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**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
CRESTWICK CROSSING**

THIS DECLARATION, made this 16th day of April, 2001, by **SOUTH EAST DEVELOPMENT ASSOCIATES, INC.**, a Florida corporation, whose address is 2120 Corporate Square Boulevard, Suite 3, Jacksonville, Florida 32216 (hereinafter called "Developer");

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244.50

WITNESSETH:

WHEREAS, Developer is the owner of certain real Property (as hereinafter defined) more fully described as **CRESTWICK CROSSING**, according to the plat thereof as recorded in Plat Book 53, pages 91, 91A, 91B, 91C, 91D and 91E, of the current public records of Duval County, Florida (the "Plat"); and

WHEREAS, Developer is now or may become the owner of certain other real property adjacent or contiguous to the Property (hereinafter defined as the "Future Development Property") and Developer desires to reserve the right to develop all or a portion of the Future Development Property in a manner consistent with this Declaration of Covenants, Conditions and Restrictions of **CRESTWICK CROSSING** (hereinafter referred to as the "Declaration") and to annex all or a portion of the Future Development Property to the terms of this Declaration and require that the owners of Lot(s) (as hereinafter defined) in such Future Development Property be members of the Association created herein; and

WHEREAS, Developer desires to provide for the preservation of the values and amenities of the Property and for the care and maintenance of certain "Common Areas" and/or "Maintenance Areas" (as such terms are hereinafter defined) and to this end, desires to subject the Property (together with such additions thereto from the Future Development Property as may hereafter be made in writing), to the Declaration which is hereby declared to be for the benefit of the Property and each and every Owner (as hereinafter defined) of any and all parts thereof, their respective heirs, successors and assigns, and shall be deemed to run with title to the Property.

NOW, THEREFORE, Developer declares that the real Property described in the Plat and such other properties as are or may be subsequently annexed to this Declaration as hereinafter set forth, are and shall be held, transferred, sold, conveyed, and occupied subject to the covenants, conditions, restrictions, easements, charges and liens, contained

herein (sometimes hereinafter referred to as "Covenants and Restrictions"), all of which are for the purpose of protecting the value and desirability of the Property and which shall run with the title to the Property, or any part thereof, and shall be binding upon any Owners thereof, their heirs, successors, assigns and mortgagees.

ARTICLE I.
DEFINITIONS

1.1 Annexation. "Annexation" shall mean and refer to the addition of the Future Development Property and/or any other lands contiguous to the Property or contiguous to the Future Development Property, at the option of Developer, to the Property and the subjection of such Property to the terms and conditions set forth in this Declaration. Annexation shall be accomplished by Developer recording an amendment to this Declaration in the current public records of Duval County, Florida, describing the property to be annexed and stating that such property is subject to all the terms, covenants, conditions and restrictions of this Declaration. For purposes of this Declaration, Future Development Property shall be deemed to be contiguous to the Property even if separated therefrom by a roadway or highway.

1.2 Articles. "Articles" shall mean and refer to the articles of incorporation of the Association (as hereinafter defined), a copy of which is attached hereto as Exhibit "A" for recordation, as required by Section 720.303(1), Florida Statutes (2000).

1.3 Assessment. The term "Assessment" as used herein shall mean and refer to the share of Association Expenses (as hereinafter defined) assessed from time to time against a Lot and the Owner(s) (as hereinafter defined) thereof, and may include the imposition of a fine or charge against an individual Lot and the Owner(s) thereof arising out of fines or charges imposed by the Association from time to time.

1.4 Assessment Period. "Assessment Period" shall be the same period as a calendar year, from January 1 to December 31 of any given year.

1.5 Association. "Association" shall mean and refer to Crestwick Crossing Homeowners Association, Inc., a corporation not-for-profit, and its successors and assigns, organized or to be organized pursuant to Chapter 617, Florida Statutes (2000) and operated pursuant to Chapter 720, Florida Statutes (2000).

1.6 Association Expenses. "Association Expenses" shall mean and refer to the expenses and charges described in this Declaration, incurred or to be incurred by the Association and assessed or to be assessed against the Lots and the Owners thereof through annual or Special Assessments (as hereinafter defined).

1.7 Board of Directors. "Board of Directors" shall mean and refer to the Board of Directors of the Association.

1.8 By-Laws. "By-Laws" shall mean and refer to the By-Laws of the Association, from time to time in effect, a copy of which is attached hereto as Exhibit "B", for recordation as required by Section 720.303(1), Florida Statutes (2000).

1.9 Common Areas. "Common Areas" shall mean and refer to that portion of the Property which is owned by the Association and which is intended for the common use and enjoyment of the Owners, including, but not limited to, (i) the stormwater systems to be constructed in accordance with the requirements of the St. Johns River Water Management District (hereinafter referred to as the "SJRWMD"), the Department of Environmental Protection (hereinafter referred to as the "DEP"), and/or the U.S. Army Corps of Engineers (hereinafter referred to as the "Corps"); (ii) the areas, if any, shown on the recorded Plat as "Stormwater Retention Ponds" or "Easements" which connect the Stormwater Retention Ponds or drainage infrastructure with other drainage facilities; (iii) when conveyed to the Association by the Developer fee simple title to the conservation easement area (the "Conservation Easement"), containing approximately forty-five (45) acres more or less, as is subject to the Conservation Easement in favor of the SJRWMD, recorded in Official Records 9617, beginning at Page 0763, of the current public records of Duval County, Florida (the "Conservation Easement Agreement"); and (iv) any areas devoted to signage and related uses if conveyed to the Association by the Developer. The Common Areas shall include only those areas conveyed by the Developer to the Association or established in favor of the Association pursuant to the provisions of this Declaration. In addition, Developer shall have the right, but not the obligation to construct recreation areas within certain Lots or lands in Crestwick Crossing or other common areas as the Developer may designate from time to time within the Future Development Property and to include those facilities in the Common Areas.

1.10 Developed Lot. "Developed Lot" shall mean and refer to any Lot owned by anyone other than Developer or any corporation affiliated with Developer. For purposes hereof, an affiliated corporation shall be deemed to be any corporation the majority of whose stock is owned by Developer, or the majority shareholder of Developer, or any corporation which itself may be deemed to be an affiliate of Developer because of common equity ownership.

1.11 Developer. "Developer" shall mean and refer to South East Development Associates, Inc., a Florida corporation, its successors and assigns, to the extent that an express assignment has been made by Developer.

1.12 Future Development Property. "Future Development Property" shall mean and refer to that certain property adjacent or contiguous to the Property as Developer may determine from time to time, including without limitation lands south of Duval Station Road if added to the Property by Annexation by the Developer.

1.13 Lot. "Lot" shall mean and refer to any of the Lots shown upon the recorded subdivision Plat of the Property and the Future Development Property, if such property is

annexed as herein set forth. Unless set forth herein to the contrary, the term "Lot" shall include both Developed Lots and Undeveloped Lots.

1.14 Maintenance Area. "Maintenance Area" shall mean and refer to those portions of the Property or improvements thereto which are not owned by the Association but are maintained by the Association from time to time, including without limitation, all of the stormwater systems to be constructed in accordance with the requirements of the SJRWMD, the DEP, and/or the Corps and the surface waters of any areas designated as "Stormwater Retention Ponds" or "Easements" or "Maintenance Area" on the recorded plats, medians or rights-of-way abutting public streets, the entrance way(s) to the subdivision including landscaping, fencing and signage, and decorative or border fencing or walls, if any, constructed by the Developer upon the boundaries of the Property. Notwithstanding, pursuant to the terms hereof, the Developer may retain control of entrance ways to the subdivision as agent for the Association, as provided in Section 5.29.

1.15 Member. "Member" shall mean and refer to all Owners of Lots, who by virtue of such ownership become Members of the Association as provided in Section 2.1.

1.16 Owner. "Owner" shall mean and refer to the record owner, whether one (1) or more persons or entities, of fee simple title to any particular Lot which is a part of the Property or the Future Development Property, if such property is developed and annexed as herein set forth, including contract sellers. The term "Owner" shall not mean or refer to any mortgagee, grantee or beneficiary under a mortgage, deed of trust or security deed unless and until such mortgagee, grantee or beneficiary has acquired title pursuant to foreclosure or any proceeding or conveyance in lieu of foreclosure.

1.17 Property. "Property" shall mean and refer to all the land described in the Plat of Crestwick Crossing, and, to the extent it is annexed, it shall also include the land contained within the Future Development Property.

1.18 Stormwater Management System. "Stormwater Management System" means a system which is designed and constructed or implemented 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, Florida Administrative Code.

1.19 Undeveloped Lot Owned By Developer. "Undeveloped Lot Owned By Developer" shall mean and refer to any Lot which is owned by Developer.

ARTICLE II.

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

2.1 Membership. Every Owner of a Lot shall be a Member of the Association. Such membership shall be coincident with the ownership of the Lot, and shall not be separately transferable. Membership shall cease upon the transfer or termination of ownership; provided, however, in the event that an Owner leases the improvements on his Lot to a tenant, such tenant shall be entitled to the use of the Common Areas but the Owner shall remain liable for all Assessments, for compliance with the terms and conditions with the Articles, By-Laws and this Declaration and shall retain all voting rights.

2.2 Voting Rights. The Association shall have two (2) classes of voting membership:

Class A - Class A Members shall be all Owners who have taken title to one (1) or more Lots, excluding the Developer until such time as Class B membership ceases to exist, at which time Developer to the extent it is an Owner of a Lot(s) shall be entitled to vote like any other Owner of a Lot. A Class A Member shall be entitled to one (1) vote for each Lot owned by such Member. When a Lot is owned by more than one (1) person, all such persons shall be Members. The vote for such Lot shall be exercised as the Owners determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B - The Class B Member shall be Developer, which shall be initially entitled to a number of votes equal to the number of Lots in the Property, plus one (1). The total number of votes of the Class B Member shall be increased at the time of Annexation of Future Development Property to a number equal to the number of Lots included on the Plat of the Property and the Future Development Property, plus one (1). The total number of votes of the Class B Member shall increase as herein set forth each time a portion of the Future Development Property is annexed as provided in this Declaration.

2.3 Transfer of Control. Members other than Developer shall be entitled to elect at least a majority of the Board of Directors of the Association; and the Class B membership shall terminate, upon the happening of the earlier of the following events, whichever first occurs:

- (i) three (3) months after Developer has conveyed to Members ninety percent (90%) of the Lots located on the Property and the Future Development Property, if annexed as herein provided, or

(ii) at such earlier date as Developer, in his sole discretion, may determine.

Any of the events described in clauses (i) or (ii) of the foregoing sentence are hereinafter referred to as a "Transfer Event". For purposes of this section 2.3, the term "Members" (other than the Developer) shall not include builders, contractors or others who purchase a Lot for the purpose of constructing improvements thereon for resale. Notwithstanding anything herein to the contrary, so long as the Developer holds for sale in the ordinary course of business at least five percent (5%) of the Lots in all phases constituting the Property (including any Future Development Property), the Developer shall be entitled to elect at least one (1) member of the Board of Directors of the Association, as provided by Section 720.307(2) Florida Statutes (2000).

2.4 Membership and Voting Procedure. The Articles and By-Laws of the Association shall more specifically define and describe the procedural requirements for the Association and voting procedures, but shall not substantially alter or amend any of the rights or obligations of the Developer as set forth herein.

**ARTICLE III.
PROPERTY RIGHTS IN THE COMMON AREAS
AND MAINTENANCE AREAS**

3.1 Members' Easement of Enjoyment. Subject to the provisions of Section 3.3 of this Article III, every Member and the Association shall have and is hereby granted a right and easement for ingress, egress and of enjoyment in and to the Common Areas as shown on any Plat of the Property or the Future Development Property and an easement for drainage over and into the Maintenance Areas. Such Easements shall be appurtenant to and shall pass with the title to each Lot whether or not the same shall be referred to in any deed conveying title to any Lot. Notwithstanding the foregoing, no Member or the Association shall use the area contained within the Conservation Easement in violation of the Conservation Easement Agreement, nor shall any Member or the Association disturb (or fail to maintain in its natural state) any area shown and described on the Plat as a "buffer area" or "upland buffer area" contiguous to any wetland, or disturb such buffer area from its natural state.

3.2 Title. Developer shall convey to the Association the fee simple title to the Common Areas, if any, together with those Tracts as denoted on the Plat, by special warranty deed subject to covenants, easements, conditions and restrictions of record, at such time as the improvements thereon, if any, are complete, and if unimproved, at such time as it so determines, provided that the Common Areas shall be conveyed no later than the occurrence of a Transfer Event; provided, however, so long as Developer retains any Lots in the Subdivision, Developer may retain control of entrance ways to the Subdivision as agent for the Association as provided in Section 5.29 hereof.

