pine Eagle Estates.

B. To own, maintain, repair and replace the Common Area, including without limitation the streets, street lights, landscaping, structures, and other improvements located thereon, for which the obligation to maintain and repair has been delegated to and accepted by the Association.

C. To operate, maintain and manage the Surface Water or Stormwater Management System in a manner consistent with any Johns River Water Management permit issued in regards to this development, and applicable District rules, and to assist in the enforcement of the restrictions and covenants contained therein.

D. To cooperate with other associations responsible for administration of adjacent or contiguous properties in matters of common interest to the Association and such other associations and to contribute to such common maintenance interests whether within or without the Property.

E. To provide, purchase, acquire, replace, improve, maintain, operate and repair such buildings, structures, landscaping, paving and equipment, and to provide such other services for the benefit of the members of the Association, as the Board of Directors in its discretion determines necessary, appropriate, and/or convenient.

F. To operate without profit for the sole and exclusive benefit of its Members.

G. To perform all of the functions contemplated for the Association and undertaken by the Board of Directors pursuant to the terms and conditions of the Declaration.

IV. **GENERAL POWERS.**

The general powers that the Association shall have are as follows:

A. To hold funds solely and exclusively for the benefit of the Members for purposes set forth in these Articles of Incorporation.

B. To promulgate and enforce rules, regulations, bylaws, covenants, restrictions and agreements to effectuate the purposes for which the Association is organized.

C. To delegate power or powers where such is deemed in the interest of the Association.

D. To purchase, lease, hold, sell, mortgage or otherwise acquire or dispose of real or personal property, to enter into, make, perform or carry out contracts of every kind with any person, firm, corporation or association; to do any and all acts necessary or expedient for carrying on any and all of the activities and pursuing any and all of the objects and purposes set forth in the Declaration and these Articles of Incorporation and not forbidden by the laws of the State of Florida.

E. To fix assessments to be levied against all or any portion of the Property to defray expenses and costs of effectuating the objects and purposes of the Association and to create reasonable reserves for such expenditures, and to authorize its Board of Directors to enter into agreements with other property owner's associations or maintenance entities for the collection of such assessments. The foregoing shall include the power to levy and collect adequate assessments against the Members for the costs of maintenance and operation of the Surface Water or Stormwater Management System. Such assessments shall be used for the maintenance and repair of the Surface Water or Stormwater Management System, including but not limited to, work within retention areas, drainage structures and drainage easements.

F. To charge recipients for services rendered by the Association and the users of the Association property where such is deemed appropriate by the Board of Directors of the Association and permitted by the Declaration.

G. To pay taxes and other charges, if any, on or against property owned, accepted, or maintained by the Association.

H. To borrow money and, from time to time, to make, accept, endorse, execute and issue debentures, promissory notes or other obligations of the Association for monies borrowed, or in payment for property acquired, or for any of the other purposes of the Association, and to secure the payment of such obligations by mortgage, pledge, or other instrument of trust, or by lien upon, assignment of or agreement in regard to all or any part of the property rights or privileges of the Association wherever situated.

I. To merge with any other association which may perform similar functions located within the same general vicinity of the Property.

J. In general, to have all powers conferred upon a corporation by the laws of the State of Florida, except as prohibited herein and by the terms and conditions set forth in the Declaration.

V. **MEMBERS.**

The Members ("Members") shall consist of the Developer, and all other Owners of Lots located within the Property. Membership in the Association is appurtenant to, and inseparable from, ownership of a Lot.

VI. **VOTING AND ASSESSMENTS.**

A. The Association shall have two classes of voting membership as follows:

1. **Class A Membership.** The Class A Members shall be all Owners, with the exception of the Developer, and shall be entitled to one (1) vote for each Lot owned.

2. **Class B Membership.** The Class B Member shall be the Developer who shall be entitled to three (3) votes for each Lot owned. The Class B Membership shall cease and be converted to Class A Membership on the happening of either of the following events, whichever occurs earlier:

(i) When the total votes outstanding in the Class A Membership equals the total votes outstanding in the Class B Membership;

(ii) On December 31, 2008;

(iii) Three (3) months after ninety percent (90%) of the Lots have been conveyed to members of the Association other than the Developer; or

(iv) Such earlier date as the Developer may choose to terminate the Class B Membership upon notice to the Association.

B. When one or more persons or entities holds an interest or interests in any Lot or other portion of the Property, all such persons shall be Members, and the vote(s) for such portions of the Property shall be exercised as they among themselves shall determine. The votes for any Lot, or other portion of the Property cannot be divided for any issue and must be voted as a whole, except where otherwise required under the provisions of these Articles, the Declaration, or by law. The affirmative vote of a majority of the votes allocated to the Members cast at any meeting of the Members duly called at which a quorum is present, or cast by written ballot by a quorum of the membership, shall be binding upon the Members and the Association.

C. The Association will obtain funds with which to operate by assessment of its Members in accordance with the provisions of the Declaration, as supplemented by the provisions of the Articles and Bylaws of the Association relating thereto.