3.3 Extent of Members' Easements. The easements created hereby shall be subject to the following:

(a) The right of the Developer, and of the Association, in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the Common Areas and in aid thereof, to mortgage the Common Areas. In the event of a default upon such mortgage, the lender's rights thereunder shall be subject to and limited by the rights of the Members as described therein; and

(b) The right of the Association to take such steps as are reasonably necessary to protect the Common Areas against foreclosure; and

(c) The right of the Association to suspend the enjoyment of the Common Areas by, and voting rights of, any Member (or any tenant or lessee of any such Member) for a period during which any Assessment remains unpaid, and for a period not to exceed the greater of (i) sixty (60) days, or (ii) the period during such any Assessment remains unpaid, for any infraction of its published rules and regulations; and

(d) The right of the Association to dedicate or transfer all or any part of the Common Areas to any public agency, authority or utility. Prior to a Transfer Event, such dedication or transfer may be effected by the Developer without further consent from the Owners or their mortgagees. Subject to the limitations imposed by governmental or quasi-governmental authorities from time to time in effect. Subsequent to a Transfer Event, no such dedication or transfer shall be effective until agreed to by a vote of two-thirds (2/3) of the votes of the Owners of all Lots and unless an instrument has been recorded, signed and sworn to by the Secretary of the Association stating that such a vote was duly held and that two-thirds (2/3) of the votes representing all Lots favored such dedication or transfer; provided, however, the granting of an easement, license or permit over the Common Areas by the Association shall not be deemed to be a dedication or transfer of the Common Areas requiring approval as provided herein but may be granted by the Association without further consent of the Owners or their mortgagees; and

(e) The right of tenants of Members to use the facilities on the Common Areas; and

(f) The right of the Developer and/or the Association to make certain rules and regulations concerning the use of the Common or Maintenance Areas.

ARTICLE IV.
COVENANT FOR MAINTENANCE ASSESSMENT

4.1 Creation of the Lien and Personal Obligation of Assessments. The Developer, for each Lot owned by it within the Property, hereby covenants, and each Owner of a Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (i) annual Assessment or charges, (ii) Special Assessments (as described in Section 4.5 hereof) to be established and collected as hereinafter provided, and (iii) fines and charges as may be established and implemented from time to time by the Association. The annual and Special Assessments, and fines and charges, together with interest, costs and reasonable attorneys' fees, shall be a charge on the Lot and shall constitute a lien upon the Lot against which each such Assessment is made, which lien shall attach upon the recording in the current public records of Duval County, Florida, of a claim of lien, specifying the amount of the lien then due, together with reasonable attorneys' fees, costs and interest thereon, which claim of lien shall be signed by an officer of the Association. Each such Assessment, together with interest, costs, and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the Assessment fell due. The delinquent Assessment shall remain a lien against the Lot until paid, except as provided in Section 4.9.

4.2 Purpose of Assessments. The Assessments levied by the Association shall be used to promote the health, safety, and welfare of the residents of the Property, for the expenses of performing the duties or rights of the Association as set forth in this Declaration, Articles and By-Laws, and for the improvements and maintenance of the Common and Maintenance Areas including payment of taxes, if any, thereupon and the cost of insurance as may be deemed necessary or prudent by the Board of Directors.

4.3 Methodology and Classes of Assessments. All Lots, regardless of Lot size, location, or proximity to Common Areas, or other amenities, shall be assessed equally and no differentiation in Assessment shall be made in the annual budget or any annual Assessment with respect to any Assessment after the initial Assessment. Each Member's proportionate share of the annual Assessment shall be equal to the total number of Lots created by the Plat of the Property, including any additional Lots as may be created on the Future Development Property. All Assessments shall be levied pursuant to the annual budget or Special Assessments and shall be in the Member's proportionate share of expenses, which share shall be subject to recalculation from time to time should the Future Development Property be annexed. Until a Transfer Event shall have occurred, Developer shall be excused from payment of its share of the operating expenses and Assessments related to any Undeveloped Lots owned by the Developer for all periods of time for which the Developer has agreed in writing, as a supplement to this Declaration, and has obligated itself to pay any operating expense deficit incurred that exceed the Assessments received from other Members and other income of the Association. There shall be two (2) classes of Assessment:

Class A "Developed Lots": The initial Assessment for Developed Lots shall be an amount not to exceed the Maximum Annual Assessment, as the same may be modified as set forth in Section 4.4 below.

Class B "Undeveloped Lots Owned By Developer": The initial annual Assessment for Undeveloped Lots owned By Developer shall be Zero and No/100 Dollars (\$-0-).

4.4 Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the Maximum Annual Assessment for Class A Developed Lots shall be Three Hundred and No/100 Dollars (\$300.00) per Lot ("Maximum Annual Assessment"), which will include the costs and expenses of performance of all the duties and obligations of the Association set forth herein; provided, however, in the event that the Developer elects, in its sole discretion, to construct a recreational facility upon the Common Areas, the Assessment may be increased above the Maximum Annual Assessment to include the cost of maintenance of the improved Common Areas; which increased Assessment amount shall become the new Maximum Annual Assessment for that year.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the Maximum Annual Assessment shall be increased each year by the Board of Directors of the Association not more than ten percent (10%) above the Maximum Annual Assessment for the previous year without a vote of the membership; provided, however, if recreational facilities are added, at Developer's option, the maximum Assessment may be increased as aforementioned.

(b) From and after January 1 of the year immediately following conveyance of the first Lot to an Owner until a Transfer Event, the Maximum Annual Assessment may be increased by the Developer by more than ten percent (10%) above the Maximum Annual Assessment for the previous year in the event the Developer has added recreational facilities, by an amount sufficient to pay the cost of maintenance and repair of such recreational facility or, for other purpose, by a vote of two-thirds (2/3) of Members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors, may fix the annual Assessment for Developed Lots at an amount not in excess of the Maximum Annual Assessment (as the same may be modified upon the addition of recreational facilities as described above). The Undeveloped Lot Assessments and the applicable increases thereof as provided above, shall be established in the proportions as set forth in Section 4.3.

4.5 Special Assessment. Special Assessments "(Special Assessment)" shall be levied and paid in the same manner as heretofore provided for regular Assessments.

Special Assessments can be of two (2) kinds: (i) those chargeable to all Members in the same proportions as regular Assessments to meet shortages or emergencies, to construct, reconstruct, repair or replace all or any part of the Common or Maintenance Areas and for such other purposes as shall be approved by a majority of all votes of the classes of Members; or (ii) those assessed against one (1) Owner alone to cover repairs or maintenance for which such Owner, or his tenant, is responsible and which Owner has failed to make, which Special Assessment may be approved by the board of Directors.

4.6 Date of Commencement of Annual Assessments: Due Dates. The annual Assessments provided for herein shall commence as to all Lots on the first day following the conveyance of the first Developed Lot. The annual Assessment as a Developed Lot shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual Assessment against each Lot at least thirty (30) days in advance of each annual Assessment Period. Written notice of the annual Assessment shall be sent to every Owner subject thereto; provided, however, failure to send such notice shall not affect the liability or lien for the Assessment. Unless determined to the contrary by the Board of Directors, the annual Assessment shall be due and payable on the first day of January of each year.

4.7 Association Certificate of Payments. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the Assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of Assessments on a Lot shall be binding upon the Association as of the date of its issuance.

4.8 Effect of Nonpayment of Assessments: Remedies of the Association. Any Assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the highest rate permitted by law. The Association may bring an action at law against the Owner or foreclose the lien against the Lot of the Owner. No Owner may waive or otherwise escape liability for the Assessments provided for herein by abandonment of his Lot.

4.9 Subordination of the Lien of Mortgages. The lien of the Assessment provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the Assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such Assessments as to payments which became due prior to such sale or transfer; provided, however, the personal obligation to pay the Assessment shall not be extinguished. No sale or transfer shall relieve such Lot or the Owner thereof from liability from any Assessments thereafter becoming due or from the lien thereof.

4.10 Capital Contribution Assessment. Upon the first conveyance of a Lot to any person(s) or entity other than to an entity affiliated with the Developer, there will be due upon the closing of the sale of the Lot a capital contribution Assessment of One Hundred

Fifty and No/100 Dollars (\$150.00). Each Lot will be subject to the capital contribution Assessment only once, all future conveyances of any such Lot being exempt.

ARTICLE V.
COVENANTS AND RESTRICTIONS

5.1 Approval of Improvement. Except as originally constructed by the Developer or a Developer approved builder, no building, fence, wall, or other structure (including without limitation any building, outbuilding, shed, garage, swing set, jungle gym, or other playground equipment, flagpole, antenna, or any such similar device) or landscaping or other feature affixed to the land shall be commenced, erected or maintained upon any Lot, nor shall any exterior addition to or change or alteration therein be made, including without limitation, exterior painting, until the plans and specifications showing the nature, kind, shape, height, materials, exterior color (including paint color), and location of the structure with respect to topography and finished grade elevations, shall have been submitted to and approved in writing as to quality of workmanship and materials, conformity and harmony of external design and color and location in relation to surrounding structures and topography and finished grade elevations and landscaping, by the Developer, or by an architectural review committee composed of one (1) or more representatives appointed by the Developer or, after the Transfer Event, a representative designated by a majority of the Board of Directors. In no event shall any swing set, jungle gym, or other playground equipment be placed in the front or side yards of any Lot, it being the intent hereunder that all such improvements shall be constructed only in the rear yard of any Lot; the location, design, and color of such recreational equipment must first be approved by the same methodology as any other improvement requested by this Declaration and shall be hidden from view by an approved fence and landscaping. No basketball hoops shall be placed within any right of way or on any Lot in any manner which would preclude use of the paved driveway on such Lot for ingress and egress to said lot or parking of a motor vehicle. Requests for approval shall be in writing delivered to Developer or the architectural review committee by Certified Mail Return Receipt Requested. In the event the Developer, or its designated committee, fails to approve or disapprove such design and location within sixty (60) days after the plans and specifications have been submitted to it at the corporate office, such plans and specifications shall be deemed approved and the requirements of this Section 5.1 shall be satisfied. However the inaction of the Developer or architectural review committee shall not entitle any Lot Owner to violate any of the requirements of this Declaration. The right of approval set forth herein shall pass to the Board of Directors of the Association upon the Transfer Event.

An Owner whose plans and specifications are approved or an Owner who undertakes the making of improvements without such approval agrees, and shall be deemed to have agreed, for such Owner, his heirs, personal representatives, successors, and assigns, as appropriate, to hold the Developer, the Association or any architectural review committee harmless from any liability or damage to the Lot or the Property and from expenses arising therefrom and shall be solely responsible for the maintenance, repair and insurance thereof.

Neither the Developer, members of the architectural review committee, nor its designated representative shall be entitled to any compensation for services performed pursuant to this covenant. The powers and duties of such committee and its designated representative shall remain in Developer unless and until assigned to another party.

5.2 Use Restrictions. No structures of any kind shall be erected, altered, placed or permitted to remain on any Lot other than: (i) (a) one (1) single-family dwelling (which may include mobile manufactured housing), not to exceed two (2) stories in height; and (b) one (1) private garage to accommodate up to two (2) cars or [three (3) cars with approval of Developer]; or (ii) recreational facilities in the event the Developer elects, in its sole discretion, to construct such recreational facilities upon one (1) or more Lots, and in which event the restrictions contained in this Article V shall not apply. In addition, nothing herein contained shall be construed to prevent Developer from using any Lot for a sales office or for a right-of-way for road purposes or easements, in which event none of the restrictions herein shall apply to such specific property during the period of such use.

5.3 Fences. No fencing shall be commenced without prior approval by the architectural review committee. No fencing shall be closer to the dedicated right-of-way than the rear corner of any structure and in the case of a corner Lot, no fencing shall be closer to the side street than the rear corner of the structure closest to the side street.

No fence which exceeds six (6) feet in height can be erected on any Lot without the approval as required by Section 5.1. Fencing shall be installed with the finish side of fence material facing the outside.

As to Lots, if any, which include a portion of any Stormwater Retention Ponds (as hereinafter defined), no fence shall be erected closer to (i) the Stormwater Retention Ponds than ten (10) feet from the "top of bank" as designated on the recorded Plat of the Property, or (ii) within any designated Conservation Easement or within any designated "buffer" or "wetland buffer" as shown on the Plat. Any such fence shall be not exceed four (4) feet in height along said "top of bank" boundary and must be constructed of metal or wood, with spacing between pickets not more than four (4) inches. In the event fencing is to be used to enclose a swimming pool, the Lot Owner is responsible to verify local code requirements for swimming pool fencing.

Notwithstanding the foregoing, prior to construction of any fence on any Lot, approval as required by Section 5.1 shall be obtained. This restriction does not apply to any perimeter fencing, trees or landscaping which have been or may be created in the future by the Developer or its successor, and any perimeter or boundary fence constructed by or at the instruction of the Developer shall be deemed in compliance with these covenants.

5.4 Set Back Lines. No structure of any kind shall be located on any Lot nearer than (i) twenty (20) feet to the front Lot line, (ii) fifteen (15) feet to any side street line, (iii) ten (10) feet to the rear Lot line, or (iv) five (5) feet to any side Lot line.

In any event, no structure of any kind shall be located on any Lot nearer to the front Lot line, nor nearer to any side street line, nor nearer to any side Lot line than that which is permitted by applicable zoning from time to time, as the same may be modified by variance, exception, or other modification. If any one (1) dwelling is erected on more than one (1) Lot, or on a building plot composed of parts of more than one (1) Lot, the side line restrictions set forth above shall apply only to the extreme sidelines of the building plot occupied by such dwelling. Nothing herein contained shall be construed to prevent Developer from reducing the building restriction lines with the prior written approval of the governmental agencies having jurisdiction.

No structure or other improvement or change in the topography of the land shall be erected or made which violates the terms of, or interferes in any respect with, the drainage or utility easements shown on the subdivision Plat, public records of Duval County, or which interferes with easements of any kind referenced to in this Declaration.

5.5 Lot Size. No dwelling shall be erected or placed on any Lot having a width of less than fifty (50) feet at the front building set back line except cul-de-sac Lots in the turning radius may have a minimum width of thirty-five (35) feet at the front Lot line, nor shall any dwelling be erected or placed on any Lot having an area of less than five thousand (5,000) square feet; provided, however, that each Lot shown on the subdivision Plat shall be deemed to comply with this Section 5.5. The use of two (2) or more fractional Lots shall be permitted if the square foot area and width comply with this provision.

5.6 Minimum Square Footage. No residence shall be constructed or permitted to remain on any Lot unless the square footage of heated living area thereof, exclusive of garages, porches and storage room, shall be equal to or exceed one thousand two hundred (1,200) square feet.

5.7 Two-story Height. The height of the residence on each Lot shall not be more than two (2) full stories above the natural surface of the ground, and in no event shall the maximum height of any residence exceed thirty-five (35) feet.

5.8 Landscaping. The indiscriminate cutting down of trees is expressly prohibited without the written consent of the Developer or the architectural review committee described in Section 5.1 herein except in those areas where structures and other improvements shall be located; such as, homes, patios, driveways, gardens, parking and recreational areas. Also, selective cutting and thinning for lawns and other general improvements shall be permitted. It is the responsibility of each Owner to maintain the area between the front Property line of his Lot and the street, as well as the side Property line and the street in the case of corner Lots. In addition, if the Lot Owner fails to maintain his or her lawn and landscaping, the Developer (until a Transfer Event and thereafter the Association) shall have the right, but not the obligation, to enter upon any such Lot to perform such maintenance work which may be reasonably required, all at the sole expense of the Lot Owner, which expense shall be payable by the Lot Owner to the Developer or the Association upon demand. All related costs incurred by the Developer incident to the

correction of the terms and conditions of this paragraph shall be recoverable by the Developer (said cost to include reasonable attorneys' fees for the collection of same), in a court of competent jurisdiction. Should the Developer elect rather than file suit in a court of competent jurisdiction for the collection of aforementioned enumerated costs and expenses, the Developer shall have the right to file a lien against the Lot(s) where said correction of any violation has occurred and shall have all the rights enumerated in these Covenants and Restrictions as the Association concerning the collection of said cost and expenses in the enforcement of such lien. Notwithstanding the foregoing restrictions, the restrictions set forth hereinabove may be superseded in effect from time to time by any regulation imposed by any governmental authority which is more restrictive in nature with respect to the cutting of trees.

5.9 Developer's Right to Re-Subdivide. The Developer may re-subdivide or replat the Property in any way it sees fit for any purpose whatsoever consistent with the development of the Property provided that no dwelling shall be erected upon or allowed to occupy any Lot within such replatted, or re-subdivided land which has an area less than five thousand (5,000) square feet. The restrictions herein contained, in case of any such replatting or re-subdividing, shall apply to each Lot as replatted or re-subdivided. In addition, the Developer may re-subdivide one (1) or more Lots to provide for roadway purposes and easements.

5.10 Prohibited Activities. No trade, business, noxious or offensive activity, in the sole opinion of the Developer (until the Transfer Event and thereafter the Association), shall be carried on upon any Lot nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. No immoral, improper, offensive or unlawful use shall be made of the Lots or any part thereof and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental bodies pertaining to maintenance, replacements, modification or repair of the Lots shall be the same as is elsewhere herein specified. No garage shall at any time be used as a residence or enclosed and incorporated into a residence, except that the Developer and/or a builder buying Lots from Developer, with Developer's prior approval, shall be permitted to enclose the garage of model homes, and if the garage is so enclosed, the house cannot be sold or occupied by a tenant without the enclosed garage being converted to a garage with an approved garage door. No commercial activity shall be carried out in the residence or garage, temporarily or permanently, except for the use of said garage as a sales office by the Developer or builder, with Developer's prior written approval, nor shall any structure of a temporary character be used as a residence. When a garage is constructed on a Lot, the Owner of such Lot shall at all times keep all garages fitted with garage doors and keep all garage doors closed except for those immediate periods when the Owner or his agents is accessing the garage.

5.11 Pets and Animals. Only domestic pets such as dogs, cats, birds or other household pets as defined by the Developer or Association may be kept on the Property.

It is strictly prohibited to breed or raise any animals. In any event, there shall not be more than a total of three (3) animals (except birds and fish) kept on any one (1) Lot.

5.12 Clotheslines. No clothes or laundry shall be hung or clotheslines erected on any Lot. All clotheslines are strictly prohibited.

5.13 Parking of Wheeled Vehicles, Boats, Etc. No recreational vehicles, boats or boat trailers, travel trailers, boat trailers, campers, mopeds, trucks, trucks and trailers (other than pickup trucks), or vehicles in disrepair, may be kept or parked between the paved road and the residential structures or within the front or side yard or within, the right-of-way. The aforementioned wheeled vehicles (except for motorized homes, commercial vehicles, horse trailers and vehicles in disrepair which are strictly prohibited), may be kept if maintained completely inside a garage attached to the main residence or within the rear yard provided the rear yard is fenced so as to totally conceal such object from view of other Lots and roadways within the subdivision. Notwithstanding the foregoing, none of the foregoing wheeled vehicles may be kept in rear yards where the fencing in such rear yards is restricted as to height because such rear yard borders on a body of water; in such circumstances, all such wheeled vehicles must be kept, if at all, inside a garage attached to the main residence. Private automobiles or vehicles of the Owners bearing no commercial signs may be parked in the driveway upon the Lot from the commencement of use thereof in the morning to the cessation of use thereof in the evening. Commercial vehicles may be parked in such driveways only during the times necessary for pickup and delivery service by the commercial vehicle, or loading or unloading by the commercial vehicle, and only in the event that it is solely for the purpose of said service.

5.14 Signs. No sign of any kind shall be displayed to the public view on any Lot except "For Rent" or "For Sale" signs, which signs may refer only to the particular Lot on which displayed, and shall be of materials, size, height and design approved by the Developer. The Developer or the Association may enter upon any Lot and summarily remove any signs which do not meet the provisions of this paragraph. Nothing contained in this Declaration shall prevent the Developer, or any person designated by the Developer, from erecting or maintaining such signs or other entrance features.

5.15 Aerials, Antennas and Satellite Receptor Dishes. No radio or television aerial, dish antenna or antenna nor other exterior electronic or electrical equipment or devices of any kind shall be installed or maintained on the exterior of any structure, except as hereinafter allowed, located on a Lot or on any portion of any Lot. Satellite dishes must be placed in a rear yard and fenced or otherwise screened from view so that it is not visible from outside of the Lot, including front and side streets, roads, Common Areas, neighboring Lots or vacant land. Satellite dishes shall not exceed eighteen (18) inches in diameter.

5.16 Intersection Sight Lines. No fence, wall, hedge or shrub planting which obstructs a sight line at elevations between two (2) and six (6) feet above the roadways

shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street Property lines, or in the case of a rounded Property corner, from the intersection of the street Property lines extended. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of sight lines between two (2) and six (6) feet above the roadways. Nothing contained in this Declaration shall prevent the Developer, or any person designated by the Developer, from erecting or maintaining such fence, wall, hedge or shrub planting.

5.17 Encroachments. Where a structure has been erected, or the construction thereof substantially advanced, and is situated on any Lot or Lots as now platted or on any subdivided or replatted Lot in such manner that the same constitutes a violation or violations of the Covenants and Restrictions contained in this Declaration, Developer shall have the right any time to waive such violation prior to the Transfer Event; provided, however, that the Developer shall waive only those violations which the Developer, in its sole discretion, determines to be minor.

5.18 Utility Easements. A perpetual, nonexclusive, alienable and releasable easement is hereby reserved to the Developer, and its successors and assigns, over, under and above a ten (10) foot strip at the rear of each Lot (except such ten (10) foot wide strip shall be located immediately within each lot interior and contiguous to, and outside of, the Conservation Easement for those Lots containing a portion of the Conservation Easement and contiguous to the wetland buffer for those Lots containing a portion of any wetland buffer) and over, under and above a five (5) foot strip at the side Lot lines described herein (excluding any portion of the Conservation Easement or wetland buffer where applicable), and also over, under and above those easements shown on the recorded Plat of the Property for the construction, installation and maintenance of drainage ditches and facilities, power, telephone, lighting, heating, gas, water, electric, sanitary and storm sewer facilities and other public or private utility installations of every kind or for any reason deemed necessary by the Developer. Within these easements, no structure, planting, or other material shall be placed or permitted to remain which may damage or interfere with the installation or maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements. The Owner of any Lot or Lots subject to such easements shall acquire no right, title or interest in or to any pipes, wires, poles, equipment or other appliances placed on, over or under said easement areas. No purchaser of a Lot or anyone claiming by, through or under any such purchaser, shall have the right to interfere at any time with any such construction, installation or maintenance operations. The Owner of any Lot or Lots subject to such easements shall remove any structures, planting, trees or shrubbery in said easement areas upon demand of Developer, and its successors and assigns, where such structures, planting, trees or shrubbery interfere with the use of the said easement for the purposes for which the same have been reserved. The easements and rights hereinabove granted and reserved to Developer, and its successors and assigns, shall not pass from Developer, and its successors and assigns, by deed conveying any of said Lots but shall exist and continue in Developer, and its

successors and assigns, only or in those persons or corporations to whom Developer, and its successors and assigns, shall have expressly conveyed said easements and rights. The Developer shall have the right to grant subordinate easements to utility companies, governmental bodies and others within such easement area for the purpose of carrying out or facilitating such construction, installation and maintenance. The easements created or reserved herein are in addition to the easements created by or shown on the Plat.

5.19 Water and Sewer Rights, Well Limitation. Jacksonville Electric Authority, or its successors, has the sole and exclusive right to provide all water and sewer facilities and service to the Property. No well of any kind shall be dug or drilled on any of the Lots or Tracts to provide water for personal or housekeeping use within the structures to be built upon the Lot, and no potable water shall be used within said structures except potable water which is obtained from Jacksonville Electric Authority or its successors and assigns. Nothing herein shall be construed as preventing the digging of a well to be used exclusively for use in the yard or garden of any Lot or to be used exclusively for air conditioning; provided, however, the location of said well must be approved by prior written consent of the Developer, its successors and assigns, and of the local health department and any other governmental or quasi-governmental agency which may have jurisdiction. All sewage from any buildings on any of said Lots must be disposed of through the sewage lines and disposal plant owned by Jacksonville Electric Authority, or its successors or assigns. Jacksonville Electric Authority is hereby granted and has a non-exclusive, perpetual and unobstructed Easement and right in and to, over and under the Property as shown on the Plat thereof for the purpose of ingress, egress, installation and/or repair of water facilities. Developer reserves the right to convey to Jacksonville Electric Authority all Easements required to provide water and sewer facilities and service to the Property. These restrictions shall cease at such time as Jacksonville Electric Authority, or its successors or assigns, shall permanently cease to provide water to or take and dispose of sewage from said Lots. There shall be no private wells for nonpotable water unless approved by the architectural review board.

5.20 Drilling and Excavation. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained, or permitted upon any Lot.

5.21 Window Air conditioning. No window air conditioning unit shall be installed on the front or any side of a building on a Lot.

5.22 Temporary Structures. No structures of temporary character, trailer, basement, tent, shack, garage, barn or other out building, shall be used on any Lot at any time as a residence either temporarily or permanently unless otherwise permitted by the terms of this Declaration. Further, no portable or temporary swing set or basketball facility, structure, or hoop, or similar recreational improvement shall be utilized on any Lot, driveway, or street; all such recreational facilities, if any, shall be considered improvements

and shall be subject to the requirements of Section 5.1 contained hereinabove. Nothing contained in this Declaration shall prevent the Developer or any person designated by the Developer from erecting or maintaining dwellings, model houses, or other temporary structures as the Developer may deem advisable for development, construction, storage and sales or rental purposes.

5.23 Garbage and Refuse Disposal. No Lot shall be used or maintained as a dumping ground for rubbish, trash, garbage or other waste. Rubbish, trash, garbage, or other waste shall be kept in closed sanitary containers constructed of metal or rigid plastic, except that during the course of construction upon Lots, the debris created by the builders shall not be required to be kept in closed containers. All equipment for the storage or disposal of such material shall be kept in clean and sanitary condition and shall not be visible from the street except on scheduled garbage pick-up days, except debris created during the course of construction as aforesaid, which shall be removed by the builder upon completion of construction.

5.24 Sewage Disposal. Each Owner of a Lot shall pay when due the periodic charges or rates for the furnishing of sewage collection and disposal service. No septic tank or sewage disposal unit shall be installed or maintained on any Lot.

5.25 Drainage and Utility Easements. The Developer hereby reserves unto itself and grants to the Association a perpetual, non-exclusive, alienable and releasable privilege and right on, across and under the ground to construct, maintain and use electric, telephone, wires, cables, conduits, sewer, water mains or pipes, Drainage Swales or pipes, and other suitable equipment for the conveyance, and use of electricity, telephone, water or other public conveniences or utilities on, in or over a ten (10) foot wide strip at the back of each Lot and over a five (5) foot wide strip at the side of each Lot as well as the private easements shown on the Plat; provided, however, such easements located along the rear of any Lot containing a portion of the Conservation Easement and contiguous to the wetland buffer for those Lots containing a portion of the wetland buffer shall be located immediately interior and contiguous to the Conservation Easement or wetland buffer along the rear of the Lot. A release of the five (5) foot strip easement reserved by Developer is hereby granted where any portion of a dwelling constructed by Developer or a builder encroaches onto said five (5) foot strip easement, provided such improvements have been approved as required by Section 5.1 hereof. The Developer shall have the unrestricted right and power to release said Easement. The granting of Easements as contained in this paragraph shall be subordinate to the Developer's right to assign said Easement to Duval County or other parties should the Developer desire to assign said Easement rights. Additionally, said Easements as granted in this paragraph shall be subordinate to the restrictions of the Conservation Easement areas wherever these Easements fall into such areas.