VII. BOARD OF DIRECTORS.

A. The affairs of the Association shall be managed by a Board of Directors consisting of three (3) Directors. Directors need not be members of the Association and need not be residents of the State of Florida. For so long as the Class B Membership shall exist, the Developer shall have the right to appoint two (2) of the Directors and there shall be one (1) Director elected by the Members of the Association other than the Developer.

B. Elections shall be by plurality vote. At the first annual election of the Board of Directors, the terms of office of the elected Director shall be established at one (1) year. The Developer shall appoint two (2) Directors to serve for terms of two (2) years each. Thereafter, as many Directors shall be elected and appointed, as the case may be, as there are regular terms of office of Directors expiring at such time; and the term of each Director so elected or appointed at each annual election shall be for two (2) years expiring at the second annual election following their election, and thereafter until their successors are duly elected and qualified, or until removed from office with or without cause by the affirmative vote of a majority of the Members which elected or appointed them. In no event can a Board member appointed by the Developer be removed except by action of the Developer. Any Director appointed by the Developer shall serve at the pleasure of the Developer, and may be removed from office, and a successor Director may be appointed, at any time by the Developer.

C. The names and addresses of the members of the first Board of Directors who shall hold office until the first annual meeting of the Members and until their successors are elected or appointed and have qualified, are as follows:

Ronald J. Leinwohl
1361 13th Avenue, South, Suite 245
Jacksonville Beach, FL 32250

Edmundo E. Gonzalez
1361 13th Avenue, South, Suite 245
Jacksonville Beach, FL 32250

Steven D. Smith
1361 13th Avenue, South, Suite 245
Jacksonville Beach, FL 32250

VIII. OFFICERS.

A. The Officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, and such other officers as the Board may from time to time by resolution create. Any two (2) or more offices, may be held by the same person except the offices of President and Secretary. Officers shall be elected for one (1) year terms in accordance with the procedure set forth in the Bylaws. The names of the officers who are to manage the affairs of the Association until the first annual meeting of the Members and until their successors are duly elected and qualified are:

President

Ronald J. Leinwohl

Vice President

Edmundo E. Gonzalez

Treasurer

Ronald J. Leinwohl

Secretary

Steven D. Smith

IX. **CORPORATE EXISTENCE.**

The Association shall have perpetual existence. These Articles shall become effective upon filing as prescribed by law.

X. **BYLAWS.**

The Board of Directors shall adopt Bylaws consistent with these Articles. Such Bylaws may be altered, amended, or repealed by resolution of the Board of Directors.

XI. **AMENDMENTS TO ARTICLES OF INCORPORATION AND BYLAWS.**

These Articles may be altered, amended or repealed upon the affirmative vote of Members holding a majority of the total votes allocated to the Members pursuant to these Articles.

XII. **INCORPORATOR.**

The name and address of the Incorporator is as follows:

Ronald J. Leinwohl
1361 13th Avenue, South, Suite 245
Jacksonville Beach, FL 32250

XIII. **INDEMNIFICATION OF OFFICERS AND DIRECTORS.**

A. To the extent allowed by law, the Association hereby indemnifies any Director or officer made a party or threatened to be made a party to any threatened, pending or completed action, suit or proceeding:

1. Whether civil, criminal, administrative, or investigative, other than one by or in the right of the Association to procure a judgment in its favor, brought to impose a liability or penalty on such person for an act alleged to have been committed by such person in his capacity as a Director or officer of the Association or as a director, officer, employee or agent of any other corporation, partnership, joint venture, trust or other enterprise which he served at the request of the Association, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees, actually and necessarily incurred as a result of such action, suit or proceeding or any appeal thereof, if such person acted in good faith in the reasonable belief that such action was in the best interests of the Association, and in criminal actions or proceedings, without reasonable grounds for belief that such action was unlawful. The termination of any such action, suit or proceeding by judgment, order, settlement, conviction or a plea of nolo contendere or its equivalent shall not in itself create a presumption that any such Director or officer did not act in good faith in the reasonable belief that such action was in the best interest of the Association or that he had reasonable grounds for belief that such action was unlawful.

2. By or in the right of the Association to procure a judgment in its favor by reason of his being or having been a Director or officer of the Association, or by reason of his being or having been a director, officer, employee or agent of any other corporation, partnership, joint venture, trust or other enterprise which he served at the request of the Association, against the reasonable expenses including attorneys' fees, actually and necessarily incurred by him in connection with the defense or settlement of such action, or in connection with an appeal therein if such person acted in good faith in the reasonable belief that such action was in the best interest of the Association. Such person shall not be entitled to indemnification in relation to matters to which such person has been adjudged to have been guilty of gross negligence or misconduct in the performance of his duty to the Association unless, and only to the extent that, the court, administrative agency, or investigative body before which such action, suit or proceeding is held shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expenses which such tribunal shall deem proper.

B. The Board of Directors shall determine whether amounts for which a Director or officer seek indemnification were properly incurred and whether such Director or officer acted in good faith in a manner he reasonably believed to be in the best interests of the Association, and whether, with respect to any criminal action or proceeding, he had no reasonable ground for belief that such action was unlawful. Such determination shall be made by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding.