5.26 Stormwater Management System. The Association shall be responsible for the maintenance, operation and repair of the Stormwater Management System. Maintenance of the Stormwater Management System(s) shall mean the exercise of

practices which allow the systems to provide drainage, water storage, conveyance or other stormwater management capabilities as permitted by the SJRWMD. The Association shall be responsible for such maintenance and operation. Any repair or reconstruction of the Stormwater Management System shall be as permitted, or if modified as approved by the SJRWMD. The Association shall and does hereby agree to accept assignment of any and all permits related to the Stormwater Management System and/or any other environmental permit required by any governmental or quasi-governmental agency having jurisdiction from time to time and shall be bound to abide by all of the conditions imposed in such permit(s).

5.27 Vegetative Natural Buffer. There shall be set aside a permanent vegetative buffer (the "Buffer") averaging twenty-five (25) feet wide, over that portion of the Property shown on the Plat as a vegetative natural buffer (or other description). This Buffer is a part of the surface water management system permitted by the SJRWMD. The purpose of this Buffer is to detain and treat stormwater prior to drainage offsite. Therefore, the Buffer area shall be maintained by the Members and the Association with a dense vegetative cover. All activities prohibited by the Conservation Easement Agreement are prohibited in the Conservation Easement Area and in any areas of the Buffer which may be contained within the Conservation Easement Area as well. Filling and placement of impervious surface (other than fenceposts) are prohibited within the Buffer.

5.28 Jurisdictional Areas.

(a) The Plat of the Property depicts certain wetland jurisdictional lines and/or environmental Buffer zones, and/or Conservation Easements as established by the SJRWMD, Corps or the DEP. No Owner shall make any vegetative or topographic alterations to the land lying waterward of such jurisdictional lines and/or environmental Buffer zones and/or lands lying within any Conservation Easement without obtaining a permit from the applicable agency. Any Owner violating this provision shall indemnify and hold Developer, any builder and the Association harmless from all fines, penalties, costs or damages arising out of such violation.

(b) Pursuant to the provisions of Section 704.06(1) (a through h) Florida Statutes, restrictions are hereby placed on the Property that all construction, including clearing, dredging, or filling, except that which is specifically authorized by the SJRWMD or which may be authorized by a future SJRWMD Permit, which is waterward of the jurisdictional wetland line and/or environmental Buffer zones of the DEP, SJRWMD, and the Corps, as flagged by Environmental Resource Solutions, Inc. and as depicted on the Plat(s) of the Property or Future Development Property recorded in the current public records of Duval County, Florida, is prohibited. The foregoing restriction may be enforced by the SJRWMD or the DEP. Notwithstanding any other provision, the restriction set forth in this subsection (b) may not be amended without the approval of the SJRWMD.

(c) In addition, in the event that the governmental agencies having jurisdiction over the Property require the granting of an additional conservation easement over the Property or any part thereof, the Owners of any land subject to the conservation easement shall abide by all restrictions contained therein.

(d) This Declaration is 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 and the Developer has obtained certain permits (the "Permits") to allow the development of the Property. The Corps, the SJRWMD, and the DEP have issued Permits for the development of Crestwick Crossing. The permit numbers are as follows: #40-031-61438-1, SJRWMD MSSW #4-031-0658 ERP (the "Permits"). The construction period for works authorized by the aforementioned Permits is finite; the Permit(s) themselves, with their limitations and prohibitions do not expire. Every Lot Owner hereby accepts the obligation, responsibility and liability to comply with the requirements and terms of the portion of each Permit which relates to the Lot owned. The liabilities associated with compliance with their terms and conditions are the Lot Owner(s) responsibility and obligation. Every Owner shall obtain any permit necessary prior to undertaking any dredging, filling, improving, landscaping, or removal of plant life or any other activity whatsoever within any jurisdictional lands and/or lands which are subject to the Conservation Easement existing on his Lot.

(e) The Permits are issued in the name of the Developer and have been, or shall be, assigned to the Association. The Association has the obligation to assure that all terms and conditions thereof are enforced. The Association shall have the right to bring an action, at law or in equity, against an Owner violating such Permits; provided, however, any Owner owning a Lot which contains or is adjacent to jurisdictional wetlands or conservation areas as established by the Corps or SJRWMD, shall, by acceptance of title to the Lot, be deemed to have assumed the obligation to comply with the requirements of the foregoing Permits as such relates to its Lot. Except as required or permitted by the aforementioned Permits issued by the Corps and SJRWMD, no Owner shall alter, fill, dredge, place sod or excavate, or perform similar activities on any portion of their respective Lots, unless and until such activity is authorized by or exempt from the requirements of Corps and SJRWMD. In the event that an Owner violates the terms and conditions of such Permits and for any reason the Developer or the Association is cited therefor, the Owner agrees to indemnify and hold the Developer and the Association harmless from all costs arising in connection therewith, including without limitation, all costs and attorneys' fees, as well as costs of curing such violation. Notwithstanding any other provisions contained elsewhere in this Declaration, the Corps and SJRWMD shall have the rights and powers

enumerated in this paragraph. The Corps and 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 Stormwater Management System and/or jurisdictional lands subject to the regulation of the Corps or SJRWMD. Any repair or reconstruction of the Stormwater Management System shall be as permitted, or if modified, as approved by the SJRWMD. Any amendment to this Declaration which alters the Stormwater Management System, beyond maintenance in its original condition, including the water management portions of the Common Property must have prior written approval of the SJRWMD. Any amendment to this Declaration which amends the responsibilities or obligations of the parties with respect to the Corps Permit must have prior written approval of the Corps. In the event that the Association is dissolved, prior to such dissolution, all responsibility relating to the Stormwater Management System and the Permits must be assigned to and accepted by an entity approved by the Corps and SJRWMD.

5.29 Common and Maintenance Areas. The Association shall maintain all of the Common and Maintenance Areas in an attractive condition and in a manner that is harmonious with the Property and in accordance with any applicable governmental or agency permitting requirements. If the Association fails to maintain the Common and Maintenance Areas in accordance with the foregoing, the Developer shall have the right, but no obligation, to enter upon any such Common or Maintenance Area to perform such maintenance or work which may be reasonably required, all at the expense of the Association, which expense shall be payable by the Association to the Developer on demand. The Common Areas cannot be mortgaged or conveyed without the consent of at least two-thirds (2/3) of the Lot Owners (excluding the Developer). Notwithstanding anything herein to the contrary, so long as Developer owns any Lot within the Property, the Association hereby grants to Developer a license, right, and privilege to enter upon any portion of the Maintenance Area containing entrance area amenities, such as landscaping and signage, for (i) the construction and location of signage, including flags, advertising, and other advertising materials promoting the sale of Lots and residences in the subdivision and (ii) for the purpose of landscaping, maintenance, irrigation, and other activities associated with maintaining in a good and aesthetically pleasing condition the entrance way to the subdivision from time to time. The license granted herein to Developer shall automatically terminate at such time as Developer no longer owns any Lots in the subdivision. Developer shall have the right to be reimbursed by the Association from time to time for all expenses reasonably incurred by Developer in connection with any portion of the maintenance area containing entrance area amenities described hereinabove, inasmuch as maintaining the aesthetic appearance of the project is for the mutual benefit of all persons residing therein.

5.30 Swale Maintenance. The Developer has constructed a system of Drainage Swale (the "Drainage Swale" or "Swales") in the subdivision for the purpose of managing and containing the flow of excess surface water, if any, found upon the Property from time

to time. Each Lot Owner, including builders, shall be responsible for the maintenance, operation and repair of the Swales on their Lot. Maintenance, operation and repair shall mean the exercise of practices, such as mowing and erosion repair, which allow the Swales to provide drainage, water storage, conveyance or other stormwater management capabilities as permitted by the SJRWMD. Filling, excavation, construction of fences or otherwise obstructing the surface water flow in the Swales is prohibited. No alteration of the Drainage Swale 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 returned to its former condition as soon as possible by the Owner(s) of the Lot(s) upon which the Drainage Swale is located.

ARTICLE VI. STORMWATER RETENTION PONDS

6.1 Use of Stormwater Retention Ponds. Certain Lots are hereby made subject to a non-exclusive drainage and stormwater management Easement over and across all Stormwater Retention Ponds within any such Lot ("Stormwater Retention Ponds" hereinafter referred to as "S.R.P.s"). With respect to the S.R.P.s now existing, or which may be hereafter created within the Property, no Owner shall:

(a) pump or otherwise remove any water from such S.R.P.s for the purpose of irrigation or other use;

(b) place rocks, stones, trash, garbage, untreated sewage, rubbish, debris, ashes, or other refuse in such S.R.P.s or in any other portion of the land owned by Developer lying adjacent to or near the Property;

(c) construct, place or maintain therein or thereon any docks, piers, bulkhead or other similar facilities, without the prior approval of any governmental or quasi-governmental agency having jurisdiction and the Developer prior to the Transfer Event, or thereafter subject to the prior approval of the Association;

(d) fish with the use of nets or with any other trap or spear;

(e) operate or maintain thereon any boat or any gas, electric or diesel driven vehicles; provided, however, boats used for the maintenance of the S.R.P.s shall be permitted, as deemed necessary by the Developer or Association.

6.2 Maintenance of Stormwater Retention Ponds.

(a) Developer, prior to the Transfer Event, shall have the sole and absolute right, but no obligation, to control the surface water level of such

S.R.P.s, subject, however, to the limitations imposed by applicable governmental and quasi-governmental authorities.

(b) The Association shall be responsible for the maintenance of the S.R.P.s including, without limitation, the control of the growth and eradication of plants, fowl, reptiles, animals, fish and fungi in and on such S.R.P.s.

(c) The Lot Owner shall be required to maintain such grass, plantings or other lateral support to prevent erosion of the embankment of any Lot adjacent to the S.R.P.s above the water line of the S.R.P.s and the height, grade and contour of the embankment shall not be changed without the prior consent of the Developer prior to a Transfer Event; provided, however, that no plants may be allowed to extend into or grow into the S.R.P.s. If the Lot Owner fails to maintain said embankment in accordance with the foregoing, the Developer (prior to a Transfer Event and thereafter, the Association) shall have the right, but not the obligation, to enter upon any such Lot to perform such maintenance work which may be reasonably required, all at the expense of the Lot Owner, which expense shall be payable by the Lot Owner to the Developer or Association, on demand.

6.3 Assignment of Maintenance Obligations. This Declaration cannot be terminated to extinguish the Association's obligation to maintain the S.R.P.s unless adequate provision for transferring this obligation to the then Owners of the Lots subject to the Easement on a pro rata basis is made and said transfer of obligation is permitted under the then existing requirements of the SJRWMD or its successors and Jacksonville Electric Authority or any other governmental body that may have authority over such transfer of obligation.

6.4 Indemnification. In connection with the platting and development of the Property, the Developer assumed certain obligations in connection with the maintenance of the water in the S.R.P.s. The Developer hereby assigns to the Association and the Association hereby agrees to assume all the obligations and responsibilities for maintenance of the S.R.P.s by the Developer under the Plat. The Association further agrees that subsequent to the Transfer Event it shall indemnify and hold Developer harmless from 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 occurrence in, upon, at or from the maintenance of the S.R.P.s, occasioned wholly or in part by any act or omission of the Association or its agent, contractors, employees, servants or licensees.

ARTICLE VII. MISCELLANEOUS

7.1 Assignment of Developer's Rights. The Developer shall have the sole and exclusive right at any time and from time to time to transfer and assign to, and to withdraw

from such person, firm, corporation, trust or other entity as it shall select, any or all rights, powers, Easements, privileges, authorities and reservations given to or reserved by the Developer in this Declaration. Upon the Transfer Event, the rights of the Developer hereunder shall vest automatically in the Association which shall assume all obligations thereof.

7.2 Amendments. Subject to the limitations imposed on the Developer by Section 720.3075, Florida Statutes (2000), the Developer prior to the transfer Event reserves and shall have the right:

(a) to amend this Declaration, but all such amendments shall conform to the general purposes and standards of the Covenants and Restrictions herein contained;

(b) to amend this Declaration for the purpose of curing, any scrivener's error, and any ambiguity in or any inconsistency between the provisions contained herein;

(c) to include in any contract or deed or other instrument hereafter made any additional covenants, restrictions and Easements applicable to the Property which do not lower the standards of the Covenants and Restrictions herein contained;

(d) to release any Lot from any part of the Covenants and Restrictions which have been violated if the Developer, in its sole judgment, determines such violation to be a minor or non-adverse violation; and

(e) to amend this Declaration pursuant to the requirements of the Veterans Administration, Federal Housing Administration, Federal National Mortgage Association, its successors and assigns, SJRWMD, DEPCorps, or such similar institutions or associations, without further consent of any of the Owners and all Owners acknowledge that such amendments shall be binding upon and shall constitute covenants running with the land irrespective of the date of amendment.

7.3 Amendment by Owners. In addition to any other manner herein provided for the amendment of this Declaration, the covenants, conditions, restrictions, Easements, and charges of this Declaration may be amended, changed, added to, derogated, or deleted at any time and from time to time, subject to the limitations imposed by Section 7.5 hereof below, upon the execution and recordation of an instrument executed by Owners of not less than two-thirds (2/3) of the Lots shown on the recorded Plat of the Lots, except that no amendment or change shall be allowed by others, without the consent of the Developer, as long as the Developer owns at least one (1) Lot in the development, unless prohibited by the provisions of Chapter 720, Florida Statutes (2000) from time to time in effect.

7.4 Approval of Developer. Wherever in this Declaration the consent or approval of the Developer is required to be obtained, no action requiring such consent or approval shall be commenced or undertaken until after a request in writing seeking the same has been submitted to and approved in writing by the Developer. Such request shall be sent to Developer by Certified Mail Return Receipt Requested. In the event that the Developer fails to act on any such written request within sixty (60) days after the same has been submitted to the Developer as required above, the consent or approval of the Developer to the particular action sought in such written request shall be presumed; provided, however, no action shall be taken by or on behalf of the person or persons submitting such written request which violates any of the Covenants and Restrictions herein contained.

7.5 Amendment of Stormwater Management System. Any amendment to the Covenants and Restrictions which alter the Stormwater Management System, beyond maintenance in its original condition, including the water management portions of the Common Areas, must have the prior approval of the SJRWMD.

7.6 Consent for Additional Covenants. No Lot Owner, without the prior written approval of the Developer, may impose any additional Covenants or Restrictions on any part of the Property.

7.7 Duration. These Covenants and Restrictions, as amended and added to, from time to time, as provided herein, shall, subject to the provisions hereof and unless released as herein provided, shall remain in full force and effect for a period of thirty (30) years from the date this Declaration is recorded, and thereafter the said Covenants and Restrictions shall be automatically extended for successive periods of ten (10) years each, unless within six (6) months prior to the end of the thirty (30) year period from the date this Declaration is recorded, or within six (6) months prior to the end of any such ten (10) year period, as the case may be, a written instrument executed by the then Owners of a majority of the Lots shown on the Plat of the Property terminating this Declaration shall be placed on record in the office of the appropriate agency of Duval County, Florida. Upon termination, the requirements of Section 6.3 must be complied with. If required under Florida law, the Developer or the Association shall have the right to cause these Covenants and Restrictions to be re-recorded at such intervals as necessary to continue its enforceability.

7.8 Enforcement of Covenants. If any person, firm, corporation, trust or other entity shall violate or attempt to violate any Covenants or Restrictions contained herein, it shall be lawful for the Developer, Association, or any Owner of any Lot: (i) to prosecute proceedings for the recovery of damages against those violating or attempting to violate any such covenant or restriction, or (ii) to maintain a proceeding in any court of competent jurisdiction against those so violating or attempting to violate any such Covenant or Restriction for the purpose of preventing or enjoining any such violation or attempted violation. The remedies contained in this section shall be construed as cumulative of all other remedies now or hereafter provided by law. The failure of the Developer,

Association, Owner or its respective successors or assigns to enforce any Covenant or Restriction or any obligation, right, power, privilege, authority or reservation herein contained, however long continued shall in no event be deemed a waiver of the right to enforce the same thereafter as to the same breach or violation, or as to any other breach or violation thereof occurring prior or subsequent thereto. 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 Stormwater Management System. In addition to the foregoing, the Association may impose from time to time fines and charges against Members who willfully violate the rules and regulations enacted by the Association from time to time.

7.9 Annexation. Additional land located within the boundaries, of the Future Development Property, or which is contiguous to the Property or contiguous to Future Property, may be annexed by the Developer without the consent of Members within twenty (20) years of the date of this instrument. Developer shall record an amendment to the Declaration subjecting the land described thereon to the Covenants and Restrictions contained herein. Developer may include in such amendment additional Covenants and Restrictions provided such Covenants and Restrictions are not inconsistent herewith.

7.10 Interpretation. In all cases the provisions set forth or provided for in this Declaration shall be construed together and given that interpretation or construction which will best effect the intent of the general plan of development of the Property. The provisions hereof shall be liberally interpreted and if necessary, they shall be so extended and enlarged by implication as to make them fully effective.

7.11 Captions. The captions of the paragraphs hereof are inserted only for convenience and are in no way to be construed as defining, limiting, extending or otherwise modifying or adding to the particular paragraph to which they refer.

7.12 Gender and Grammar. The singular wherever used herein shall be construed to mean the plural when applicable and the use of the masculine pronoun shall include the neuter and feminine, wherever applicable.

7.13 Provisions Severable. The invalidation of any provision or provisions of this Declaration by judgment or court order shall not affect or modify any of the other provisions of this Declaration which shall remain in full force and effect.

7.14 Attorneys' Fees. In connection with any action for the enforcement of any of the rights and obligations contained herein, the prevailing party shall be entitled to be reimbursed for all costs including, without limitation, attorneys' fees at trial or on appeal, unless otherwise provided by applicable law.

IN WITNESS WHEREOF, the Developer has caused this instrument to be executed and set its seal all as of the day and year first above written.

Signed, sealed and delivered in the presence of:

Katherine S. Carpenter
Print Name: KATHERINE S. CARPENTER

SOUTH EAST DEVELOPMENT ASSOCIATES, INC., a Florida corporation

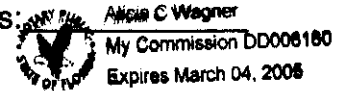
Leanne Ross
Print Name: LEANNE ROSS
Witnesses

By: [Signature]
John A. Semanik, President

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 16 day of April, 2001, by John A. Semanik, as President of South East Development Associates, Inc., a Florida corporation, who is personally known to me or has produced _____ as identification.

Alicia C. Wagner
Print Name: Alicia C. Wagner
Notary Public, State of Florida at Large
Commission No.: _____
My Commission Expires: _____



JOINDER OF MORTGAGE

The undersigned owner and holder of the development loan and mortgage on the Property hereby joins in, consents to, and agrees to be bound by the terms of the foregoing Declaration and the terms thereof, effective the 17th day of April, 2001.

**TUCKER FEDERAL BANK, d/b/a
Fairfield Mortgage**

By: Jim S. Little
Its Asst. Vice President

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 17th day of April, 2001, by Jim S. Little, as Asst. Vice President of Tucker Federal Bank, d/b/a Fairfield Mortgage, a _____, who is personally known to me or has produced _____ as identification.

Kim M Steeg
Print Name: Kim M Steeg
Notary Public, State of Florida at Large
Commission No.: _____
My Commission Expires: 3-1-2003

**OFFICIAL SEAL
KIM M. STEEG
Notary Public - State of Florida
Commission # CC922336
My Comm. Expires March 1, 2003**

EXHIBIT "A"

**ARTICLES OF INCORPORATION
OF
CRESTWICK CROSSING HOMEOWNERS ASSOCIATION, INC.
A CORPORATION NOT-FOR-PROFIT**

We, the undersigned, being desirous of forming a corporation not for profit, do hereby associate ourselves into a corporation for the purposes and with the powers herein specified and do hereby agree to the following Articles of Incorporation:

ARTICLE I. NAME

The name of this corporation shall be: CRESTWICK CROSSING HOMEOWNERS ASSOCIATION, INC. (hereinafter referred to as the "Association").

ARTICLE II. PURPOSE

The purposes and object of the Association shall be to administer the operation and management of CRESTWICK CROSSING, a residential development (hereinafter "the Development") to be established upon that certain real property in DUVAL County, Florida, as described in that certain Declaration of Covenants, Conditions and Restrictions for CRESTWICK CROSSING, which shall be recorded in the current public records, DUVAL County, Florida, and to operate, maintain and manage the Stormwater Management System(s) in a manner consistent with the requirements and applicable rules of the St. Johns River Water Management District Permit Nos. #40-031-61438-1 and #4-031-0658 ERP requirements and applicable District rules, and shall assist in the enforcement of the restrictions and covenants contained herein. SOUTH EAST DEVELOPMENT ASSOCIATES, INC. is the developer (the "Developer") of the Development.

The Association does not contemplate pecuniary gain or profit to the Members thereof and shall undertake and perform all acts and duties incident to the operation and management preservation and architectural control of the residence lots and Common Areas of the Development in accordance with the terms, provisions, and conditions of these Articles of Incorporation, the By-Laws of the Association and the Declaration.

ARTICLE III. POWERS

The Association shall have the following powers:

3.1 All of the powers and privileges granted to corporations not for profit under the laws of the State of Florida and the Declaration as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth in length.

3.2 All of the powers reasonably necessary to implement and effectuate the purposes of the Association, including, without limitation, the power, authority and right to:

(a) Make and establish reasonable rules and regulations governing the use of the Lots, Common Area and Maintenance Area, as such terms are defined in the Declaration, and to establish in such rules and regulations the imposition of fines and charges and the methodology for announcing and enforcing such fines and charges against Members who willfully violate the provisions of the Declaration and the rules and regulations of the Association from time to time in effect.

(b) Own, hold, improve, build upon, maintain, operate, lease, sell, manage, transfer, dedicate for public use, and otherwise dispose of and deal with such real and personal property as may be necessary or convenient in connection with the affairs of the Association.

(c) To own, manage, administer and operate such property as may be conveyed to it by the Developer, its successors or assigns for the mutual benefit and use of all Members.

(d) Tax, levy, collect and enforce payment by all lawful means all charges or assessments against Members of the Association and their Lots to defray the Common Expenses of the Development, as will be provided in the Declaration and the By-Laws, including the right to levy and collect assessments for the purpose of acquiring, owning, holding, operating, leasing, encumbering, selling, conveying, exchanging, managing and otherwise dealing with the Common Area, the Maintenance Area and other property owned by the Association, which may be necessary or convenient in the operation and management of the Development and in accomplishing the purposes set forth in the Declaration; and to pay all expenses, including office expenses, licenses, taxes, or governmental charges levied or imposed against the property of the Association, incident to the conduct of business of the Association, and to pay the cost of maintenance and operation of the Stormwater Management System (including work performed in the retention areas, drainage structures and drainage easements).

(e) Maintain, repair, replace, operate and manage the Common Area, Maintenance Area, including without limitation, the Stormwater Management System serving the Development (including but not limited to, retention areas, drainage structures and drainage easements) and any property owned by the Association, including the right to reconstruct improvements after casualty and to further improve and add to the Maintenance Area and other property owned by the Association.

(f) Contract for the management of the Development, the Common Area, the Maintenance Area and other property owned by the Association and, in connection therewith, to delegate any and/or all of the powers and duties of the Association to the extent and in the manner permitted by the Declaration, the By-Laws.

(g) Enforce the provisions of these Articles of Incorporation, the Declaration, the By-Laws, and all rules and regulations governing the use of the Development which may hereafter be established.

ARTICLE IV. QUALIFICATION OF MEMBERS

The qualifications of Members, manner of their admission to and termination of membership shall be as follows:

4.1 The Owners (as defined in the Declaration and the By-Laws) of all Lots in the Development shall be members of the Association, and no other persons or entities shall be entitled to membership, except the subscribers hereof.

4.2 A person shall become a Member by the acquisition of a vested present interest in the fee title to a Lot in the Development. The membership of any person or entity shall be automatically terminated upon his being divested of his title or interest in such Lot.

4.3 Transfer of membership shall be recognized by the Association upon its being provided with a certified copy of the recorded deed conveying such fee simple title to a Lot to the new Member.

4.4 If a corporation, partnership, joint venture or other entity is the fee simple title holder to a Lot, or the Lot is owned by more than one person, the Lot Owner shall designate one person as the Member entitled to cast votes and/or to approve or disapprove matters as may be required or provided for in these Articles, the By-Laws or the Declaration.

4.5 Except as an appurtenance to his Lot, no Member can assign, hypothecate or transfer in any manner, his membership in the Association or his interest in the funds and assets of the Association. The funds and assets of the Association shall belong solely to the Association subject to the limitation that the same be expended, held or used for the benefit of the membership and for the purposes authorized herein, in the Declaration, and the By-Laws hereof.

ARTICLE V. VOTING

5.1 There shall be two classes of voting membership which classes are more fully defined in the Declaration and the By-Laws.

5.2 On all matters upon which the membership shall be entitled to vote, there shall be only one vote for each "Developed Lot" in the Development. Such vote may be exercised or cast by the Owner or Owners in such manner as may be provided in the By-Laws of this Association. Should any Member own more than one Lot, each Member shall be entitled to exercise or cast one vote for each such Lot, in the manner provided for in the By-Laws. Notwithstanding the foregoing, the Developer shall have the right to cast the number of votes allocated to it in the Declaration and By-Laws for so long as it owns any "Undeveloped Lots" as defined in the Declaration and By-Laws or until its right to such votes terminates as provided in the Declaration.

5.3 Until the recordation of Declaration in the public records of Duval County, Florida, the membership of the Association shall be comprised of the subscribers to these Articles, each of whom shall be entitled to cast a vote on all matters upon which the membership would be entitled to vote.

ARTICLE VI. TERM OF EXISTENCE

Existence of this Association shall commence with the filing of these Articles with the Secretary of State, Tallahassee, Florida. The Association shall have perpetual existence.

ARTICLE VII. OFFICE

The principal office of the Association shall be 2120 Corporate Square Boulevard, Suite 3, Jacksonville, Florida 32216, or such other place as the Board of Directors may designate. The address of the registered office and the name of the initial Registered Agent are: John A. Semanik, located at 2120 Corporate Square Boulevard, Suite 3, Jacksonville, Florida 32216.

ARTICLE VIII. BOARD OF DIRECTORS

8.1 The business affairs of this Association shall be managed by the Board of Directors. The number of Members of the first Board of Directors shall be three.

8.2 Subject to the Declaration, the Board of Directors shall be elected by the Members of the Association from among the membership at the annual membership meeting as provided in the By-Laws; provided, however, that the Developer shall have the right to elect all of the Directors on the Board subject to the following:

(a) Lot Owners other than the Developer shall be entitled to elect a majority of the Members of the Board of Directors when a Transfer Event has occurred as described in the Declaration the Developer has conveyed one hundred percent (100%) of the Lots or at such earlier time as the Developer may elect to voluntarily relinquish control of the Board of Directors, at Developer's sole option.