C. The foregoing rights of indemnification shall not be deemed to limit in any way the powers of the Association to indemnify under applicable law.

XIV. TRANSACTION IN WHICH DIRECTORS OR OFFICERS ARE INTERESTED.

A. No contract or transaction between the Association and one or more of its Directors or officers, or between the Association and any other corporation, partnership, association, or other organization in which one or more of its Directors or officers are Directors or officers, or in which they have a financial interest, shall be invalid, void or voidable solely for this reason, or solely because the Director or officer is present at or participates in the meeting of the Board or committee thereof which authorizes the contract or transaction, or solely because his or their votes are counted for such purpose. All such contracts or transactions shall, however, be fair and reasonable and upon terms reasonably comparable to those which could be obtained in arms-length transactions with unrelated entities. No Director or Officer of the Association shall incur liability by reason of the fact that he is or may be interested in any such contract or transaction.

B. Interested Directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee which authorized the contract or transaction.

XV. DISSOLUTION OF THE ASSOCIATION.

A. Upon dissolution of the Association, all of its assets remaining after provisions for creditors and payment of all costs and expenses of such dissolution shall be distributed in the following manner:

1. Dedication to any applicable municipal or other governmental authority of any property determined by the Board of Directors of the Association to be appropriate for such dedication and which the authority is willing to accept.

2. Remaining assets shall be distributed among the Members, subject to the limitation set forth below, each Member's share of the assets to be determined by multiplying such remaining assets by a fraction the numerator of which is all amounts assessed by the Association since its organization against the portion of Property which is owned by the Member at that time, and the denominator of which is the total amount (excluding penalties and interest) assessed by the Association against all properties which at the time of dissolution are part of the Property. The year of dissolution shall count as a whole year for purposes of the preceding fractions.

B. The Association may be dissolved upon a resolution to that effect being approved by a majority of the Board of Directors and by two-thirds (2/3) of the Members. In the event of incorporation by annexation or otherwise, of all or part of the Property by a political subdivision of the State of Florida, the Association may be dissolved in the manner set forth above.

C. In no event shall the Association be dissolved, and any attempt to do so shall be ineffective, unless and until maintenance responsibility for the Surface Water or Stormwater Management System and discharge facilities located within the Property is assumed by an entity acceptable to the St. Johns River Water Management District, Florida Department of Environmental Regulation, or other governmental authority having jurisdiction, pursuant to the requirements of Rule 40C-42.027, Florida Administrative Code, or other administrative regulation of similar import.

XVI. MERGERS AND CONSOLIDATIONS.

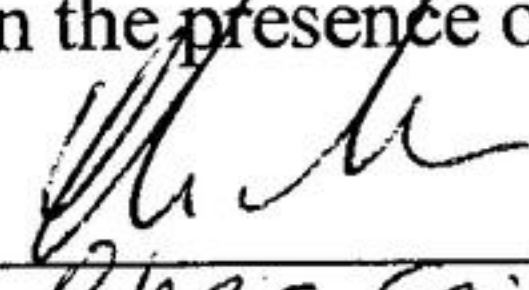
Subject to the provisions of the Declaration applicable to the Property and to the extent permitted by law, the Association may participate in mergers and consolidations with other nonprofit corporations organized for the same purposes, provided that any such merger or consolidation shall be approved in the manner provided by Chapter 617, Florida Statutes as the same may be amended from time to time. For purposes of any vote of the Members required pursuant to said statutes, for so long as the Developer shall own any portion of the Property, any such merger or consolidation shall require the Developer's prior approval.

XVII. HUD/VA APPROVAL.

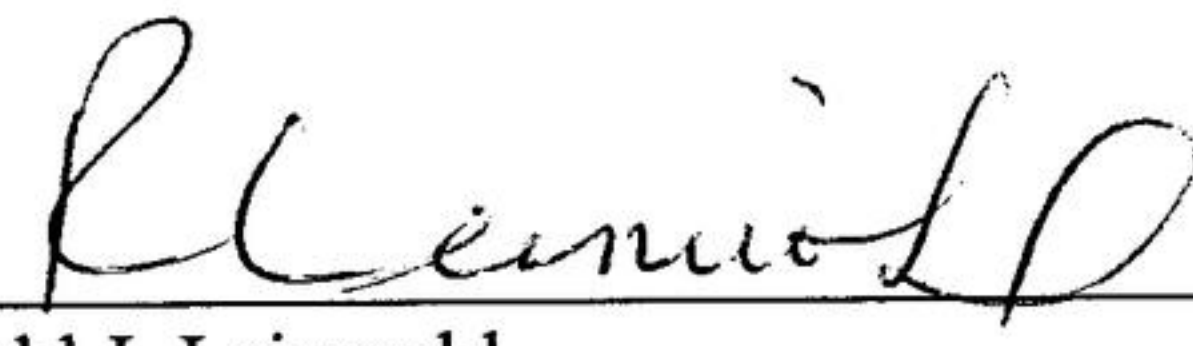
For so long as the Class B Membership shall exist, the following actions will require the prior approval of the Federal Department of Housing and Urban Development ("HUD") or the Veteran's Administration ("VA"): Annexation of additional properties, mergers and consolidations, mortgaging of the Common Area, dedication of Common Area, dissolution of the Association, and amendment of these Articles of Incorporation.