(b) The names and residence addresses of the persons who are to serve as the initial Board of Directors until their successors are chosen, are as follows:

Director	Address
JOHN A. SEMANIK	2120 Corporate Square Boulevard, Suite 3 Jacksonville, Florida 32216
ARNOLD J. SEMANIK	2120 Corporate Square Boulevard, Suite 3 Jacksonville, Florida 32216
KATHERINE S. CARPENTER	2120 Corporate Square Boulevard, Suite 3 Jacksonville, Florida 32216

ARTICLE IX. OFFICERS

9.1 The officers of the Association shall be a President, one or more Vice Presidents, Secretary and Treasurer and, if any, the Assistant Secretaries and Assistant Treasurers, who shall perform the duties of such offices customarily performed by like officers of corporations in the State of Florida subject to the directors of the Board of Directors.

9.2 Officers of the Association may be compensated in the manner to be provided in the By-Laws. The Board of Directors, on the President with the approval of the Board of Directors, may employ a managing agent, agency, and/or other managerial and supervisory personnel or entity to administer or assist in the administration of the operation and management of the Development and the affairs of the Association, and any and all such persons and/or entity or entities may be so employed without regard to whether any such person or entity is a Member, Director or officer of the Association.

9.3 The persons who are to serve as officers of the Association until their successors are chosen are:

Officer	Name
President	JOHN A. SEMANIK
Vice President	ARNOLD J. SEMANIK
Secretary/Treasurer	KATHERINE S. CARPENTER

9.4 The officers shall be elected by the Board of Directors at their annual meeting as provided in the By-Laws. Any vacancies in any office shall be filled by the Board of Directors at any meeting duly held.

9.5 The president shall be elected from the membership of the Board of Directors, but no other officer need be a Director. The same person may hold two offices, provided, however, that the office of President and Vice President shall not be held by the same person, nor shall the office of President and Secretary or Assistant Secretary be held by same person. Officers shall be elected annually.

ARTICLE X. BY-LAWS

10.1 The Board of Directors shall adopt by a majority vote the original By-Laws of the Association.

10.2 The By-Laws may be amended in accordance with the procedures set forth in the By-Laws.

ARTICLE XI. AMENDMENT OF ARTICLES

11.1 These Articles of Incorporation may be amended as follows:

(a) Amendments shall be proposed by a majority of the Board of Directors.

(b) The President, or acting Chief Executive Officer of the Association in the absence of the President, shall thereupon call a special meeting of the Members of the Association for a date not sooner than twenty (20) days nor later than sixty (60) days from the date on which the Board of Directors approve the amendment proposal. Each Member shall be given written notice of such meeting stating the time and place of the meeting and reciting the proposed amendment or amendments in reasonably detailed form, which notice shall be mailed or presented personally to each Member not less than ten (10) days nor more than thirty (30) days before the date set for such meeting. Such notice shall be deemed properly given when deposited in the United States mail, addressed to the Member at his post office address as it appears on the records of the Association. At such time as there is no Class B Members, the amendment or amendments proposed must be approved by an affirmative vote of at least two-thirds (2/3) of the Class A Members in order for such amendment or amendments to become effective. If so approved, a certified copy of the said amendment or amendments shall be filed in the Office of the Secretary of State of the State of Florida and recorded in the public records of Duval County, Florida.

ARTICLE XII. INDEMNITY

Every Director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be

a party, or in which he may become involved, by reason of his being or having been a Director or officer of the Association, whether or not he is a Director or officer at the time such expenses are incurred, except in such cases where the Director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided, that in the event any claim for reimbursement or indemnification hereunder is based upon a settlement by the Director or officer seeking such reimbursement or indemnification, the indemnification herein shall only apply if the Board of Directors approves such settlement and reimbursement as being in the best interests of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or officer may be entitled.

ARTICLE XIII. NON-PROFIT STATUS

No part of the income of this corporation shall be distributed to the Members except upon dissolution or final liquidation and as permitted by the court having jurisdiction thereof.

ARTICLE XIV. RULES OF THE ST. JOHNS RIVER WATER MANAGEMENT DISTRICT

In the event of termination, dissolution or final liquidation of the Association, the responsibility for the operation and maintenance of the Stormwater Management System must be transferred to and accepted by an entity which would comply with Section 40C-42.027 Florida Administrative Code, and be approved by the St. Johns River Water Management District prior to such termination, dissolution or liquidation.

ARTICLE XV. SUBSCRIBERS

The names and addresses of the subscribers to these Articles are:

JOHN A. SEMANIK	2120 Corporate Square Boulevard, Suite 3 Jacksonville, Florida 32216
ARNOLD J. SEMANIK	2120 Corporate Square Boulevard, Suite 3 Jacksonville, Florida 32216
KATHERINE S. CARPENTER	2120 Corporate Square Boulevard, Suite 3 Jacksonville, Florida 32216

ARTICLE XVI. DISSOLUTION

In the event of termination, dissolution or final liquidation of the Association, the responsibility for the operation and maintenance of the Stormwater Management System must be transferred to and accepted by an entity which would comply with Section 40C-42.027, Florida Administrative Code, and be approved by the St. Johns River Water

Management District prior to such termination, dissolution or liquidation. If the association is dissolved, the assets shall be dedicated to a public body, or conveyed to a nonprofit organization with similar purposes.

ARTICLE XVII. ANNEXATION

Annexation of additional properties, mergers, and consolidations, mortgaging of Common Area, if any, dissolution and amendment of the Articles, requires prior approval of the Veterans Administration, Federal Housing Administration, or Federal National Mortgage Association, so as long as there is a Class B membership.

IN WITNESS WHEREOF, we, the undersigned subscribing incorporators have hereunto set our hands and seal this _____ day of April, 2001, for the purpose of this corporation forming not for profit under the laws of the State of Florida.

JOHN A. SEMANIK

ARNOLD J. SEMANIK

KATHERINE S. CARPENTER

CERTIFICATE NAMING AGENT UPON WHOM DUE PROCESS MAY BE SERVED

In pursuance of Chapter 48.091, Florida Statutes, the following is submitted:

That **CRESTWICK CROSSING HOMEOWNERS ASSOCIATION, INC.**, a corporation duly organized and existing under the laws of the State of Florida, with its principal office, as indicated in the articles of incorporation at City of Jacksonville, County of Duval, State of Florida, has named John A. Semanik, located at 2120 Corporate Square Boulevard, Suite 3, Jacksonville, Florida 32216, as its agent to accept service of process within this state.

Having been named to accept service of process for above state&corporation, at the place designated in this certificate, I hereby accept to act in this capacity, and agree to comply with the provisions of said Florida Statute relative to keeping open said office.

REGISTERED AGENT

JOHN A. SEMANIK

STATE OF FLORIDA
COUNTY OF DUVAL

Sworn to and subscribed before me this _____ day of April, 2001, by John A. Semanik, who is personally known to me or who has produced _____ as identification.

Print Name: _____
Notary Public, State of Florida at Large
Commission No.: _____
My Commission Expires: _____

EXHIBIT "B"

**BYLAWS
OF
CRESTWICK CROSSING HOMEOWNERS ASSOCIATION, INC.**

1. **IDENTITY.**

1.1 **Name.** The name of the Corporation is CRESTWICK CROSSING HOMEOWNERS ASSOCIATION, INC., a Florida not-for-profit corporation organized pursuant to the provisions of Chapter 617, Florida Statutes.

1.2 **Purpose.** The purpose and object of the Association (as hereinafter defined) shall be to administer the operation and management of CRESTWICK CROSSING HOMEOWNERS ASSOCIATION, INC., as established in accordance with the Declaration of Covenants, Conditions and Restrictions of CRESTWICK CROSSING (the "Declaration") upon certain real property in Duval County, Florida, as set forth in the Declaration. The provisions of these By-Laws are applicable to the Association and are subject to the provisions of the Declaration, and the Articles of the Association (as hereinafter defined). All Members, as defined in the Articles of the Association, and their invitees, including, without limitation, all present or future owners and tenants of lots in the Property, as such is defined herein and in the Declaration, and other persons using the lots or any of the facilities thereof in any manner are subject to these By-Laws, the Articles and the Declaration.

1.2 **Location.** The principal office of the Association shall be located at 2120 Corporate Square Boulevard, Suite 3, Jacksonville, Florida 32216, or at such other place as may be established by resolution of the Board of Directors, but meeting of the Members and the Board of Directors of the Association may be held at such places within Duval County, Florida.

1.3 **Fiscal Year.** The fiscal year of the Association shall be the first day of January through the last day of December.

1.4 **Seal.** The seal of the Association shall bear the name of "CRESTWICK CROSSING HOMEOWNERS ASSOCIATION, INC., the word "Florida", the words "Corporation Not For Profit", and the year of incorporation.

2. **DEFINITIONS.**

2.1 **Articles.** "Articles" shall mean and refer to the Articles of Incorporation of CRESTWICK CROSSING HOMEOWNERS ASSOCIATION, INC., as filed with the Secretary of State of Florida.

2.2 **Assessment.** The term "Assessment" as used herein shall mean and refer to a share of Association Expenses required for the payment of the Association Expenses

which from time to time shall be assessed against the Lots and the Owners and the Authorized Users.

2.3 Assessment Period. "Assessment period" shall be the same period as a calendar year, from January 1 to December 31 of any given year.

2.4 Association. "Association" shall mean and refer to CRESTWICK CROSSING HOMEOWNERS ASSOCIATION, INC., a corporation not-for-profit, organized or to be organized pursuant to Chapter 617, Florida Statutes, and its successors and assigns.

2.5 Association Expenses. "Association Expenses" shall mean and refer to the expenses and charges described in this Declaration, incurred or to be incurred by the Association and assessed or to be assessed against the Lots and the owners thereof through annual or special Assessments as defined in Sections 4.4 and 4.5 of Article IV of the Declaration.

2.6 Board of Directors. "Board of Directors" shall mean and refer to the Association's Board of Directors.

2.7 Common Area. "Common Area" shall mean and refer to that portion of the Property which is not a part of a lot and which is intended for the common use and enjoyment of the Owners, and which shall be conveyed by the Developer to the Association pursuant to the provisions of this Declaration.

2.8 Declaration. "Declaration" shall mean and refer to that certain Declaration of Covenants, conditions and Restrictions of CRESTWICK CROSSING as recorded in Official Records Volume _____ page _____, et seq., current public records, Duval County, Florida

2.9 Developed Lot. "Developed Lot" shall mean and refer to any Lot owned by anyone other than Developer or any corporation affiliated with Developer. For purposes hereof, an affiliated corporation shall be deemed to be any corporation the majority of whose stock is owned by Developer, or the majority shareholder of Developer, or any corporation which itself may be deemed to be an affiliate of Developer because of common equity ownership. For purposes hereof, an affiliated corporation shall be deemed to be any corporation the majority of whose stock is owned by Developer, or the majority shareholder of Developer, or any corporation which itself may be deemed to be an affiliate of Developer.

2.10 Developer. "Developer" shall mean and refer to SOUTH EAST DEVELOPMENT ASSOCIATION, INC., and its successors and assigns if such successors or assigns should acquire more than one Undeveloped Lot for the purpose of development and have an assignment in writing of Developer's Rights from SOUTH EAST DEVELOPMENT ASSOCIATION, INC.

2.11 Future Development Property. "Future Development Property" shall mean and refer to that certain property adjacent or contiguous to the Property as Developer may determine from time to time, including without limitation lands south of Duval Station Road if added to the Property by Annexation by the Developer.

2.12 Lot. "Lot" shall mean and refer to any of the platted lots of land shown upon the recorded subdivision plat of the Property intended as a residential homesite, and the Future Development Property if such property is developed and annexed as herein set forth, with the exception of the Common Area and dedicated roads.

2.13 Maintenance Area. "Maintenance Area" shall mean and refer to those portions of the Property or improvements thereto which may or may not be owned by the Association, but are maintained by the Association from time to time, including without limitation, all of stormwater systems to be constructed in accordance with the requirements of the St. Johns River Water Management District, the Department of Environmental Protection and/or the U.S. Army Corps of Engineers and the surface waters of any areas designated as "Lakes" or "Drainage Easements" or "Maintenance Area" on the recorded plats, medians or rights of way abutting public streets, the entrance way(s) to the subdivision including landscaping, fencing and signage, and decorative or border fencing or walls and any access gates as may be constructed by the Developer upon the property boundaries.

2.14 Member. "Member" shall mean and refer to all those persons entitled to membership as provided by the Declaration.

2.15 Owner. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any Lot which is a part of the Property, and the Future Development Property if such property is developed and annexed as herein set forth, including contract sellers, but excluding those having such interests merely as security for the performance of an obligation. The term "Owner" shall not mean or refer to any mortgagee or grantee or beneficiary under a deed of trust or security deed unless and until such mortgagee, grantee or beneficiary has acquired title pursuant to foreclosure or any proceeding or conveyance in lieu of foreclosure.

2.16 Plat. "Plat" shall mean and refer to the plat of certain real property more fully described in the Declaration of CRESTWICK CROSSING, according to the plat thereof as recorded in Plat Book 53, pages 91, 91A, 91B, 91C, 91D and 91E of the current public records of Duval County, Florida (the "Plat").

2.17 Property. "Property" shall mean and refer to that certain real property more particularly described in the Declaration, and such additions thereto as may be brought within the jurisdiction of the Association.

2.18 Undeveloped Lot Owned By Developer. "Undeveloped Lot Owned By Developer" shall mean and refer to any Lot which is owned by Developer.

3. MEMBERSHIP, VOTING, QUORUM, PROXIES.

3.1 Membership. Every Owner of a Lot shall be a Member of the Association. Such membership shall be coincident with the ownership of the Lot, and shall not be separately transferable. Membership shall cease upon the transfer or termination of ownership; provided, however, in the event that an Owner leases the improvements on his Lot to a tenant, such tenant shall be entitled to the use of the Common Area (as described in the Declaration) but the Owner shall remain liable for all Assessments, for compliance with the terms and conditions of the Articles, Declaration and these By-Laws, and shall retain all voting rights.

3.2 Quorum. A quorum at meetings of Members shall consist of persons entitled to cast a majority of votes of the membership entitled to vote upon any matter or matters arising at said meeting.

3.3 Voting. The classes of voting membership and manner of voting shall be as set forth Section 2.2 of the Declaration, subject to the additional terms and conditions set forth herein:

(a) The Association shall have two (2) classes of voting memberships as follows:

Class A - Class A Members shall be Owners who have taken title to one (1) or more Lots which shall include Lots, which shall include Lots on Future Development Property, if such property is annexed as provided in the Declaration, excluding, however, the Developer, until such time as Class B membership ceases to exist, at which time Developer shall be entitled to vote like any other Owner of a Lot. Each Class A Member shall be entitled to one (1) vote for each Lot owned by such Member. When a Lot is owned by more than one (1) person, all such persons shall be Members. The vote for such Lot shall be exercised as the Owners determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B - The Class B Member shall be Developer, which shall be initially entitled to a number of votes equal to the number of Lots within the Property. In addition, the total number of votes of the Class B Member shall increase at the time of Annexation of the Future Development Property to a number equal to the number of Lots included on the Plat of the Property and the Future Development Property. The total number of votes of the Class B Member shall increase as

herein set forth each time a portion of the Future Development Property is annexed as provided in the Declaration and these By-Laws.

Class B membership shall terminate upon the happening of one of the following events, whichever occurs earlier:

- (i) three (3) months after Developer has conveyed to Members ninety percent (90%) of the Lots located on the Property and the Future Development Property, if annexed as provided in the Declaration, or
 - (ii) at such earlier time as the Developer, in his sole discretion, may determine.
- (b) If a Lot is owned by one person, his right to vote shall be established by the record title to his Lot.
- (c) If any Lot is owned by more than one person or a partnership, corporation, trust, or any other association or entity, the person entitled to cast the vote for the Lot shall be designated by a certificate signed by all of the record owners of the Lot or by the president, general partner or other chief executive officer of the respective entity and filed with the Secretary of the Association. Such certificates shall be valid until revoked or until superseded by a subsequent certificate or until ownership of the Lot is changed. A certificate designating the person entitled to cast the vote of a Lot may be revoked by any owner of that Lot. If such a certificate is not on file, the vote of such owners shall not be considered in determining the requirement for a quorum nor for any other purpose.
- (d) The Developer shall be entitled to cast the number of votes as set forth in subparagraph (a) hereof under Class B Membership.

3.4 Vote Required. Except as otherwise required under the provisions of the Articles, these By-Laws or the Declaration, or where the same otherwise may be required by law, at any meeting of the general membership of the Association, duly called and at which a quorum is present, the acts approved by the affirmative vote of a majority of the votes present at such meeting shall be binding upon the Members.

3.5 Proxies. At any meeting of the Members, every Member having the right to vote shall be entitled to vote in person or by proxy. A proxy may be revoked at any time at the pleasure of the Lot Owner executing it. To be valid, a proxy must be dated, must state the date, time, and place of the specific meeting for which it is given, and must be signed by the authorized person executing it. A proxy is effective only for the specific meeting for which it was originally given ("Meeting") and automatically expires ninety (90)

days after the date of the Meeting, but shall automatically cease upon conveyance by a Member of his Lot. All proxies shall be in writing and filed with the secretary before the appointed time of the meeting in order to be effective.

4. MEMBERS' MEETINGS.

4.1 Annual Meeting(s). The first Annual Meeting of the Members shall be held at the office of the Association or such other place in Duval County, Florida, and at such time as may be specified in the notice of the meeting, on or before the first Tuesday in October of each year and each subsequent regular annual meeting of the Members shall be held during the same month of each year, at the hour designated in the notice of the meeting, for the purpose of electing Directors and of transacting any other business authorized to be transacted by the Members; provided, however, that if that day is a legal holiday, the meeting shall be held on the next succeeding Tuesday, or such day as the Directors shall determine and include in the notice of meeting.

4.2 Special Meeting(s). Special Meeting(s) shall be held when called by the Board of Directors or by at least ten percent (10%) of the total voting interests of the Association. Business conducted at a Special Meeting is limited to the purposes described in the notice of the meeting.

4.3 Notice of Meetings.

(a) Generally. Written notice of all meetings of Members shall be given by the Secretary, or in the absence of the Secretary, another officer of the Association, to each Member or class of Members, if any, unless waived in writing. Each notice shall state the time, place and purpose for which the meeting is called.

(b) Annual. Notice of Annual Meeting(s) shall be given to each Member not less than fourteen (14) days nor more than sixty (60) days prior to the date set for the meeting, and shall be mailed or delivered personally to each Member. Such notice shall state the date, time and place of such meeting, but need not include a description of the purpose for which the meeting is called. If delivered personally, receipt of notice shall be signed by the Member, indicating the date received and shall constitute that Member's waiver of his right to receive notice by mail. If mailed, such notice shall be deemed properly given when deposited in the United States mail addressed to the Member at his Post office address as it appears on the records of the Association.

(c) Special. Notice of Special Meetings shall be given to each Member not less than ten (10) days nor more than thirty (30) days prior to the date set for the meeting and shall be mailed by first class mail or

delivered personally to the Member, stating the time, date and place of such meeting and reciting the purpose of such meeting.

(d) Waiver. Any Member may, in writing signed by such Member, waive such notice, and such waiver, when filed in the records of the Association, whether before, at or after the holding of the meeting, shall constitute notice to such Member.

(e) Adjourned Meetings. If any meeting of Members cannot be held because a quorum is not present, or because a greater percentage of the membership required to constitute a quorum for a particular purpose is not present, wherever the latter percentage of attendance may be required as set forth in the Articles, the By-Laws or the Declaration, the Members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum, or the required percentage of attendance, if greater than a quorum, is present.

4.4 Presiding Officer and Minutes. At meetings of Members, the Chairman of the Board, or in his absence, the President, shall preside, or in the absence of both, the Members present shall select a chairman of the meeting. Minutes shall be kept in a business like manner and available for inspection by the Directors, Lot owners and their authorized representatives during normal business hours at the principal office of the Association. The Association shall retain these minutes for a period of not less than seven (7) years.

5. BOARD OF DIRECTORS.

5.1 First Board and Developer Control. The affairs of the Association shall be managed by a Board of Directors. The first Directors shall consist of three (3) persons as designated in the Articles of Incorporation. SOUTH EAST DEVELOPMENT ASSOCIATION, INC., reserves the right to appoint Directors to the Board as specified in the Articles, Declaration and as described herein.

5.2 Election of Directors. Directors shall be elected in the following manner:

(a) The Board of Directors shall be elected by the Members from among the membership of the Association at the annual membership meeting, by affirmative vote of a plurality of the votes cast at such meeting, however, the Developer shall have the right to elect all the Directors of the Board subject to the limitation that lot owners other than the Developer shall be entitled to elect a majority of the Members of the Board of Directors upon the first to occur of the following:

- (i) Three (3) months after the Developer has conveyed ninety percent (90%) of Lots (including lots in the Future

Development Property, if annexed, as provided in the Declaration) ; or

- (ii) Developer elects to terminate the Class B Membership, in its sole discretion.

(b) Vacancies on the Board may be filled, through the unexpired term thereof, by the remaining Directors except that, should any vacancy on the Board be created in a directorship previously filled by any person appointed by Developer, such vacancy shall be filled by Developer appointing, by written instrument delivered to any officer of the Association, of a successor Director, who shall fill the vacated directorship for the unexpired term thereof.

(c) In the election of Directors there shall be appurtenant to each Lot one (1) vote for each Director to be elected, and the Developer shall be entitled to cast the number of votes allocated to it under Section 3.3(a) hereof.

(d) At the first Annual Meeting, the Members will elect three (3) Directors, with one (1) directorship to be designated as a two (2) year term director and the other two (2) to be for one (1) year terms. At the next succeeding Annual Meeting, one of such one (1) year term directorships shall be, from that point on, designated as a two (2) year term directorship. The intent hereof is to stagger the terms of the directorships so that there shall be only two (2) directors elected each year with one member of the old board continuing on the new board. Therefore, there shall be two (2) directorships of two (2) year terms being up for election in different years, and the third directorship shall always remain a one (1) year term directorship.

(e) In the event that Developer selects any person or persons to serve on the initial Board, Developer shall have the absolute right at any time, in its sole discretion to replace any such person or persons with another person or persons designated by Developer to serve on the Board. Replacement of any person or persons designated by Developer to serve on any Board shall be made by written instrument delivered to any officer of the Association, which instrument shall specify the name or names of the person or persons designated as successor or successors to the persons so removed from the Board. The removal of any Director and designation of his successor shall be effective immediately upon delivery as such written instrument by Developer to any officer of the Association.

5.3 Organizational Board Meeting. The organization meeting of a newly elected or designated Board shall be held within fifteen (15) days of their election or designation,

at such time and place as shall be fixed at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary provided that a quorum shall be present.

5.4 Regular Board Meeting. Regular meetings of the Board 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 telegram, at least seven (7) days prior to the day named for such meeting, unless notice is waived.

5.5 Special Meetings. Special meetings of the Board of Directors shall be called by the President, at the written request of one-third of the Directors. Notice of Special Meetings must be given to each Director, personally, or by mail, telephone or telegram preceded by at least seven (7) days' notice of the date, time, and place of the meeting, unless notice is waived.

5.6 Board Minutes. Minutes of all meetings of the Board shall be kept in a businesslike manner and available for inspection by Members and Directors during normal business hours at the principal office of the Association or the office of the property management company, if any. The Association shall retain minutes of all meetings of the Board of Directors for a period of not less than seven (7) years.

5.7 Waiver of Notice. Any Director may waive notice of a meeting before, at or after the meeting, and such waiver shall be deemed equivalent to the giving of notice.

5.8 Quorum. A quorum at meetings of the Board shall consist of the Directors entitled to cast a majority of the votes of the entire Board. The acts of the Board approved by a majority of the votes present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except as may be specifically otherwise provided in the Articles, these By-Laws or the Declaration. If any meeting of the Board cannot be held because a quorum is not present, or because the greater percentage of the Directors required to constitute a quorum for particular purposes is not present, wherever the latter percentage of attendance may be required as set forth in the Articles, these By-Laws or the Declaration, the Directors who are present may adjourn the meeting from time to time until a quorum, or the required percentage of attendance, if greater than a quorum is present. At any adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted at the readjoined meeting without further notice.

5.9 Action Without a Meeting. To the extent now or from time to time hereafter permitted by the laws of Florida, the Board shall have the right to take any action in the absence of a meeting which they could take at a meeting; provided, that written approval of such actions taken, signed by each Director, shall be recorded and filed in the minute book of the Association.

5.10 Removal. Directors may be removed from office with or without cause by the vote or written agreement of persons entitled to cast a majority of the votes of the membership; provided, however, that only the Developer can remove a member of the Board who was appointed by the Developer.

5.11 Presiding Officer. The presiding officer of meetings of the Board shall be Chairman of the Board, if such officer has been elected, or, if not, the President of the Association. In the absence of the presiding officer, the Directors present shall designate one of their number to preside.

5.12 Powers and Duties. All of the powers and duties of the Association shall be exercised by the Board, including those existing under the laws of Florida, the Articles, these By-Laws and the Declaration. Such powers and duties shall be exercised in accordance with the Articles, these By-Laws and the Declaration, and shall include, without limitation, the right, power and authority to:

(a) Tax, levy, collect and enforce by all lawful means all charges or assessments against Members of the Association and their Lots to defray the common expenses of the Development, as provided in the Articles and Declaration, including the right to levy and collect assessments for the purposes of acquiring, owning, holding, operating, leasing, encumbering, selling, conveying, exchanging, managing and otherwise dealing with the Common Area, the Maintenance Area and other property owned by the Association, which may be necessary or convenient in the operation and management of the Development and in accomplishing the purposes set forth in the Declaration, including, without limitation, the imposition of fines and charges against Members who willfully violate the provisions of the Declaration or rules and regulations enacted from time to time by the Association;

(b) Maintain, repair, replace, operate and manage the Common Areas and Maintenance Areas, including without limitation, the stormwater management system serving the Development (including but not limited to retention areas, drainage structures and drainage easements) and any property owned by the Association, including the right to reconstruct improvements after casualty and to further improve and add to the Maintenance Areas and other property owned by the Association for the benefit of Members;

(c) Make, amend and establish reasonable rules and regulations governing the use of the Lots, Common Areas and Maintenance Areas in the Property, real and personal, provided that such regulations or amendments thereto shall not conflict with the restrictions and limitations which may be placed upon the use of such property under the terms of the Articles and Declaration;

(d) Contract for the management and maintenance of the Common Areas, the Maintenance Areas and other Property owned by the Association and, in connection therewith, to delegate any and/or all of the powers and duties of the Association to the extent and in the manner permitted by the Articles, Declaration and these By-Laws, including but not limited to the performance of such functions as the submission of proposals, collection of assessments, preparation of records, enforcement of rules and maintenance, repair and replacement of the common elements and property owned by the Association with funds as shall be made available by the Association for such purposes. Any such contract shall be terminable for cause upon the giving of thirty (30) days prior written notice, and shall be for a term of from one (1) to three (3) years. Any such contract shall be renewable by consent of the Association and management. If such contract is negotiated by the Developer, the term of such contract shall not exceed two (2) years. The Association and its officers shall, however, retain at all times the powers and duties granted by the Declaration, including but not limited to the making of assessment, promulgation of rules and execution of contracts on behalf of the Association;

(e) Pay all taxes and assessments which are liens against any part of the Property other than Lots and the appurtenances thereto, and assess the same against the Members and their respective Lots subject to such liens;

(f) Suspend the enjoyment of the Common Areas by any Member for a period during which any Assessment remains unpaid, and for a period not to exceed the greater of (i) sixty(60) days for any infraction of its published rules and regulations, or (ii) the date such Assessment remains unpaid. Voting rights of a Member may be suspended for nonpayment of regular annual assessments that are delinquent in excess of ninety (90) days.