IN WITNESS WHEREOF, the Incorporator has hereto set his hand and seal this 23rd day of September, 2005.

Signed, sealed and delivered
in the presence of:

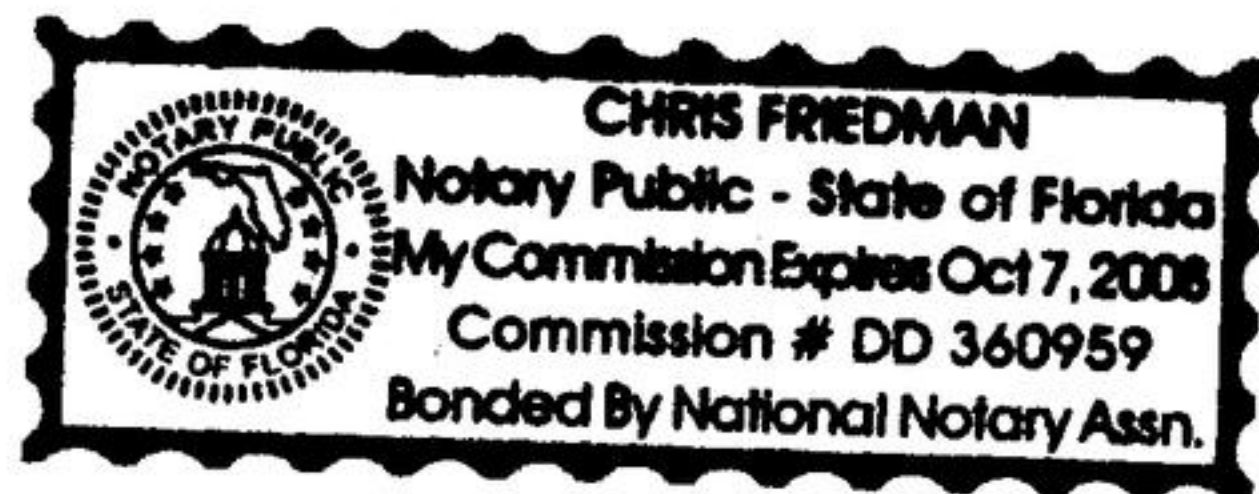

CHRIS FRIEDMAN
(Print or Type Name)

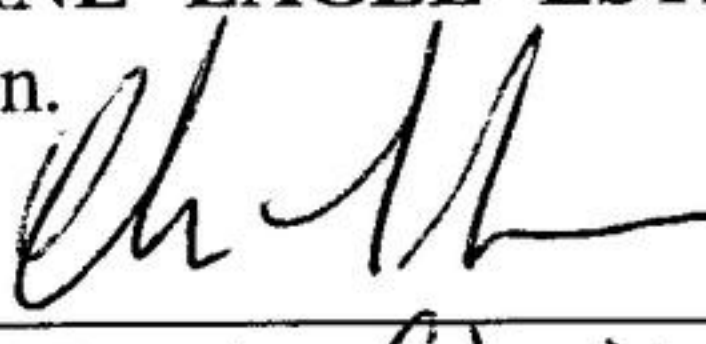

Reed Colley
(Print or Type Name)


Ronald J. Leinwohl
Incorporator

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 23rd day of September 2005, by Ronald J. Leinwohl, the Incorporator of **PINE EAGLE ESTATES HOMEOWNERS ASSOCIATION, INC.**, on behalf of the corporation.




(Print Name) CHRIS FRIEDMAN
NOTARY PUBLIC
State of Florida at Large
Commission # DD 360959
My Commission Expires: 10/7/2008

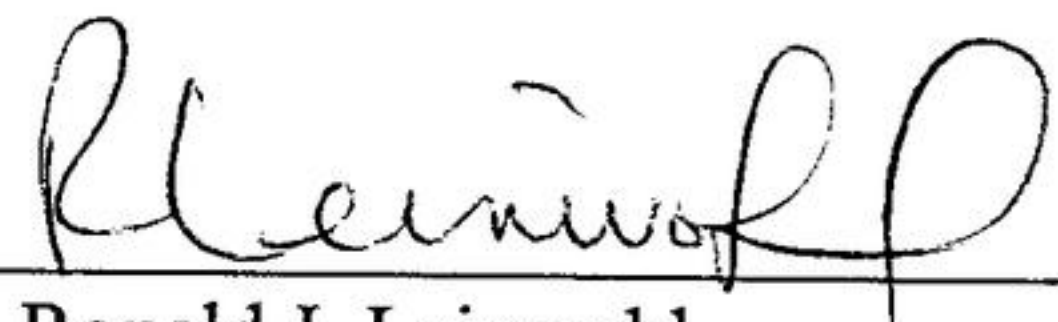
Personally Known 
or Produced I.D. _____
[check one of the above]

Type of Identification Produced

IN COMPLIANCE WITH SECTION 617.0501, FLORIDA STATUTES, THE FOLLOWING IS SUBMITTED:

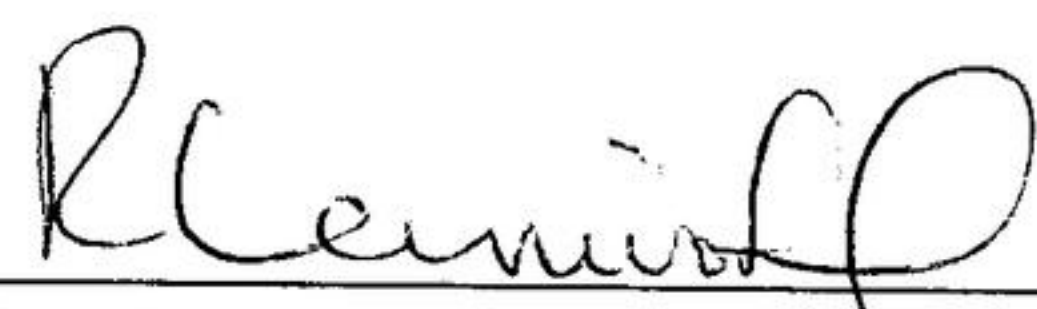
PINE EAGLE ESTATES HOMEOWNERS ASSOCIATION, INC., DESIRING TO ORGANIZE UNDER THE LAWS OF THE STATE OF FLORIDA WITH ITS PRINCIPAL PLACE OF BUSINESS AT 1361 13th AVENUE SOUTH, SUITE 245, JACKSONVILLE BEACH, FLORIDA 32250, HAS NAMED RONALD J. LEINWOHL, WHOSE ADDRESS IS 1361 13th AVENUE SOUTH, SUITE 245, JACKSONVILLE BEACH, FLORIDA 32250, AS ITS REGISTERED AGENT TO ACCEPT SERVICE OF PROCESS WITHIN THE STATE OF FLORIDA. SAID REGISTERED AGENT'S ADDRESS IS THE CORPORATION'S REGISTERED OFFICE.

**PINE EAGLE ESTATES HOMEOWNERS
ASSOCIATION, INC.**

By: 
Ronald J. Leinwohl
Incorporator

Dated: Sept. 23rd, 2005

HAVING BEEN NAMED TO ACCEPT SERVICE OF PROCESS FOR THE ABOVE NAMED CORPORATION, AT THE PLACE DESIGNATED IN THIS CERTIFICATE, I HEREBY AGREE TO ACT IN THIS CAPACITY, AND I FURTHER AGREE TO COMPLY WITH THE PROVISIONS OF ALL STATUTES RELATIVE TO THE PROPER AND COMPLETE PERFORMANCE OF MY DUTIES.


Ronald J. Leinwohl
Registered Agent

Dated: Sept. 23rd, 2005

FILED
2005 SEP 26 PM 3:16
JACKSONVILLE, FLORIDA

EXHIBIT "C"

Bylaws

BY-LAWS
OF
PINE EAGLE ESTATES HOMEOWNERS ASSOCIATION, INC.

A Corporation not for Profit Under the Laws of the State of Florida

ARTICLE I

IDENTITY

These are the By-Laws of the **Pine Eagle Estates Homeowners' Association Inc.**, hereinafter called ("Association") in these By-Laws, 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 26th day of September, 2005. The Association has been organized for the purpose of owning and operating certain lands, and personal property located in a subdivision known as Pine Eagle Estates according to a plat thereof recorded in Plat Book 49, Pages 24 - 29, of the public records of Clay County, Florida, which lands and personal property are to be used in common by the members of the Pine Eagle Estates Homeowners Association, Inc. Such operation by the Association shall include the management of Pine Eagle Estates pursuant to the terms and conditions as set forth in the Declaration of Covenants and Restrictions for Pine Eagle Estates (collectively referred to as the "Declaration"), and enforcement of the Declaration.

A. The office of the Association shall be at 1361 13th Avenue South, Suite 245, Jacksonville Beach, Florida 32250 (until changed).

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

C. The seal of the Association shall bear the name of the corporation, the word "Florida", the words "Corporation not for profit", the year of the incorporation, an impression of which is as follows:

ARTICLE II

MEMBERS MEETINGS

A. The annual members meeting shall be held at such location as shall be designated in the Notice of Meeting at a time to be determined, on the 2nd Tuesday in March of each year, beginning in 2005, for the purpose of electing directors and transacting 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.

B. Special members' 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 of 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 ten (10) 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 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 By-Laws.

E. Voting

1. In any meeting of members, Class A members shall be entitled to one vote for each Lot owned, Class B members shall be entitled to the number of votes equal to the number of votes held by Class A members, plus one.

2. If a home is owned by one (1) person, his right to vote shall be established by the record title to his home. If any home is owned by more than one (1) person, or is under lease, the person entitled to cast the vote for the home shall be designated by a certificate signed by all of the record owners of the home and filed with the Secretary of the Association. If a home is owned by a corporation, the person entitled to cast the vote for the home shall be designated by a certificate signed by the President or Vice President and attested by 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 home concerned. A certificate designating the person entitled to cast the vote of a home may be revoked by any owner of a home. If such a certificate is not on file, the vote of such owners shall not be considered in determining the requirement for a quorum and not for any other purpose.