(g) Carry insurance for the protection of Members and the Association against casualty and liability, including Directors' liability insurance;

(h) Pay all costs of power, water, sewer and other utility services rendered to the Property or to the Association and not billed to the owners of the separate Lots;

(i) Employ personnel for reasonable compensation to perform the services required for proper administration of the purposes of the Association;

(j) Borrow money at prevailing rate and terms if it would not be feasible to charge the Members their proportionate share of the total estimated expenses. Any money received from the Developer shall be a loan to cover the deficit funding and shall be payable on demand which shall be evidenced by a promissory note.

(k) Maintain Association's official regulating documents, including, but not limited to Articles, Bylaws, Declaration, and any amendments thereto; plans, specifications, permits, warranties for improvements and repairs to Common Areas or other Property maintained by Association; minutes of all meetings retained for at least seven (7) years; current roster of all Members and their mailing addresses and parcel identifications; Association insurance policies; current copy of all contracts to which Association is a party, including but not limited to any management agreement, lease, or other contracts for which the Association has any obligation or responsibility; bids for work to be done on behalf of the Association; accurate and detailed financial statements, kept according to good accounting practices; Members' assessment account reports; Association tax returns, and any other records that identify, measure, record or communicate financial information; and any and all records required from time to time by applicable law.

(l) Enforce by legal means the provisions of the Articles, these By-Laws, the Declaration and all regulations governing use of the Property.

6. OFFICERS.

6.1 Generally. The Board shall elect a President, Secretary, Treasurer, and as many Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board shall deem advisable from time to time. The President shall be elected from the membership of the Board, but no other officer need be a Director. The same person may hold two offices, the duties of which are not incompatible; provided, however, that the office of President and Vice President shall not be held by the same person, nor shall the office of President and Secretary or Assistant Secretary be held by the same person. The Board may from time to time elect such other officers, and designate their powers and duties, as the Board may deem necessary to properly manage the affairs of the Association. Officers may be removed from office by the Board.

6.2 President. The president shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of President of a corporation not for profit, including but not limited to the power to appoint committees from among the Members from time to time, as he may in his discretion determine appropriate to assist in the conduct of the affairs of the association. He shall have such additional powers as the Board may designate.

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

6.4 Secretary. The Secretary shall keep the minutes of all proceedings of the Board and the Members. He shall attend to the affairs of the Association. He shall have such additional powers as the Board may designate.

6.5 Treasurer. The Treasurer shall have custody of all of the property of the Association including funds, securities and evidences of indebtedness. He shall keep the assessment roll and accounts of the Members; he shall keep the books of the Association in accordance with good accounting practices, and he shall perform all other duties incident to the office of Treasurer.

6.6 Compensation. No compensation shall be paid to any officer of the Association except with the approval of the persons entitled to cast a majority of the votes of the membership reflected by a vote taken at a duly constituted membership meeting. No officer who is appointed by the Developer shall receive any compensation for his services as an officer. Nothing herein shall be construed so as to prohibit or prevent the Board of Directors from employing any Director or officer as an employee of the Association at such compensation as the Board shall determine, nor shall anything herein be construed so as to preclude the Board from contracting with a Director or officer or with any corporation in which a Director or officer of the Association may be stockholder, officer, Director or employee, for the management of the Association for such compensation as shall be mutually agreed between the Board and such officer, Director or corporation, for the purpose of making available to the owners of Lots such services as are contemplated by the provisions of Article as is these By- Laws. It is expressly contemplated that the first Board of Directors may enter into such contracts with persons who are initial officers or Directors of the Association, or with corporations having officers, Directors or employees who are also members of the first Board of Directors of the Association.

7. FISCAL MANAGEMENT. The provisions for fiscal management of the Association set forth in the Declaration and Articles of Incorporation shall be supplemented by the following provisions:

7.1 Books and Accounts. Books and accounts of the Association shall be kept under the direction of the Treasurer and in accordance with standard accounting procedures. Written summaries shall be supplied at least annually to members. Such records shall include, but not be limited to:

- (a) A record of all receipts and expenditures.
- (b) An account for each Lot which shall designate the name and address of the Lot owner, the amount of each assessment, dates and

amounts in which the assessments come due, the amounts paid upon the account and the balance due.

7.2 Inspection of Financial Reports and Records. Annual Financial reports and the membership records shall be maintained in the office of the Association and shall be available to Members for inspection during normal business hours with forty-eight (48) hours prior notice to the holder of the reports and records. Such annual financial reports shall be prepared within sixty (60) days after close of Association's fiscal year, pursuant to Section 720.303, Florida Statutes (2000).

7.3 Annual Budget. The Board shall adopt, for, and in advance of, each fiscal year, a budget showing the estimated cost of performing all of the functions of the Association for the year. Each budget shall show the total estimated expenses of the Association for that year and shall contain an itemized breakdown of the common expenses, which shall include without limitation, the cost of operating and maintaining the Common Elements, taxes on Association property, wages and salaries of Association Employees, management, legal and accounting fees, office supplies, public utility services not metered or charged separately to Lots, premiums for insurance carried by the Association and any reserve accounts and/or funds which may be established from time to time by the Board. Each budget shall also show the proportionate share of the total estimated expenses to be assessed against and collected from the owner(s) of each Lot and due date(s) and amounts of installments thereof. Copies of the proposed budget and proposed assessments shall be transmitted to each Member at least thirty (30) days prior to the meeting of the Board of Directors at which the budgets will be considered, together with a notice of the time and place of said meeting, which shall be open to Lot owners. If any budget is subsequently amended, a copy shall be furnished to each affected Member. Delivery of a copy of any budget or amended budget to a Member shall not affect the liability of any Member for any such assessment, nor shall delivery of a copy of such budget or amended budget be considered as a condition precedent to the effectiveness of the budget and assessments levied pursuant thereto. Nothing herein contained shall be construed as a limitation upon the additional assessment in the event that nay budget originally adopted shall appear to be insufficient to pay costs and expenses of operation and management, or in the event of emergencies.

7.4 Amount of Budget. If a budget is adopted by the board which requires assessment of the Lot owners in any budget year of an amount in excess of ten percent (10%) over the maximum assessment or the previous year's assessment established in accordance with Section 4.4 of the Declaration, a special meeting of the Members shall be held upon not less than ten (10) days written notice to each Member, but within thirty (30) days of the adoption of such budget, at which special meeting Members shall be entitled to approve or disapprove such budget and may consider only and enact only a revision of the budget. Approval of the budget and any such revision of the budget shall require a vote of not less than a majority of the votes of members of each class. The Board may, in any event, first propose a budget to the Members at any such meeting of Members or by writing, and if such budget or proposed budget be approved by a vote of a majority of the

Members of each class of Members either at such meeting or by writing, such budget shall not thereafter be reexamined by the Lot owners in the manner hereinabove set forth.

In determining whether assessments are in excess of ten percent (10%) over the maximum assessment or previous year's assessment established in accordance with Section 4.4 of the Declaration in the prior budget year, there shall be excluded from the computation reasonable reserves made by the Board in respect of repair and replacement of Association property, or in respect of anticipated expenses by the Association which are not anticipated to be incurred on a regular or annual basis; and there shall be excluded from such computation assessments for betterment to Association property. Notwithstanding any of the foregoing, the facilities are added to the common elements by the developer, increase the annual assessment by more than ten percent (10%) of the Maximum Annual Assessment for the prior year without the consent of any Lot Owner or mortgagee, by an amount sufficient to cover the cost, maintenance and repair of said recreational or other facilities. Nothing contained herein shall be deemed to obligate the Developer to add any such facilities.

7.5 Notice of Adopted Budgets. Assessments shall be made against Members pursuant to procedures established by the Board, and in accordance with terms of the Declaration and Articles. Provided, however, that the lien or lien rights of the Association shall not be impaired by failure to comply with procedures established pursuant to these By-Laws.

7.6 Assessments. Unless otherwise determined by the Board of Directors, assessments shall be payable annually on the first day of each calendar year, but in no event shall amounts be payable less often than monthly. If an annual assessment is not adopted as required, an assessment shall be presumed to have been made in the amount of the last prior assessment, and installments on such assessment shall be due upon each installment payment date until changed by an amended assessment. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board of Directors. Unpaid assessments for the remaining portion of the fiscal year for which an amended assessment is made and shall be payable in equal installments through the end of the fiscal year; provided, nothing herein shall serve to prohibit or prevent the Board of Directors from imposing a lump sum assessment in case of any immediate need or emergency.

7.7 Special Assessments. special assessments, if required and approved by the persons entitled to cast a majority of the votes of the membership at a duly convened meeting, shall be levied and paid in the same manner as heretofore provided for regular assessments special assessments can be of three kinds: (i) those chargeable to all Members in the same proportions as regular assessments to meet shortages or emergencies, to construct, reconstruct, repair or replace all or any part of the Common Area or Maintenance Area (including fixtures and personal property related thereto); (ii) those assessed against one Member alone to cover repairs or maintenance for which such Member is responsible and which he has failed to make, which failure impairs the value of

or endangers the Common Area, the Maintenance Area or which are for expenses incident to the abatement of a nuisance within his Lot; and (iii) and for such other purposes as shall have been approved by the persona entitled to cast a majority of the votes of the membership at a duly convened meeting.

7.8 The Depository. The depository of the Association shall be such bank or banks or savings and loan association or 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 monies from such accounts shall be only by checks or withdrawals signed by such persons as are authorized by the Directors, provided that any management agreement may include in its provisions authority for the Manager to sign checks on behalf of the Association for payment of the obligations of the Association.

7.9 Audit. An audit of the accounts of the Association may be made from time to time as directed by the Board of Directors.

8. PARLIAMENTARY RULES. Roberts' Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Declaration, Articles of Incorporation, or these By-Laws.

9. AMENDMENTS TO BY-LAWS. Amendments to these By-Laws shall be proposed and adopted in the following manner:

9.1 Proposal. Amendments to these By-Laws shall be proposed by the Board, acting upon a vote of a majority of the Directors, or by persons entitled to cast a majority of the votes of the membership whether meeting as Members or by instrument in writing signed by them.

9.2 Notices. Upon any amendment or amendments to these By-Laws being proposed, such proposed amendment or amendments shall be transmitted to the president of the Association, or acting chief executive officer in the absence of the president, who shall thereupon call a special meeting of the Members for a date not sooner than twenty (20) days nor later than sixty (60) days from receipt by such officer of the proposed amendment or amendments, and it shall be the duty of the Secretary to give each Member written or printed notice of such meeting in the same form and in the sane manner as notice of the call of a special meeting of the members is required as herein set forth; provided that proposed amendments to the By-Laws may be considered and voted upon at annual meetings of the Members.

9.3 Content of Amendment. No By-Law shall be revised or amended by reference to its title or number only. Proposals to amend existing By-Laws shall contain the full text of the By-Laws to be amended; new words shall be inserted in the text underlined and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and

hyphens as indicators of words added or deleted, but instead a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial rewording of bylaw. See bylaw . . . for present text." Nonmaterial errors or omissions in the bylaw process shall not invalidate an otherwise properly promulgated amendment.

9.4 Voting. In order for such amendment or amendments to become effective, as long as there is a Class B Membership, it shall only take an affirmative vote of the Class B Members. At such time as there is no Class B Membership, the same must be approved by an affirmative vote of a majority of the votes entitled to be cast at a regular or special meeting. Thereupon, such amendment or amendments to these By-Laws shall be transcribed, certified by the President and Secretary of the Association, and a copy thereof shall be filed in the records of the corporation.

9.5 Written Vote. At any meeting held to consider such amendment or amendments to these By-Laws, the written vote of any Member shall be recognized if such Member is not present at such meeting in person or by proxy, provided such written vote is delivered to the Secretary at or prior to such meeting.

9.6 Developer's Reservation. Notwithstanding the foregoing provisions of this Article 9, no amendment to these By-Laws which shall abridge, amend or alter the right of Developer to designate members of the Board of Directors of the Association, as provided in Article 5 hereof, or any other right of the Developer provided herein or in the Articles, or Declaration, may be adopted or become effective without the prior written consent of Developer. Anything herein to the contrary notwithstanding, for so long as there is a Class B Membership, Developer shall have the right to fill vacancies on the Board of Directors, an amendment shall require only the unanimous consent of the Board of Directors, and no meeting of the Members nor any approval thereof need be had.

9.7 Amendments. These By-laws may be amended as provided in the Articles of Incorporation or any amendment thereto.

The foregoing was adopted as the By-Laws of CRESTWICK CROSSING 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 _____, 2001.

Secretary

APPROVED:

President