F. Proxies. 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. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot.

G. Adjourned Meetings. 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. Provision. Provided, however, that until Pine Eagle Estates, Inc. (the "Developer") has completed all of the contemplated improvements and closed the sales of all of the homes located at Pine Eagle Estates or until the Developer elects to terminate its control of the Association, whichever shall occur first, the proceedings of all meetings of members of the Association shall have no effect unless approved by the Board of Directors, which approval shall not be unreasonably withheld.

ARTICLE III

DIRECTORS

A. Membership. 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 three (3) 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 (1) 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.
3. The election shall be by secret written 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 a majority 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.

6. Provided, however, that until the Developer of Pine Eagle Estates, has completed all of the contemplated improvements and closed the sales of 75% of the Lots at Pine Eagle Estates or until the Developer elects to terminate its control of the Association, and vacancies occur on the Board, the vacancies shall be filled by the Developer. The undersigned shall retain sole control of the Association until all of the contemplated improvements have been completed and sales have been closed on seventy-five percent (75%) of the Lots. During the period the undersigned has control of the Association, it has the right to amend this Declaration without requirement of the joinder of any homeowner. Provided, however, written joinder and consent of all mortgagees of any property in Exhibit "A" shall be required. Further, the undersigned shall have veto power on any act of the Board of Directors, as long as Developer owns Lots, on any decision of the Board that affects the marketability of any Lots still owned by the undersigned.

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 organizational meeting of a newly elected Board of Directors shall be held within ten (10) days of their election at such place and a time 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 Director, personally or by mail, telephone or telegraph, at least three (3) 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 three (3) 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. Waiver of notice. 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 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 as required by the Articles of Incorporation, or these By-Laws.

I. Adjourned meetings. 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. Joinder in meeting by approval of minutes. 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. In the absence of the presiding officer, the Directors present shall designate one of their members 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. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

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 By-Laws shall be exercised exclusively by the Board of Directors, agents, contractors or employees, subject only to approval by owners where such approval is specifically required. Such powers and duties shall include, but not be limited to the following:

A. Powers. The Board of Directors shall have power to:

1. Adopt and publish rules and regulations governing the use of the Common Areas, entrance sign and median, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

2. Suspend the voting rights of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;

3. Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;

4. Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

5. Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

B. Duties. It shall be the duty of the Board of Directors to:

1. Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-half (1/2) of the Class A members who are entitled to vote;

2. Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

3. As more fully provided in the Declaration, to:

a. fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

b. send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

c. foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.

4. Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable

charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

5. Procure and maintain adequate liability and hazard insurance on property owned by the Association;

6. Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

7. Cause the Common Areas to include recreational area, entrance right-of-ways, streets, storm water system and perimeter drainage ditches, signs and medians to be maintained, as well as the wall or fence and right-of-way along Pine Avenue and Eagle Harbor Parkway that abuts Pine Eagle Estates;

8. Cause the yard areas of home Lots to be maintained.

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, a Secretary, all of whom shall be elected annually by the Board of Directors and who may be peremptorily removed by vote of the Directors at any meeting. Any person may hold two (2) or more offices except that the President shall not also be the Secretary or Assistant 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. Resignation. Any officer may resign at any time giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

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

D. 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 president of an association, including but not limited to, the power to appoint committees from among the members from time to time, as he in his discretion, may determine appropriate to assist in the conduct of the affairs of the Association. He shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

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

F. The Secretary shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the giving and serving of all notices to the members and Directors and other notices required by law. He shall have custody of the seal of the Association and affix it to instruments requiring a seal when duly signed. He shall keep the records of the Association, including a list of current members of the Association and their addresses, except those of 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.

G. The Treasurer shall have the custody of all property of the Association including funds, securities and evidences of indebtedness. He shall keep the books of the Association in accordance with good accounting practices and he shall perform other duties incident to the office of Treasurer. He shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular meeting, and deliver a copy of each to the members.

H. The compensation of all employees of the Association shall be fixed by the Directors. The provision that Directors' fees shall 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 set forth in the Articles of Incorporation shall be supplemented by the following classification as shall be appropriated, 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, for 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. Budget. 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 expense.
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 One Thousand Dollars (\$1,000.00) 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 monies which may be needed to provide a working fund or to meet losses.

6. Provided, however, that until the Developer has completed all of the contemplated improvements and closed the sales of 75% of the Lots at Pine Eagle Estates, or until the Developer elects to terminate its control of the Association, whichever shall first occur, the Board of Directors shall omit from the budget all allowance for contingencies and reserves.

7. Copies of the budget and proposed assessments shall be transmitted to each member on or before December 15, 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.

C. Assessments. Assessments against the owners for their shares of the items of the budget shall be made for the calendar year annually in advance of or before December 31, preceding the year for which the assessments are made. Such assessments shall be due as dictated by the Board of Directors for the year in which they are assessed. 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 annual installments on such assessment shall be due upon each installment payment date until changed by an amended assessment. In the event the annual assessment proved to be insufficient, the budget and assessments may be amended at any time by the Board of Directors or the members as set forth in Article V of the Declaration.

D. The depository of the Association shall be such bank or banks and/or such savings and loan association or savings and loan associations as shall be designated from time to time by

the Directors and in which the monies of the Association shall be deposited. Withdrawal of the monies from such accounts shall be only by check signed by such persons as are authorized by the Directors.

E. Audit. At the Annual Meeting of the Association, the members present shall determine by a majority vote whether an audit of the accounts of the Association for the year shall be made by a Certified Public Accountant, a Public Accountant, or by an auditing Association none of which shall be Board Members. The cost of the audit shall be paid by the Association.

F. Fidelity Bonds shall be required by the Board of directors from all officers and employees of the Association and from any contractor handling or responsible for the Association funds. The amount of such bonds shall be determined by the Directors, but shall be at least the amount of the total of two (2) monthly assessments against members for common expenses. The premiums on such bonds shall be paid by the Association.

ARTICLE VII

AMENDMENT

These By-Laws may be amended at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy, except that the Veteran's Administration and the Federal Housing Administration shall have the right to veto amendments while there is a Class B membership.

ARTICLE VIII

COMMITTEES

The Association shall appoint an Architectural Control Committee, as provided in the Declaration and a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

The foregoing were adopted as the By-Laws of Pine Eagle Estates Homeowners Association, Inc., a corporation not for profit under the laws of the State of Florida, at the first meeting of the Board of Directors on the 26th day of September, 2005.

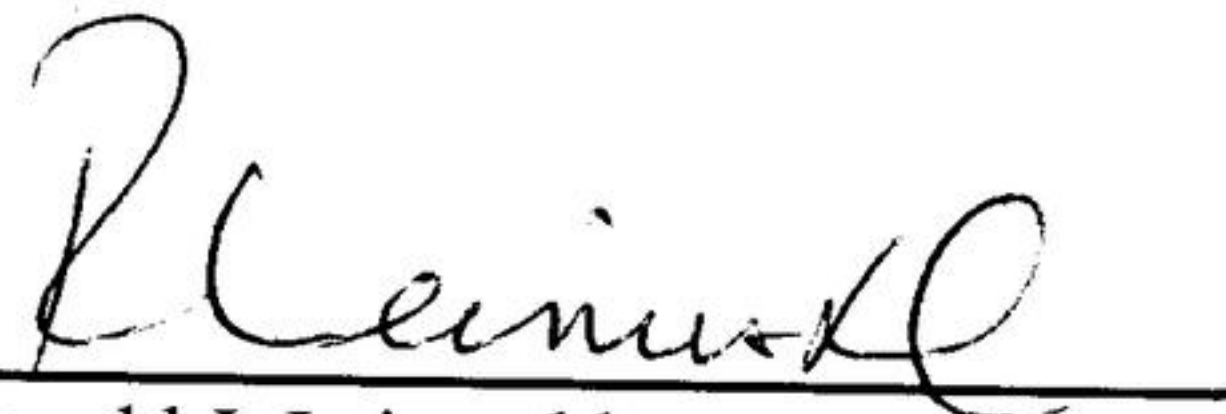

Ronald J. Leinwohl

EXHIBIT "D"**Common Areas**

The following Tracts are shown on the Pine Eagle Estates Plat as recorded in Plat Book Pages ____ through ____, as recorded in the public records of Clay County.

Tract "A" – Landscape and storm water area south of the entry road between Pine Avenue and Lot #37.

Tract "B" – Wetland Conservation Area east of Lot #33.

Tract "C" – Storm water Pond located east of lots #18 - #21.

Tract "D" – Storm water conveyance ditch located south of lots #16 - #18, east of Tract "C" and West of Tract "B". This ditch carries the storm water discharge from Tract "C" and offsite storm water that enters at the southwest corner of the Pine Eagle Estates.

Tract "E" - Access Easement to the Fitzsimmons Property from Talon Court.

Tract "F" – Landscape, Park, Gate and storm water area north of the entry road between Pine Avenue and lot #1.

Road Right of Ways – Pine Eagle Drive**Talon Court.**

EXHIBIT "E"

OFFICE PHONE 396-2623
FAX PHONE 396-2633

**Fitzsimmons Property
CLARSON AND ASSOCIATES INC.**

PROFESSIONAL SURVEYORS & MAPPERS

1643 NALDO AVENUE
JACKSONVILLE, FLORIDA 32207

MAY 11, 2004

**REMAINING LANDS OF LEONARD FITZSIMMONS
579 BALD EAGLE ROAD**

A PORTION OF GOVERNMENT LOT 2, SECTION 33, TOWNSHIP 4 SOUTH, RANGE 26 EAST, CLAY COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE INTERSECTION OF THE WEST LINE OF SAID GOVERNMENT LOT 2, WITH THE NORTH RIGHT OF WAY LINE OF STATE ROAD NO. S-15-A (AS NOW ESTABLISHED); THENCE ALONG SAID NORTH RIGHT OF WAY LINE, NORTH $89^{\circ} 26' 20''$ EAST, 60.0 FEET; THENCE NORTH $00^{\circ} 24' 20''$ WEST, 314.32 FEET; THENCE NORTH $40^{\circ} 26' 00''$ EAST, 640.52 FEET; THENCE SOUTH $78^{\circ} 09' 00''$ EAST, 139.26 FEET, TO THE POINT OF BEGINNING; THENCE NORTH $00^{\circ} 41' 05''$ WEST, 324.07 FEET; THENCE NORTH $67^{\circ} 37' 22''$ EAST, 134.53 FEET; THENCE NORTH $89^{\circ} 26' 30''$ EAST, 35.00 FEET, TO THE WEST LINE OF THOSE LANDS DESCRIBED AND RECORDED IN OFFICIAL RECORDS BOOK 507, PAGE 365, OF THE PUBLIC RECORDS OF SAID COUNTY; THENCE ALONG LAST SAID LINE SOUTH $00^{\circ} 41' 05''$ EAST, 409.29 FEET; THENCE NORTH $78^{\circ} 09' 00''$ WEST, 163.91 FEET, TO THE POINT OF BEGINNING.

CONTAINING 1.37 ACRES, MORE OR LESS.

SUBJECT TO AND TOGETHER WITH: A 30 FOOT NON-EXCLUSIVE, PERPETUAL EASEMENT FOR INGRESS, EGRESS, DRAINAGE, AND UTILITIES, ON, OVER, UNDER AND ACROSS, A PORTION OF GOVERNMENT LOT 2, SECTION 33, TOWNSHIP 4 SOUTH, RANGE 26 EAST, CLAY COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AND RECORDED IN OFFICIAL RECORDS BOOK 656, PAGE 649, OF THE PUBLIC RECORDS OF CLAY COUNTY, FLORIDA.

BEING FURTHER SUBJECT TO S.R.D. DRAINAGE EASEMENTS AS SHOWN ON S.R.D. RIGHT OF WAY MAP OF STATE ROAD NO. S-15-A, SECTION 7160-150, DATED: 6/26/58, AND DESCRIBED AND RECORDED IN OFFICIAL RECORDS BOOK 21, PAGE 148, AND OFFICIAL RECORDS BOOK 23, PAGE 494, OF THE PUBLIC RECORDS OF CLAY COUNTY, FLORIDA.

EXHIBIT "F"

Consent and Joinder - First Mortgage

CONSENT AND JOINDER OF MORTGAGEE

The undersigned, **BRANCH BANKING AND TRUST COMPANY**, the mortgagee under that certain Mortgage, Security Agreement and Financing Statement dated June 18, 2004, and recorded in Official Records Book 2395, page 1641, of the public records of Clay County, Florida hereby consents and joins in the foregoing Declaration of Covenants and Restrictions for Pine Eagle Estates, Inc.

IN WITNESS WHEREOF, this Consent and Joinder is executed by the undersigned this 10th day of August, 2005.

Signed, sealed and delivered in the presence of:

MORTGAGEE:

BRANCH BANKING AND TRUST COMPANY

Debra G. Cain

Debra G. Cain
(Print Name)

By: John R. Lamb

John R. Lamb
(Print Name)

Debra K. Hamilton

Debra K. Hamilton
(Print Name)

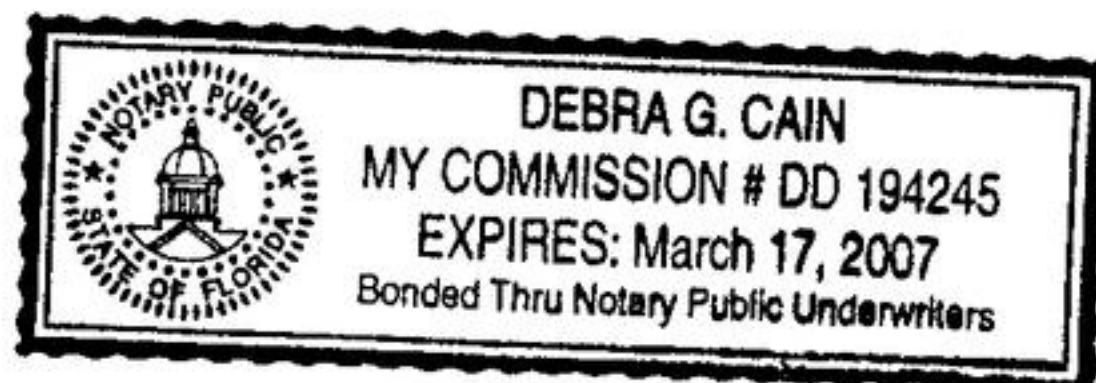
Its: Senior Vice President

STATE OF FLORIDA

}SS

COUNTY OF FLORIDA

The foregoing instrument was acknowledged before me this 10th day of August, 2005, by John R. Lamb as Senior Vice President of Branch Banking and Trust Company, on behalf of the bank



Debra G. Cain

Debra G. Cain
(Print Name)

NOTARY PUBLIC

State of Florida at Large

Commission #DD 194245

My Commission Expires: March 17, 2007

Personally Known

Or Produced I.D.

[check on of the above]

Type of Identification Produced: