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**DECLARATION OF COVENANTS,
 RESTRICTIONS, CONDITIONS,
 AND EASEMENTS AND
 NOTICE OF ASSESSMENTS
 MARSH LANDING AT SAWGRASS
 OWNERS ASSOCIATION VIII, INC.
 [NORTH ISLAND]**

THIS DECLARATION (the "Declaration") is made this 13th. day of February, 1998, by **M. L. PARTNERSHIP**, a Florida general partnership (the "Developer"). The Developer is developing real property in a Planned Unit Development known as "MARSH LANDING AT SAWGRASS." The Developer declares that the real property located in the County of St. Johns and Duval, State of Florida, more fully described as follows (the "Property"):

All of the plat of **MARSH LANDING AT SAWGRASS, UNIT THIRTY-TWO A** according to the plat thereof recorded in Map Book 33, pages 30-36, of the public records of St. Johns County, Florida.

All of the plat of **MARSH LANDING AT SAWGRASS, UNIT THIRTY-TWO B** according to the plat thereof recorded in Plat Book 51, pages 59, 59A-59B of the public records of Duval County, Florida,

commonly referred to as "North Island."

and such Additional Property (as hereinafter defined) as is subjected to this Declaration, shall hereafter be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens contained in this Declaration, which are for the purpose of protecting the value and desirability of the Property and which shall run with the Property and be binding on all parties having any right, title or interest in and to the Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

I. DEFINITIONS

The following words and phrases, when used in this Declaration, shall have the meaning shown, except that singular nouns may include the plural, and one gender the other:

1.1. "Additional Property" means any land within Marsh Landing at Sawgrass, whether within St. Johns or Duval County, or adjacent to or contiguous with the Property, and

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which, upon annexation, shall form an integrated community with the Property. The Additional Property may be annexed by recording in the public records a supplemental declaration subjecting such Additional Property to the covenants and conditions of this Declaration in the manner hereinafter set forth; provided, however, until such Additional Property is subjected to the Declaration, this Declaration shall not constitute a lien, encumbrance or defect on the title thereof, and shall in no way affect the conveyance or transfer of such land.

1.2. **"ARB"** means the Architectural Review Board of the Marsh Landing at Sawgrass Master Association, Inc.

1.3. **"Articles"** means the Articles of Incorporation of the Association, as from time to time amended, a copy of which are attached hereto and made a part hereof as Exhibit A.

1.4. **"Association"** means MARSH LANDING AT SAWGRASS OWNERS ASSOCIATION VIII, INC., a Florida not-for-profit corporation, which has been designated by the Developer to administer and enforce the covenants, conditions, restrictions, easements, charges and liens herein created, including, without limitation, the maintenance and operation of the Common Property and the collection and disbursement of the Assessments herein created.

1.5. **"Bylaws"** means the Bylaws of the Association, as from time to time amended, a copy of which are attached hereto and made a part hereof as Exhibit B.

1.6. **"Board"** means the Board of Directors of the Association.

1.7. **"Common Property"** means those tracts of land which are deeded to the Association and such Improvements thereon as are specifically conveyed to the Association. The terms "Common Property" shall also include any personal property acquired by the Association as well as certain areas within the Property designated for maintenance responsibilities which the Association is hereby obligated to maintain, notwithstanding that it may not own the underlying fee simple title. All Common Property is to be devoted to and intended for the common use and benefit of the Owners and their guests, lessees or invitees and the visiting general public, to the extent permitted by the Board or the Association, subject to any operating rules adopted by the Association and subject to any use rights made or reserved by the Developer prior to the conveyance of such Common Property, including the right of Developer to replat part of platted common property to create additional lots, and subject to any and all Permits. The Common Property shall include the Stormwater Management System. Common Property shall not include the facilities which are designated as part of Marsh Landing Country Club, including, without limitation, the golf course, clubhouse, tennis courts, swimming pool and related facilities.

1.8. **"Common Roads"** means the roads depicted on any plat of the Property. The Common Roads shall be conveyed to the Association upon completion and thereafter maintained by the Association. Unless specifically set forth to the contrary, references to Common Property shall mean and include the Common Roads.

1.9. **"Developer"** means M. L. Partnership, a Florida general partnership, its successors and assigns, or any successor or assign of all or substantially all of its interests in the development of the Property. Reference in this Declaration to M. L. Partnership as Developer hereunder is not intended and shall not be construed to impose upon M. L. Partnership any obligations, legal or otherwise, for the acts or omissions of third parties who purchase Lots within the Property from M. L. Partnership and develop and resell the same. The Developer may also be an Owner, for so long as the Developer shall be the record owner of any Lot.

1.10. **"Dwelling Unit"** means any single family residence built upon a Lot including attached or detached residences.

1.11. **"Mortgage"** means any bona fide first mortgage lien encumbering a Lot as security for the performance of an obligation owing to an Institutional Mortgagee.

1.12. **"Institutional Mortgagee"** means the holder of a Mortgage, which holder in the ordinary course of business makes, purchases, guarantees or insures mortgage loans. An Institutional Mortgagee may include, but is not limited to, a bank, savings and loan association, insurance company, real estate or mortgage investment trust, pension or profit sharing plan, mortgage company, Federal National Mortgage Corporation, or other similar type of lender generally recognized as an institutional-type lender. For definitional purposes only, an Institutional Mortgagee shall also mean the holder of any mortgage executed by or in favor of Developer.

1.13. **"Lake"** means any parcel of land which contains water on a permanent or temporary basis, which shall be deemed a part of the Common Property and shall constitute a part of the Stormwater Management System. The Lakes may be located on a portion of a Lot or on a separate tract as depicted on the Plat.

1.14. **"Lot"** means any parcel of real property within the Property on which a Dwelling Unit for residential use may be constructed. A Lot will include, for the purposes of this Declaration, those portions of a platted Lot which are not capable of private use by the Lot Owner, such as the portions of a Lot which are subject to any easements reserved herein or in any Plat of the Property. References herein to a Lot shall also include the Dwelling Unit and all improvements constructed on the Lot, unless specifically set forth to the contrary. In the event that one Owner owns all of one Lot together with portions of an adjacent Lot or property, or portions of two or more adjacent Lots (such combination being hereafter referred to as a "Reconfigured Lot"), and only one single-family Dwelling Unit is constructed thereon, such Reconfigured Lot shall be deemed to be a Lot subject to one Assessment and entitled to one vote, and except as specifically set forth herein to the contrary, all references to Lots shall include Reconfigured Lots. Provided, however, if a Reconfigured Lot is subsequently improved with an additional Dwelling Unit, its shall be deemed to constitute two Lots, shall be entitled to two votes, and shall be subject to two Assessments.

1.15. **"Master Association"** means the Marsh Landing at Sawgrass Master Association, Inc., a Florida not-for-profit corporation, and its successors and assigns, which is the entity operating the Master Declaration which governs the operation and maintenance of all of Marsh Landing at Sawgrass.

1.16. **"Master Declaration"** means the Declaration of Community Covenants for Marsh Landing at Sawgrass as recorded in Official Records Book 524, page 49 of the public records of St. Johns County, Florida, as such declaration has been amended and supplemented from time to time and which has been recorded in Official Records Volume 8608, page 1248 of the public records of Duval County, Florida. The Master Declaration sets forth certain additional obligations of Owners of Lots as members of the Master Association.

1.17. **"Owner"** means each person or entity who is a record owner of a Lot, including the buyer under a contract for deed. Owners shall not include those having such interest merely as security for the payment or repayment of a debt obligation.

1.18. **"Permits"** means the permits, easements and other approvals issued by any governmental agencies and regulatory bodies having jurisdiction over the development of the Property, including without limitation, the Florida Department of Environmental Protection, the St. Johns River Water Management District, and the U.S. Army Corps of Engineers.

1.19. **"Plat"** means the Plat of "Marsh Landing at Sawgrass, Unit Thirty-Two A" as recorded in Map Book 33, pages 30-36, of the public records of St. Johns County, Florida, and "Marsh Landing at Sawgrass, Unit 32B, as recorded in Plat Book 51, pages 59, 59A and 59B of the public records of Duval County, Florida, and such other plats of the Additional Property which may be recorded and subjected to this Declaration from time to time.

1.20. **"Property"** means all of the real property described in the introductory paragraph and subject to the terms and conditions of this Declaration.

1.21. **"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 re-use water to prevent or reduce flooding, overdrainage, environmental degradation and water pollution, or to 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, as amended. The Stormwater Management System shall include all lakes, swales, easements, conduits, pipes and related equipment which form a part of the system to handle storm water run off from the Property under the applicable Permits.

II. PROPERTY RIGHTS CREATED

The Developer, for itself and all others claiming by, through and under it, or any of them, hereby grants, bargains, sells and conveys to the parties hereinafter described the

following perpetual rights, titles, easements and interests appurtenant in, to and under the real property included in the Property, subject to the terms, conditions and limitations set forth in this Declaration, the Master Declaration, the Articles and the Bylaws:

2.1. Rights of the Association. To the Association and those claiming by, through and under it, the following rights, titles, easements and interests: (a) as to each Lot, the right to require that the Owner or Owners be members of the Association; (b) as to each Lot, the right to make Assessments (as hereinafter defined) against the Lot to provide funds for the Association, together with a lien, encumbrance or security interest in and to the Lot, to secure payment of Assessments against the Lot, interest thereon, and costs of collection as provided in the Articles and this Declaration; (c) the right and the obligation to maintain the Common Property and make, maintain, repair, replace and use improvements within the Common Property which are not of a private nature; (d) the right to enforce by any lawful means the terms, provisions and restrictions of this Declaration, the Articles and the Bylaws; and (e) the ownership of the Common Property, subject to all other reservations and provisions of this Declaration.

2.2. Owner's Common Property Easements. Subject to the provisions of this Declaration, the Articles, the Bylaws, the rules and regulations of the Association, and any prior use rights granted or reserved in the Common Property, every Owner, their successors, assigns and Institutional Mortgagees and their families and every guest, tenant, and invitee of every Owner are hereby granted a right and easement of ingress and egress and use in and to Common Property, which shall be appurtenant to and shall pass with the title to every Lot and Dwelling Unit, subject to the following provisions:

(a) The right of the Association to suspend the voting rights of an Owner for any period during which any Assessment against his Lot or Dwelling Unit remains unpaid; and for a period, not to exceed sixty (60) days, for any infraction of its published rules and regulations. In no event may the Association deny an Owner the use of the Common Roads so as to prohibit ingress and egress to his Lot or Dwelling Unit or to deny utility service.

(b) The right of the Association or the Developer, without further consent from Owners or their Institutional Mortgagees, to dedicate, transfer or grant an easement or fee simple ownership or place restrictive covenants or easements over all or any part of the Common Property for the benefit of any public agency, authority, or utility company for the purpose of providing utility or cable television service on the Property, or for the purpose of complying with the Permits; and the right of the Association or Developer to acquire, extend, terminate, or abandon such easement or restrictive covenant.

(c) The right of the Association or the Developer to sell, convey or transfer the Common Property or any portion thereof to any third party, including an adjacent Owner other than those described in Subsection (b), for such purposes and subject to such conditions as may be approved by the Developer or by a two-thirds (2/3) vote of the Board. The Developer or the Association shall have the right, in their respective sole discretion, from time

to time, to convey portions of the Common Property to adjoining Owners, if the Developer or the Association determine that such Common Property is not necessary to properly maintain and operate the Property and the grantee agrees to maintain such Property.

(d) The right of the Developer to replat any portion of the Common Property for the purpose of creating additional Lots and its right to sell, convey, or transfer the additional Lots once created.

(e) The right of the Board to adopt reasonable rules and regulations pertaining to the use of the Common Property.

(f) The right of the Developer or the Association to authorize other persons to enter upon or use the Common Property for uses not inconsistent with the Owners' rights therein.

(g) The right of the Association to mortgage any or all of the Common Property for the purposes of improvement or repair of the Common Property, subject to the approval of two thirds (2/3rds) of the Board and the right of the Association to take such steps as are reasonably necessary to protect the Common Property against foreclosure.

2.3. Delegation of Use. Any Owner may delegate his right of enjoyment of the Common Property to the members of his family, his tenants, guests and invitees, or contract purchasers who occupy the Dwelling Unit within the Property.

2.4. Owners' Common Road Easements. It is specifically acknowledged that the Common Roads will be conveyed by the Developer to the Association free and clear of all monetary liens, except taxes, matters of record prior to the conveyance, and Developer's reserved easement for itself, its successors, assigns and mortgagees for ingress, egress and drainage, and Developer's reserved right, for itself, its successors, assigns and mortgagees, but not obligation, to install all utilities, street lighting, and signage, including without limitation, cable television, in the Common Road right of way. Each Owner of a Lot, Dwelling Unit, or any parcel of Property, his successors and assigns, domestic help, guests, invitees, delivery, garbage pickup and fire protection services, police and other authorities of the law, United States mail carriers, representatives of utilities serving the Property, Institutional Mortgagees and such other persons as the Developer or the Association shall designate, are hereby granted a perpetual nonexclusive easement for ingress and egress over the Common Roads.

The Developer and the Association shall have the unrestricted and absolute right, but not obligation, to deny ingress to any person who, in the opinion of the Developer or the Association, may create or participate in a disturbance or nuisance on any part of the Property; provided, that the Developer or the Association shall not deny an Owner or Institutional Mortgagee the right of ingress and egress or right to obtain utility services to any portion of the Property owned by such Owner and subject to the lien of an Institutional Mortgagee. The Developer and the Association shall have (a) the right to adopt reasonable rules and regulations

pertaining to the use of the Common Roads; and (b) the right, but not obligation, from time to time, to control and regulate all types of traffic on the Common Roads, to control speeding and impose speeding fines to be collected by the Association in the manner provided for Assessments and to prohibit the use of the Common Roads by traffic or vehicles (including without limitation, motorcycles, golf carts, "go-carts," three-wheeled vehicles), which in the opinion of Developer or the Association would or might result in damage to the Common Roads or create a nuisance for the Owners; and (c) the right, but not obligation, to remove or require the removal of any fence, wall, hedge, shrub, bush, tree or other thing, natural or artificial, which is placed or located on the Property, if the location of the same will, in the opinion of the Developer or the Association, obstruct the vision of a motorist.

The Developer reserves the sole and absolute right at any time to redesignate, relocate, or close any part of the Common Roads without the consent or joinder of any Owner or Institutional Mortgagee, so long as no Owner or its Institutional Mortgagee is denied reasonable access from such Owner's Lot or Dwelling Unit to a public roadway by such redesignation, relocation or closure.

2.5. Conveyance of Common Property. The Developer may convey the Common Property (including the Common Roads and bridges) to the Association at such time as all the planned improvements, if any, are complete, and in the event the Common Property is unimproved, at such time as the Developer determines, but in all events no later than such time as the Developer no longer owns any of the Property. Such conveyance shall be subject to easements and restrictions of record and free and clear of all liens except taxes and matters of record prior to conveyance. The Developer may reserve certain rights to itself for use of, the Common Property. The Developer or the Association may terminate the designation of land as Common Property without consent or joinder of any Owner or Institutional Mortgagee. Upon conveyance of the Common Property to the Association, such Common Property shall be held for the benefit of the Association and its members, subject to the reserved rights of the Developer and the Association.

III. THE ASSOCIATION

The Developer has created the Association for the purposes of continuing management and maintenance of the Property and to enforce the terms and conditions of this Declaration.

3.1. Membership. Each Lot Owner will, during the period of ownership, be a member of the Association. Membership in the Association will be appurtenant to, and may not be separated from, ownership of a Lot. Membership shall be transferred automatically by conveyance of the title to a Lot, whereupon the membership of the previous Owner shall automatically terminate. Persons or entities which have an interest in any Lot merely as security for the performance of an obligation shall not be members of the Association.

3.2. **Regulatory Documents.** Each Owner will abide by the terms and conditions contained in this Declaration, the Articles and Bylaws, and the rules and regulations promulgated in accordance therewith.

3.3. **Classes of Membership and Voting.** The Association shall have two classes of voting memberships.

(a) *Class A.* The Class A Members shall be all Owners of Lots, with the exception of the Developer while the Class B Membership exists. Class A Members shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members; however, the vote for such Lot shall be exercised as they shall determine among themselves, but in no event shall more than one vote be cast with respect to any Lot. Notwithstanding the foregoing, if title to any Lot is held by a husband and wife, either spouse may cast the vote for such Lot unless and until a written voting authorization is filed with the Association. When title to a Lot is in a corporation, partnership, association, trust, or other entity (with the exception of the Developer), such entity shall be subject to the applicable rules and regulations contained in the Articles and the Bylaws. If an Owner owns a Reconfigured Lot, for so long as such Reconfigured Lot contains only one single-family Dwelling Unit, the Owner thereof shall have only one vote in Association matters.

(b) *Class B.* The Class B Member shall be the Developer, who shall be vested with the sole voting rights of the Association until the Class B Membership terminates. The Class B Membership shall terminate upon the occurrence of one of the following events, whichever shall first occur ("Turnover"):

- (1) Three (3) Months after ninety (90%) percent of the Lots in the Property that will ultimately be operated by the Association have been conveyed to the Class A Members;
- (2) When Developer, in its sole discretion, determines to terminate its Class B Membership in writing.

After Turnover, Class A Members may vote to elect the majority of the members of the Board of Directors. For purposes of this Article, builders, contractors and other persons who purchase a Lot for the purpose of construction of improvements thereon for resale shall be deemed to be Class A members. After Turnover, and for so long as Developer owns at least five percent (5%) of the Lots within the Property, the Developer may appoint the minority members of the Board, but not less than one (1) Director. After Turnover, the Developer shall be a Class A Member with respect to the Lots which it owns, and shall have all the rights and obligations of a Class A Member, except that it may not cast its votes for the purpose of reacquiring control of the Association or selecting the majority of the members of the Board.

IV. ASSESSMENTS

The Association will impose, levy and collect such funds as are necessary to operate the Association, which funds shall constitute an Assessment against the Lots and Owners as follows:

4.1. Creation of the Lien and Personal Obligation for Assessments. All Assessments from time to time levied against a Lot by the Association, including Annual Assessments and Special Assessments (jointly referred to herein as "Assessments"), together with interest on the principal amount of the Assessments from the date due at the maximum rate allowable by law and costs of collection (including reasonable attorney's fees in pre-trial, trial, appellate, bankruptcy and post-judgment collection proceedings) will be a charge on and continuing lien upon that Lot, and will also be the personal obligation of the Owner. By accepting ownership of an interest in a Lot, the Owner will be liable to the Association for all Assessments becoming a lien against that Lot at any time prior to or during the time that the Owner owns an interest in the Lot, together with all interests accruing on the principal amount of those Assessments and the costs of collection. The co-Owners of a Lot will be jointly and severally liable for Assessments, interests and costs. No Owner of a Lot may waive or otherwise escape liability for the Assessments by not using or abandoning Common Property or his Lot. No part of the Property which is not included in a Lot will be subject to Assessments.

4.2. Purpose of Assessments. Annual and Special Assessments levied by the Association will be used for the purpose of operating and maintaining the Association, and, operating and maintaining the Common Property (including the Stormwater Management System), including, but not limited to, the cost of taxes, insurance, labor, equipment, materials, management, maintenance and supervision, for planting and maintaining trees and shrubbery within the rights of way, for accounting and legal services, and for such other permissible activities undertaken by the Association.

4.3. Annual Assessment. The Board will fix the Annual Assessment based upon the projected financial needs of the Association, as determined by the Board. At the annual meeting of the Board, the Board will adopt a budget, determine the rate of Annual Assessment, and as soon as is practicable after the annual meeting of the Association, mail bills for the Annual Assessment to the Owners at their last known address.

4.4. Amount of Annual Assessment. The total Assessments charged to each Lot subject to this Declaration may not be uniform. The amount of the Annual Assessment for the period from the commencement of the Assessments to the end of the first calendar year shall be as set forth in the budget adopted by the Board. Thereafter the Annual Assessment may be increased or decreased as determined by the Board so as to be able to provide for all the services of the Association.

The Owner of a Reconfigured Lot shall be required to pay only one Assessment for such Reconfigured Lot. If any Owner owns a Reconfigured Lot on which two (2) or more Dwelling Units are constructed, the Owner shall pay an Assessment for each Dwelling Unit.

4.5. **Special Assessments.** In addition to Annual Assessments, the Association may levy Special Assessments as follows:

(a) "General Special Assessments" shall be assessed against all Owners of Lots for purposes which benefit all the members of the Association. General Special Assessments may be levied for a calendar year, applicable to that calendar year only, for any purpose approved by the Board. However, no General Special Assessment may be levied during a calendar year if it exceeds fifty percent (50%) of the Annual Assessment for that calendar year unless approved by a majority vote or written consent of the Owners.

(b) "Limited Special Assessments" shall be assessed against all Owners of Lots in a specified portion of the Property for the purpose of maintenance, repair, or any other purpose which serves such Lots but not all the Property (including, without limitation, ornamental street lights, decorative fountains, gates, walls, pavers, bridges, ornamental statutes, or other decorative items or irrigation systems which are located within and serve a particular portion of the Property). Limited Special Assessments may be added to the Annual Assessments or billed as a Special Assessment at the discretion of the Association.

(c) "Specific Special Assessments" shall be assessed against specific Owners of Lots for failing to comply with this Declaration. Specific Special Assessments shall be assessed against an Owner after the Board or its agent gives such Owner written notice of the violation of the Declaration, the Articles, or Bylaws or the rules and regulations and a period of time to cure the violation. If the Owner fails to cure such violation within the cure period or violates the terms of the Declaration, Articles, Bylaws or rules and regulations again, the Board may assess a Specific Special Assessment against the Lot to cure such violation, and if it is not paid within thirty (30) days then in such event the Board may file a claim of lien and foreclose such lien as elsewhere provided herein.

4.6. **Reserves.** The Board may, in its discretion, establish and maintain such reserves as it deems reasonable or necessary for working capital, contingencies, replacements, and the performance of such other coordinating or discretionary functions not contrary to the terms of this Declaration which the Board may from time to time approve, which shall constitute a portion of the annual budget and will be maintained out of the Assessments. The amount and manner of collection of reserves shall be as determined by the Board in its sole discretion. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year shall be charged first against such reserves. Except in the event of an emergency, reserves accumulated for one purpose may not be expended for any other purpose unless approved by a majority vote or written consent of the Owners. If the reserves are inadequate for any reason, including nonpayment of any Owner's Assessment, the Board may, at any time, levy a Special Assessment as provided herein. In the event there is a balance of reserves at the end of any fiscal year and the Board so determines, the excess reserves may be taken into account in establishing the next year's budget and may be applied to defray general expenses incurred thereunder.

4.7. Date of Commencement of Assessments and Due Date. The payment of Assessments shall commence upon the date of conveyance of a Lot to an Owner. The Annual Assessment levied against a Lot for a calendar year will become a lien against that Lot as of the 1st day of January of that calendar year even if the amount is not known. The payment schedule for Annual Assessments may be monthly, quarterly, semi-annually or annually as established by the Board. A General Special Assessment against all Owners of Lots will become a lien against the Lots as of the date (which will be the first day of a month) fixed by the Board. The due date(s) of any Special Assessments will be fixed in the resolution authorizing the Assessment, and paid in advance in lump-sum or in monthly, quarterly, semiannual, or annual installments, as determined by the Board.

4.8. Payment Roster. The Association will prepare and maintain a roster of the Lots and the outstanding Assessments against each Lot. The roster will be kept in the registered office of the Association and will be open to inspection by any Owner or the representative of any Owner or Institutional Mortgagee. Written notice of an Assessment will be sent to every Owner as soon as is practicable after it is established. The Association will, upon reasonable advance request, furnish to any Owner a written estoppel certificate signed by an officer of the Association setting forth the amount, if any of the unpaid Assessments, interest and costs constituting a lien against a Lot or by virtue of this Declaration.

4.9. Effect of Nonpayment of Assessment: The Lien, the Personal Obligation and Remedies of Association. If an Assessment against a Lot is not paid within fifteen (15) days of the due date, the Association may file a claim of lien in the public records of St. Johns or Duval County, Florida. A claim of lien will state the description of the Lot encumbered, the name of the Owner, the amount remaining unpaid and the date when due. A claim of lien will include not only Assessments which are due and payable when the claim of lien is recorded, but will secure all Assessments due or overdue thereafter plus interest, costs, attorney's fees, advances to pay taxes and prior encumbrances, and interest thereon. Claims of lien will be signed by an officer or agent of the Association. Upon full payment of all sums owing and evidenced by a claim of lien, it will be satisfied of record. Such recording costs to be paid by the Owner of the Lot subject to the lien. If an Assessment against a Lot is not paid within fifteen (15) days of the due date, the Association may charge a late fee of \$25.00 for the handling of the delayed funds and the Assessment will accrue interest from the due date at the maximum rate allowable by law. The Association may at any time thereafter bring an action to foreclose the lien against the Lot in like manner as a foreclosure of a mortgage on real property, or a suit on the personal obligation of the Owner(s), and there will be added to the amount of such Assessment in either event the costs of collection including a reasonable attorney's fee and court costs.

4.10. Subordination to Institutional Mortgages. A lien (for Assessments, interest, costs and other sums owing the Association with respect to a Lot, whether evidenced by a claim of lien or otherwise) which becomes due (a) after the execution and delivery of a Mortgage, and (b) before the sale or transfer of the Lot pursuant to a decree of foreclosure of a Mortgage, will be subordinate to the lien of the Mortgage. No other sale or transfer will relieve any Lot from

liability for any Assessment, and even a foreclosure sale of a Mortgage will not relieve a Lot of the lien for Assessments first becoming due before the execution and delivery of a Mortgage or subsequent to the judicial sale. The written opinion of either the Developer or the Association that the lien is subordinate to a Mortgage will be dispositive of any questions of subordination. Mortgagees shall in no event be responsible or liable for the collection of any Assessments. The failure to pay any Assessments shall in no event be deemed to constitute a default under any Mortgage by reason of the provisions of this Declaration, unless otherwise expressly provided in such Mortgage.

4.11. Exempt Property. The following properties subject to this Declaration shall be exempted from the Assessments and liens created herein: (a) all Common Property and Common Roads; and (b) all properties dedicated to and accepted by a governmental body, agency, or authority.

4.12. Developer Assessment. All Lots owned by the Developer (which provision shall include for the purposes hereof, without limitation, any Lot used or leased by the Developer for a model home, construction facility, or other use) shall be exempt from payment of Assessments for so long as the Developer elects to fund any deficit in the annual budget, which deficit shall be the difference between the actual expenses incurred by the Association and the budgeted amounts due from the Owners other than the Developer. The Developer shall be obligated to fund such expenses only as they are actually incurred by the Association during the period that the Developer is funding the deficit. After Turnover, or at such earlier time as the Developer elects to pay the Assessments for each Lot owned by it, the Developer's obligation to fund any deficit shall terminate. Further, for so long as the Developer elects to fund any deficit, the Developer may, but is not obligated to, assign this exemption right to any entity it may determine, including, without limitation, any builder owning Lots solely for the purpose of constructing Dwelling Units intended to be sold to third party purchasers. Any such assignment of the Developer's exemption shall have no effect on the Developer's exemption hereunder.

V. ARCHITECTURAL CONTROL AND ARCHITECTURAL REVIEW BOARD

5.1. Preamble. It is the intent of the Developer to preserve and enhance the unique natural environment of the Property. Experience has shown that careful attention during the design and construction stages is required to insure that the finished Dwelling Unit will be compatible with the original site. The Architectural Review Board ("ARB"), as established under the Master Declaration, shall administer and perform the architectural review and control functions under this Article. It is recommended that Owners and their approved architects and contractors inspect their Lots with a representative from the ARB prior to initiation of design and construction.

5.2. Necessity of Architectural Review and Approval. No Dwelling Unit, landscaping, improvement or structure of any kind, including, without limitation, any building, fence, wall, swimming pool, tennis court, screen enclosure, sewer, drain, disposal system, decorative building, landscape device or object, dock, boat covers, play structures, decks or

other improvement shall be commenced, erected, placed or maintained upon any Lot or anywhere within the Property, nor shall any addition, change or alteration therein or thereof be made, including repainting of exterior to different color (all of the foregoing are jointly and severally referred to as "Proposed Improvements"), unless and until the plans, specifications and location of the Proposed Improvements shall have been submitted to, and approved in writing by the ARB. All plans and specifications for Proposed Improvements shall be evaluated as to harmony of external design and location in relation to surrounding structures and topography and as to conformance with the Architectural Planning Criteria (see Section 5.5 below) of the ARB.

Each Owner shall supply preliminary and completed plans and specifications to the ARB and no plan or specification shall be deemed approved unless a written approval is granted by the ARB to the Owner submitting same. Any change or modification to approved plans shall not be deemed approved unless a written approval is granted by the ARB to the Owner submitting the change or modification.

5.3. Powers and Duties of the ARB. The ARB has the following powers and duties:

(a) To require submission to the ARB of a preliminary and final application and complete sets of preliminary and final plans and specifications for any Proposed Improvement, and any additional information reasonably required by the ARB.

(b) To approve or disapprove any Proposed Improvement or additions, changes or modifications thereto, including repainting of exterior surfaces to a different color.

(c) To approve or disapprove any and all designers, architects or contractors who will design any Proposed Improvement on a Lot.

(d) To assure that the construction of all Proposed Improvements is in compliance with the Architectural Planning Criteria and all guidelines set forth herein and with the approved plans.

(e) To waive any requirements set forth herein if, in its sole opinion, it deems such waiver is in the best interest of the Property. A waiver shall be evidenced by an instrument signed and executed by the ARB upon approval by a majority of its members. The granting of a waiver in one instance shall not require the granting of the same or a similar waiver in any other situation.

(f) To adopt a schedule of reasonable fees for processing requests for ARB approval of Proposed Improvements. All decisions of the ARB shall be final.

5.4. Procedure for Approval of Plans. Each Owner shall submit a preliminary application and a complete set of all preliminary plans and specifications for any Proposed Improvements, signed by the Owner and the contract vendee, if any; accompanied by a complete plan for drainage of the Lot upon completion of the Proposed Improvements, a plan for the

protection or proposed removal of trees, samples of all proposed building materials, and such additional information as may be reasonably necessary for the ARB to completely evaluate the Proposed Improvements in accordance with this Declaration and the Architectural Planning Criteria. The Owner shall also pay any processing fees established by the ARB at the time that plans and specifications are submitted to the ARB and any deposit required from time to time to assure completion of the Proposed Improvements in accordance with the approved plans. The ARB shall approve or disapprove the preliminary and the final applications for a Proposed Improvement within thirty (30) days after each has been submitted to it in proper form and all information required by the ARB is supplied. If the plans are not approved within such period, they shall be deemed to have been disapproved. The applications and plans submitted to the ARB shall be in compliance with the then applicable architectural criteria.

(a) Upon approval of the preliminary application, a final application shall be filed in duplicate and shall include everything shown on the preliminary application and in addition the following:

- (1) Actual samples of exterior material with specified paint colors applied to those materials; and
- (2) Identification of all contractors who will be employed by the Owner in performing the required work.

(b) A final application shall not be approved until the Owner tags all trees on the Lot which are scheduled for removal, provides barriers around all trees to be preserved, and stakes out the perimeter of any Proposed Improvements.

(c) Neither the Developer, the ARB, the Master Association, nor the Association shall be liable to an Owner or to any other person on account of any claim, liability, damage or expense suffered or incurred by or threatened against an Owner or other person and arising out of or in any way related to the subject matter of any reviews, acceptances, inspections, permissions, consents or required approvals contemplated herein, whether given, granted or withheld by the Developer, the ARB, the Master Association, or the Association. Approval of any plans by the ARB does not in any way warrant that the Proposed Improvements are structurally sound or in compliance with applicable codes, nor does it eliminate the need for approval from any applicable government entity having jurisdiction.

(d) The ARB will evaluate each Proposed Improvement application for total effect, including the manner in which the Lot is developed. This evaluation relates to matters of judgment and taste which cannot be reduced to a simple list of measurable criteria. It is possible, therefore, that a Proposed Improvement might meet the individual criteria delineated in this Article and still not receive approval, if in the sole judgment of the ARB, its overall aesthetic impact is unacceptable. The approval of an application for one Proposed Improvement shall not be construed as creating any obligation on the part of the ARB to approve applications involving similar designs pertaining to different portions of the Property.

5.5. Architectural Planning Criteria. The following Architectural Planning Criteria shall apply to any and all Proposed Improvements, provided however, all Proposed Improvements must be submitted to and approved by the ARB and mere compliance with the following criteria shall not be deemed sufficient to waive submissions to and approval by the ARB. In addition, the specific references to ARB approval in some of the following subsections shall not be construed to exclude the required ARB approval with respect to all provisions.

(a) *Building Type.* No Dwelling Unit shall be erected, altered, placed or permitted to remain on any Lot other than one detached single-family Dwelling Unit containing the minimum square footage of liveable, enclosed, heated floor area (exclusive of open or screened porches, patios, terraces, and garages) as follows:

Units Thirty-Two A and B	3200 square feet
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Dwelling Units may be not more than two (2) stories, and may not exceed thirty-five feet (35') in height, and having a private enclosed garage for not less than two (2) cars nor more than four (4) cars. Unless approved by the ARB as to use, location and architectural design, no tool or storage facility may be constructed separate and apart from the Dwelling Unit, nor can any such structures be constructed prior to construction of the main residential Dwelling Unit.

(b) *Layout.* No foundation for a Proposed Improvement shall be poured, nor shall construction commence in any manner or respect, until the layout for the Proposed Improvement is approved by the ARB. It is the purpose of this approval to assure that no trees are unnecessarily disturbed and that the Proposed Improvement is placed on the Lot in its most advantageous position. The layout must reflect adequate provisions to protect remaining trees on the Lot, such as barricades, spraying and topping.

(c) *Setback Restrictions.* Since the establishment of inflexible building setback lines for the location of improvements tends to force construction of Dwelling Units both directly behind and directly to the side of each other, with detrimental effects on privacy, views, preservation of trees, and similar issues, no specific setback lines are established by this Declaration, except as may be required by the establishment of easements within the Property and as shown on any Plat or final development plan for the Property as approved by the applicable County. In order to assure, however, that the location of structures will be staggered where practical and appropriate so that the maximum amount of view and breezes will be available thereto, and that the structures will be located with regard to ecological constraints and topography (such as elevations, the preservation of large trees, and similar considerations), the ARB shall have the right to control absolutely, and solely to decide, the precise siting and location of any building or other structure upon all Lots. Provided, however, that such location shall be determined only after reasonable opportunity is afforded to the Owner to recommend a specific site, and provided further, that if an agreed location is stipulated in writing by the Developer, the ARB shall automatically approve such location. Notwithstanding anything herein contained to the contrary, in the event the Developer creates any setback lines on the recorded

Plat of any portion of the Property, in any Supplemental Declaration, or in any other writing executed and recorded by the Developer or setback lines are established pursuant to any applicable zoning or other governmental regulations, all Dwelling Units, buildings, structures, or other improvements upon the Lots affected thereby shall be located only within the setback lines as approved by the ARB, which may be more, but not less restrictive than those provided in the governmental approvals or zoning. The ARB shall be empowered to grant variances with respect to such setback lines if so permitted in the writing creating such setback lines.

The foregoing provisions shall not be construed to guarantee to any Owner that its view rights shall not be diminished or that said rights are absolute. Any Owner building a Dwelling Unit prior to the construction of the adjoining Dwelling Units is given notice that the adjoining Dwelling Units may limit existing views.

(d) *Exterior Color Plan.* The ARB shall have final approval of all exterior color plans and each Owner must submit to the ARB prior to initial construction and development upon any Lot a color plan showing the color of the roof, exterior walls, shutters, trims, etc. The ARB shall consider the extent to which the color plan is consistent with the Dwelling Units in the surrounding areas.

(e) *Roofs.* All roofs on Dwelling Units will be concrete tile, subject to ARB approval. Flat roofs shall not be permitted unless approved by the ARB. Minimum pitch of roofs in Marsh Landing at Sawgrass Units Thirty-Two A and B will be 8:12. Protrusions through roofs for power ventilators or other apparatus, including the color and location thereof, must be approved by the ARB.

(f) *Floor Level Elevations.* As is common to most areas of the Southeastern coastal plan, the St. Johns County and City of Jacksonville Beach Building Codes require that the elevation of the finished first floor of any Dwelling Unit be above the level of possible flood waters based upon Army Corps of Engineers criteria for storms that would occur once every one hundred years. This level has been established for the Property as six feet (6') above mean sea level. The ARB, therefore, has established a minimum of nine and one-half feet (9.5') above mean sea level, as the minimum floor elevation for all habitable rooms. Finished grade elevation shall be at an elevation along the front of Dwelling Unit of thirty inches (30") less than finished floor elevation and in no event less than twelve inches (12") above the crown of the road. There will be a minimum of four (4) steps from the finish grade at the front entry to the front entry landing or porch. The ARB recommends that pilings or foundation walls be used on any Lot where the floor elevations of the main living area are to be constructed twelve inches (12") or more above the crown of the road. It is suggested that the vertical plane of these pilings or walls be recessed a minimum of three inches (3") behind the vertical plane of the exterior wall of the living area. In all cases, this lower structural element will be architecturally screened or treated. Foundation planting alone will not be accepted.

(g) *Lot Level Elevation.* Lots adjacent to the marshes with unrestricted flow from tidal waters may be affected several times per year by unusually high "spring tides." That portion of such Lots with an elevation less than three feet (3') above sea level, which is the peak tide elevation, may experience standing water for short durations. In certain cases, on rear yards of Lots bordering tidal marshes and canals, the ARB may allow use of fill material, if in its judgment the fill will not adversely affect drainage, trees or aesthetics, provided that Owner shall obtain all necessary Permits for any such fill activity from the St. Johns River Water Management District, Department of Environmental Protection, and any other federal or state agency having jurisdiction prior to undertaking such fill activity.

(h) *Garages and Automobile Storage.* In addition to the requirements stated in Section 5.6(a), all garages shall have a minimum width of twenty feet (20') and a minimum length of twenty feet (20') as measured from the inside wall of the garage. All garages must have either a single overhead door with a minimum door width of eighteen feet (18') for a two-car garage, or two (2) eighteen-foot (18') doors for a four-car garage, or two (2), three (3), or four (4) individual overhead doors, each a minimum of ten feet (10') in width, and a service door. All overhead doors shall be electrically operated and shall be kept closed when not in use. No carports will be permitted unless approved by the ARB. The ARB recommends side entry garages. However, where side entry is impractical, the ARB may consider for approval front entry garages. Front entry garages shall have no more than three (3) doors which shall be individual doors. Automobiles shall be stored in garages when not in use. No Owners' vehicles may be parked on the Common Roads at any time. Finished grade at the garage shall be at an elevation to maintain adequate positive drainage but in no event less than twelve inches (12") above the crown of the road.

(i) *Driveway Construction.* All Dwelling Units shall have a paved driveway of stable and permanent construction of at least eighteen feet (18') in width at the entrance to the garage. All driveways shall be broom finished or salt cured concrete with specialty paving installed which shall constitute at least fifty percent (50%) of the total square area including (a) a twelve foot (12') deep specialty paving apron at the intersection(s) of the driveway and sidewalk(s) to the street and (b) specialty paving banding on all other edges and at the garage. Specialty paving includes sun deck, brick or concrete pavers, and stamped concrete. Plain concrete driveways will not be permitted.

(j) *Porches and Patios.* Porches and patios shall be sun deck, rock salt concrete or specialty pavers, etc. Plain concrete will not be permitted.

(k) *Dwelling Unit Quality.* The ARB shall have final approval of all exterior building materials. Exposed concrete block shall not be permitted on the exterior of any building or detached structure.

(l) *Games and Play Structures.* Tennis courts and play structures shall be located at the rear of the Dwelling Unit unless approved for other location by ARB. Any basketball backboard shall be constructed of clear Plexiglas or similar material. All play

structures shall be constructed of approved materials which shall blend with the landscaping. Only natural wood or dark green/beige structures may be permitted. Multi- color canopies are not permitted. No other color components are permitted. Trampolines and go-carts are not permitted. No platform, doghouse, tennis court, playhouse or structure of a similar kind or nature shall be constructed on any part of a Lot located in front of the rear line of the Dwelling Unit constructed thereon, and in reviewing any of the Proposed Improvements described in this section, the ARB shall carefully review the extent to which the foregoing will or may constitute nuisances to adjoining Lot Owners. Tennis courts may be permitted but shall be unlighted.

(m) *Fences and Walls.* Fences, walls or hedges are not permitted except when used to enclose service area, patios, pools, or other approved areas requiring privacy. The composition, location and height of any fence or wall to be constructed on any Lot shall be subject to the approval of the ARB. The composition of any fence or wall shall be consistent with the material used in the surrounding Dwelling Units. Wire or chain link fences are prohibited. Hedges are not permitted to define property lines.

(n) *Landscaping.* A basic landscaping plan prepared by a licensed landscape architect for each Lot will be submitted to and approved by the ARB prior to initial construction and development therein. The ARB may, in its sole discretion, require posting a deposit or other assurance of completion of the landscaping as a part of its architectural approval. It shall be the goal of the ARB in the approval of any landscape plan and layout plan to preserve all natural vegetation where possible. The Architectural Planning Criteria shall set forth a formula for determining the minimum expenditure and level of landscaping for a Lot. These minimums and specifications may be changed from time to time and all Owners shall be required to carefully review such Architectural Planning Criteria as are in effect at the time of construction of a Dwelling Unit on their Lots. All Lots shall have an automatic irrigation system.

(o) *Drainage.* All Owners are responsible for maintaining positive drainage from their Lots and all drainage shall be restricted to the designated drainage easements and shall not be permitted to drain onto adjacent Lots.

(p) *Swimming Pools.* Any swimming pool to be constructed on any Lot shall be subject to the requirements of the ARB, which include, but are not limited to, the following:

- (1) Composition is to be of material thoroughly tested and accepted by the industry for such construction;
- (2) The outside edge of any pool wall may not be closer than four feet to a line extended and aligned with the side walls of the Dwelling Unit;
- (3) No screening of pool areas may stand beyond a line extended and aligned with the side walls of the Dwelling Unit and all screening

shall be of a design and material consistent with the Dwelling Unit;

- (4) Pool screening may not be visible from the street in front of the Dwelling Unit;
- (5) All decks, spas, pools, and screen enclosures must be within the building setback lines unless approved by the ARB;

(q) *Garbage and Trash Containers.* No portion of the Property shall be used or maintained as a dumping ground for rubbish, trash or other waste. All trash, garbage and other waste shall be kept in sanitary containers which shall be kept within an enclosure constructed within each Dwelling Unit in a location approved by the ARB. All Lots shall be maintained during construction in a neat, nuisance-free condition, without limiting any other remedies set forth herein. All Owners agree that the ARB shall have the discretion to rectify any violation of this subsection, with or without notice, and that each Owner shall be responsible for all expenses incurred by the ARB thereby, which expenses shall constitute a Specific Special Assessment against the Lot enforceable as provided herein.

(r) *Temporary Structures.* No structures of a temporary character (trailer, basement, tent, shack, garage, barn, or other outbuilding) shall be used on any Lot at any time as a Dwelling Unit either temporarily or permanently, except for temporary structures maintained for the construction of Dwelling Units. The foregoing restriction shall not preclude the Developer or designated builders from maintaining temporary structures for the purpose of construction of any Proposed Improvements or Dwelling Units and the marketing and sale of Lots.

(s) *Trees.* In reviewing plans for Proposed Improvements, the ARB shall take into account the natural landscaping such as trees, shrubs and palmettos, and encourage the Owner to incorporate them into his landscaping plan. No tree of six inches (6") in diameter, two feet (2') above natural grade, shall be cut or removed without approval of the ARB, which approval may be given when such removal is necessary for the construction of a Dwelling Unit or other improvement.

In addition, those Lots in Units Thirty-Two A and B having at least fifty feet (50') of street frontage shall have a treescape requirement as follows: For every sixty feet (60') of frontage or fraction thereof, the front yard of the Lot shall contain at least one (1) tree, six to eight inches (6-8") in diameter at two feet (2') above natural grade, and eighteen to twenty four feet (18-24') in height. The cost of planting such tree(s) shall be included in the landscaping improvement budget.

(t) *Window Air-Conditioning Units.* No window or wall air-conditioning units shall be permitted. All air-conditioner compressors shall be screened from view from the street

and sides of the house by a solid screen wall, to match the house construction and insulated by shrubbery so as to minimize noise.

(u) *Mailboxes.* No mailbox or paperbox or other receptacle of any kind for use in the delivery of mail or newspapers or similar materials shall be erected on any Lot other than the standard uniform design approved by the Developer for the Property.

(v) *Sight Distance at Intersection.* No fence, wall, hedge, or shrub planting which obstructs sight lines and elevations between two feet (2') and six feet (6') above the roadways shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street property lines and a line connecting them at points twenty-five feet (25') from the intersection of the street lines, or in case of a rounded property corner, from the intersection of a street property line with the edge of a driveway or alley pavement. No trees shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

(w) *Utility Connections.* Building connections for all utilities, including, but not limited to, water, electricity, telephone and television, shall be run underground from the proper connection points to the building structure in a manner acceptable to the governing utility authority. Water-to-air heat pumps will not be allowed unless approved by the ARB.

(x) *Antennas.* All antennae, satellite dishes, and other receptor devices to be installed on the Property shall be in accordance with the size requirements approved by the ARB and consistent with federal laws, as amended from time to time. No such devices shall be placed in the front of any Lot or be visible from the road. In addition, Owners shall assure that such devices are screened to the extent possible from the view of others. Location, color, size and screening must be approved by the ARB prior to installation.

(y) *Artificial Vegetation.* No artificial grass, plants or other artificial vegetation shall be placed or maintained upon the exterior portion of any Lot.

(z) *Shutters.* Window shutters are appropriate only where sized to match the window openings and approved by the ARB.

(aa) *Firewood.* All firewood shall be stored in a screened service area; screening shall consist only of approved materials such as stained woods, stucco or accent brick.

(ab) *Docks.* No docks, decks or gazebos will be permitted unless approved by the ARB.

(ac) *Lighting.* No external light shall be installed without prior approval of the ARB. No light shall be permitted which alters the residential character of the Property.

(ad) *Window Coverings.* Reflective window coverings and heat mats are expressly prohibited and only neutral, solid colored window coverings shall be permitted on any Dwelling Unit. The ARB may prohibit window treatments which are not reasonably compatible with the aesthetic standards of the Property.

5.6. Remedy for Violations. In the event any Proposed Improvement is constructed without first obtaining the approval of the ARB or Developer, as applicable, or is not constructed in strict compliance with any approval given or deemed given by the ARB or Developer, as applicable, or the provisions of this Article are otherwise violated, the ARB, as the authorized representative of the Association or the Developer, shall have the specific right to injunctive relief to require the Owner to stop, remove, and alter any improvements in order to comply with the requirements hereof, or the ARB or Developer may pursue any other remedy available to it. In connection with this enforcement paragraph, the ARB and Developer shall have the right to enter into any Lot or Dwelling Unit and make any inspection necessary to determine that the provisions of this Declaration have been complied with. The failure of the ARB or Developer to object to any Proposed Improvement prior to its completion shall not constitute a waiver of the ARB's or Developer's right to enforce this Article. The foregoing rights shall be in addition to any other remedy set forth herein for violations of this Declaration.

5.7. Reservation of Right to Release Restrictions. In each instance where a structure has been erected, or construction thereof has substantially advanced, in such a manner that some portion of the structure encroaches on any Lot line, setback line, or easement area, Developer and the ARB reserve for themselves, their successors, assigns and designees, the right to release such Lot from the encroachment and to grant a variance to permit the encroachment without the consent or joinder of any person, irrespective of who owns the burdened Lot or easement areas, so long as Developer or the ARB, in the exercise of their sole discretion, determines that the release or exception will not materially or adversely affect the value of the adjacent Lot and the overall appearance of the Property. Upon granting of an exception to an Owner, the exception shall be binding upon all subsequent Owners of the affected Lots.

5.8. No Liability. Notwithstanding anything contained herein to the contrary, the ARB and Developer shall merely have the right, but not the obligation, to exercise architectural control, and shall not be liable to any Owner, its successors, assigns, personal representatives, or heirs, due to the exercise or non-exercise of such control or the approval or disapproval of any Proposed Improvement. Furthermore, the approval of any plans and specifications or any Proposed Improvements shall not be deemed to be a determination or warranty that such plans and specifications or Proposed Improvements are complete, do not contain defects, or in fact meet any standards, guidelines, or criteria of the ARB or Developer, or are in fact architecturally or aesthetically appropriate, or comply with any applicable governmental requirements, and neither the ARB, the Association, nor Developer shall be liable for any defect or deficiency in such plans and specifications or Proposed Improvements, or any injury to persons or property resulting therefrom.

VI. USE RESTRICTIONS AND EASEMENTS

6.1. **Use.** All Lots shall be used exclusively for single-family residential purposes. Nothing herein contained shall be deemed to prevent any Owner from leasing a Dwelling Unit, subject to all the provisions of this Declaration, the Articles, the Bylaws, and the rules and regulations established by the Association. No other business or commercial activity shall be carried on any Lot with the exception of sales, model home, marketing and construction activities by the Developer or its designees. Provided, however, an occupant of a Dwelling Unit who maintains a personal or professional library, keeps personal or professional books or accounts, conducts personal business (provided that such use does not involve customers, clients, employees, licensees or invitees regularly visiting the Dwelling Unit), or makes professional telephone calls or correspondence in or from a Dwelling Unit is engaging in a residential use and shall not be deemed to be in violation of this Section by reason thereof.

6.2. **Lot Resubdivision.** The Developer reserves the right, without the consent of any Owner or Mortgagee (except the Mortgagee, if any, holding a mortgage on the lands to be replatted), to plat or partially replat any Lot, Tract or combination of Lots and Tracts for any purpose, including without limitation, to create additional Lots or Common Property or to establish additional Common Roads, provided that the Developer owns all such Lots or Tracts at the time of such replat or partial replat. No Lot shall be subdivided so as to reduce its size without approval of the Developer.

6.3. **Maintenance.** All Lots, including vacant Lots and any improvements placed thereon, and all property immediately contiguous to said Lots along drainage ditches, canals, easements and rights of way, shall at all times be maintained in a neat and attractive condition by the Owner and landscaping shall be maintained substantially as shown on the approved plans. Owners of improved Lots shall establish and maintain their lawns to the edge of the curb, including any property located within the right of way. The Owners of unimproved Lots shall likewise be responsible for assuring that all weeds and debris within such Lots and the adjoining rights of way are maintained in a clean and orderly manner. In order to implement effective control of this obligation, the Developer reserves the right for itself, its agents, the Association and the ARB, after ten (10) days written notice to the Owner, to enter upon any Lot for the purpose of mowing, pruning, removing, clearing, or cutting underbrush, weeds or other unsightly growth and trash within the Lot or the adjoining right of way which, in the opinion of the Developer, the Association or the ARB detracts from the overall beauty and safety of the Property. Such entrance upon a Lot for such purposes shall be only between the hours of 7:00 a.m. and 6:00 p.m. on any day except Sunday and shall not be deemed to be a trespass. Developer, the Association or the ARB may charge the Owner the reasonable cost of such services, together with a management fee, which charge shall constitute a Specific Special Assessment upon the Lot, enforceable by appropriate proceeding at law or equity. The provisions of this section shall not be construed as an obligation on the part of Developer, the Association or the ARB to mow, clear, cut or prune any Lot, nor to provide garbage or trash removal services. No outside burning of wood, leaves, trash, garbage or household refuse shall be permitted.

6.4. **Pets.** No animals, except dogs, cats and domestic animals which may be kept totally within the Dwelling Unit, shall be kept on any Lot. No more than four (4) four-footed pets shall be permitted in any one Dwelling Unit. No household pet may be kept on any Lot for breeding or commercial purposes. Without limiting the foregoing, it is specifically acknowledged that farm animals, horses, ponies, pigs, chickens, barnyard fowl, ducks, and swans are specifically prohibited on or about the Property. The Association further reserves the right, but no obligation, to demand that an Owner permanently remove from the Property all pets which create disturbances or annoyances that constitute nuisances, in the sole determination of the Board of Directors. The decision of the Board of Directors in such matters is conclusive and shall be enforced by the Association.

6.5. **Signs.** All signs, billboards and advertising structures of any kind, including, but not limited to, signs advertising a Lot for sale or lease, are prohibited except for the specific signs approved by the ARB from time to time. The foregoing restriction shall not apply to any signs erected by or on behalf of the Developer or its specified designees with respect to the sale, construction or marketing of Lots and Dwelling Units.

6.6. **Vehicles.** No motorcycles, boat, boat trailer, house trailer, camper, recreational vehicle or similar vehicle shall be parked or stored on any road, street, driveway, yard or Lot for any period of time in excess of twenty-four (24) hours except in garages. No mechanical or maintenance work of any kind shall be performed on any of the above motorcycles, boats or vehicles or any other motor vehicle except in garages.

6.7. **Personal Property.** Exterior clothes lines are not permitted. Above-ground water softener units, pool equipment, and other above-ground equipment shall require adequate screening to meet ARB approval. All other tanks shall be placed underground in strict accordance with the rules and regulations of any governmental authority.

6.8. **Hazardous Materials.** No hazardous or toxic materials or pollutants shall be discharged, maintained, stored, released or disposed of on the Property except in strict compliance with applicable rules and regulations. Flammable, combustible or explosive fluids, materials or substances for ordinary household use may be stored or used on the Property only in strict compliance with manufacturers' directions and applicable safety laws and codes, and shall be stored in containers specifically designed for such purposes.

6.9. **Nuisances.** Nothing shall be done or maintained on any Lot or in any Dwelling Unit which may be or become an annoyance or nuisance to the other Owners of the Property. Any activity on a Lot or in a Dwelling Unit which interferes with television, cable or radio reception on another Lot or Dwelling Unit shall be deemed a nuisance and a prohibited activity. In the event of a dispute or questions as to what may be or become a nuisance, the written decision of the Board shall be dispositive.

6.10. **Insurance.** Nothing shall be done or kept in any Dwelling Unit, Lot, or in the Common Property which will increase the rate of insurance for the Property or any other Lot,

or the contents thereof, without the prior written consent of the Association. No Owner shall permit anything to be done or kept in his Dwelling Unit, on his Lot, or in the Common Property which will result in the cancellation of insurance on the Property or any other Lot, or the contents thereof, or which would be in violation of any law.

6.11. Oil and Mining Operations. 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 or on the Property.

6.12. Gate Operation. Commencing upon the occupancy of the first Dwelling Unit, the entrance gate to the Property shall be operated only from dusk to dawn until there are forty (40) completed Dwelling Units within the Property. Upon the occupancy of forty (40) Dwelling Units, the Owners may, by a two thirds majority, modify the hours of operation of the gate. Developer makes no representation that the gates will continue to be operated during any certain periods or in any specified manner after the occupancy of forty (40) Dwelling Units.

6.14. Individual Sewer Pumping Stations. Lots 20 through 24 shall be improved with an individual sewer pumping station ("ISPS"). The location of ISPS shall be subject to approval by the ARB and each Owner of an ISPS shall be responsible for the cost and expense of maintenance of the ISPS. Each Owner shall provide landscaped screening around the ISPS to screen it from view, which landscaping shall be incorporated into the landscaping plan for the Lot.

6.15. Underground Drainage Pipe. Seller will install an underground drainage pipe on or about the boundary between Lots 38 and 39. At such time as the Owners of the Lots 38 or 39 grade their respective Lots, the Owners shall assure that the drain inlet for the drainage pipe is maintained and at a level consistent with the grading. The cost thereof shall be shared by the Owners of Lots 38 and 39.

6.13. Additional Use Restrictions. The Board may adopt reasonable additional use restrictions, rules or regulations, applicable to all or any portion or portions of the Property, and may waive or modify application of the foregoing use restrictions with respect to any Lot or Dwelling Unit or as the Board, in its sole discretion, deems appropriate.

6.18. Compliance. It shall be the responsibility of all Owners, family members of Owners, and their authorized guests and tenants to conform with and abide by the rules and regulations in regard to the use of the Dwelling Units, Lots, and Common Property which may be adopted in writing from time to time by the Board of Directors and the ARB, and to see that all persons using the Owner's Lot(s) do likewise.

VII. EASEMENTS

7.1. Utility Easements.

O.R. 1300 PG 1135

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(a) Developer reserves for itself, its successors and assigns, and grants to the Association and its designees, a perpetual nonexclusive right of way and easement to erect, maintain and use utilities, electric and telephone poles, wire, cables, conduits, storm sewers, drainage swales, sanitary sewers, water mains, gas and water lines or other public conveniences or utilities, on, in and over each Lot. The foregoing reserved easement for utilities shall lie five feet (5') on each side of the side line of each Lot or Reconfigured Lot. Owners may be permitted to encroach upon such easements with landscaping, driveway, fences, sidewalks, paths and other approved improvements so long as, in the sole judgment of the ARB, such improvement shall not interfere with the provision, operation, repair and replacement of the utilities, if any, contained within the reserved easements.

(b) Developer reserves the right to impose further restrictions and to grant or dedicate additional easements and rights of way on any Lots owned by Developer. In addition, Developer hereby expressly reserves the right to grant easements and rights of way over, under and through the Common Property so long as Developer shall own any portion of the Property. The easements granted by Developer shall not structurally weaken any improvements or unreasonably interfere with enjoyment of the Common Property.

7.2. **Central Telecommunication Receiving and Distribution Systems.** The Developer hereby reserves to itself, its successors and assigns, a perpetual exclusive easement for installing, maintaining and supplying the services of any central telecommunications receiving and distribution system ("Cable Television Service") serving the Property. Developer reserves to itself, its successors and assigns, the right to connect to any Cable Television Service to such source as Developer may, in its sole discretion, deem appropriate including, without limitation, companies licensed to provide Cable Television Service in the County. The Developer, its successors and assigns, shall have the right to charge the Association or individual Owners a reasonable fee not to exceed any maximum allowable charge for Cable Television Services to single-family residences, as from time to time defined by the Code of Laws and Ordinances of the County.

7.3. **Easements Granted to Governmental Entities.** In connection with the rights and obligations of the Developer or the Association in connection with the Permits, authorized agents of the governmental entities issuing Permits, upon presentation of proper credentials, shall be permitted access to the Property at reasonable times, for the purpose of:

(a) Having access to and copying any records that must be kept under the conditions of the Permit;

(b) Inspecting the facilities, equipment and practices of operations regulated or required under the Permit; and

(c) Sampling or monitoring any substances or parameters at any location reasonably necessary to assure compliance with the Permits.

7.4. Water and Sewer Service and Easements. St. Johns Service Company or its successors has the sole and exclusive right to provide all water and sewage facilities and service to the Property. No well of any kind shall be dug or drilled on any one of the Lots or Common Property to provide water for use within the structures to be built, and no potable water shall be used within any structure except potable water which is obtained from St. Johns Service Company, or its successors or assigns. All sewage from any Dwelling Unit must be disposed of through sewage lines and disposal plants owned and controlled by St. Johns Service Company, or its successors or assigns. No water from air-conditioning systems, ice machines, swimming pools or any other form of condensate water shall be disposed of through the lines of the sewer system. St. Johns Service Company has a nonexclusive perpetual easement and right in and to, over and under the utility easements reserved herein or shown in any Plat of the Property for the purpose of installation and repair of water and sewage facilities.

7.5. Easement for Playing of Golf. Every Lot which abuts the golf course is hereby burdened with a nonexclusive perpetual easement permitting golf balls unintentionally to come upon the Lot, and for golfers at reasonable times and in a reasonable manner to enter the Lot to retrieve errant golf balls; provided, however, if any golf ball falls within a portion of the Lot which is fenced or walled, the golfer shall seek the Owner's or occupant's permission before entry. All Owners, by acceptance of delivery of a deed to a Lot, and all occupants, by their use of a Lot, assume all risks associated with errant golf balls, and all Owners agree and covenant not to make any claims or institute any actions whatsoever against the Developer, the Master Association, the Association, the golf course owner or designer, or the builder of the Dwelling Unit arising or resulting from any errant golf balls, any damages that may be caused thereby, or for negligent design of the golf course or siting of any Dwelling Unit.

7.6. Golf Cart Paths. Portions of the golf cart path system may be situated on a Lot or within the Common Property. No Owner, occupant, or invitee shall have any right to use any portion of the golf cart path system, including any portion located within a Lot or the Common Property, without the approval of the Club Owner.

VIII. STORMWATER MANAGEMENT SYSTEM

8.1. Stormwater Facilities. The plans for the development of the Property include lakes, retention areas, swales and drainage easements, together with all drainage structures, conduits, pipes, pumps, or similar equipment which is necessary or convenient for the handling of stormwater, jointly referred to herein as the "Stormwater Management System."

The Developer intends to convey portions of the Stormwater Management System to the Master Association as a part of the Common Property. The Master Association shall have the obligation to maintain the portions of the Stormwater Management System conveyed to it, to the extent and in the manner hereinafter set forth. In addition, certain drainage easements or swales

may be a part of a Lot and the Developer may reserve, dedicate or grant a nonexclusive easement over such portion of the Lot for drainage and for access for maintenance, either pursuant to the plat or by separate instrument. Provided, however, access to such Lot and the drainage easements or swales located thereupon shall be limited to such access as is necessary or convenient for maintenance and shall not result in other Owners having a right of access onto the Lot.

8.2. Maintenance of Stormwater Management System. The Master Association shall be responsible for the maintenance, operation and repair of the Stormwater Management System. Maintenance of the Stormwater Management System shall mean the exercise of practices which allow the Stormwater Management System to provide drainage, water storage, conveyance or other stormwater management capabilities as permitted by St. Johns River Water Management District ("SJRWMD"). The Master Association shall keep the Stormwater Management System in proper and operational order, including all routine maintenance activities and any special repair activities. Any repair or reconstruction of the Stormwater Management System shall be as permitted, or if modified, as approved by the SJRWMD. The Master Association shall maintain and control the water level and quality of the Stormwater Management System and shall maintain the bottoms of any lakes or wet retention areas in the Stormwater Management System. The Master Association shall have the power, right, obligation, and responsibility, as is required by any Permits, to control and eradicate the plants, fowl, reptiles, animals, fish and fungi in and on any portion of the Stormwater Management System.

The Owner of the land adjacent to any water edge of the Stormwater Management System ("Adjacent Owner") shall irrigate, sod, landscape and maintain the embankment to the water edge as such level shall rise and fall from time to time. Maintenance of the embankment shall be conducted so that the grass, plantings, or other lateral support of the embankment shall exist in a clean and safe manner and so as to prevent erosion. If the Adjacent Owner shall fail to maintain the embankment, the Master Association shall have the right, but not the obligation, to enter onto the Adjacent Owner's property and perform the maintenance at the expense of the Owner, which expense shall be a Specific Special Assessment against the Lot and the Owner.

The Association will be responsible for the routine mowing of all portions of the Stormwater Management System which are not filled with water, including swales and dry retention areas (except those swales or dry retention areas located within a Lot), and the maintenance of adequate vegetation cover within the Stormwater Management System components owned by the Master Association. The Master Association will be responsible for the routine removal and disposal of trash which may accumulate within the systems of the Stormwater Management System which are not a part of the Lot. If certain portions of the Stormwater Management System are adjacent to or contained within a Lot, then the Owner of such Lot shall provide routine maintenance as a part of the Owner's maintenance of his Lot. In the event the Owner fails to provide such maintenance then the Master Association shall perform or cause such maintenance to be performed at the expense of the Owner, which expense shall be a Specific Special Assessment against the Lot and the Owner.

8.3. **Improvements to the Stormwater Management System.** In the event that Developer, an entity designated by the Developer, the Association, or the Master Association shall construct any bridges, docks, bulkheads or other improvements which may extend over or into the lakes or retention areas in the Stormwater Management System or construct any similar retention areas in the Stormwater Management System, the Master Association, if such improvements are a part of the Common Property of this Association or the Master Association, shall maintain any and all improvements in good repair and condition. No Owner, except the Developer, its designee, the Association, or the Master Association, shall be permitted to construct any improvement, permanent or temporary, on, over or under any portion of the Stormwater Management System without the written consent of the ARB, which consent may be withheld for any reason. Any improvements to the Stormwater Management System permitted by the ARB and installed by an Owner shall be maintained by such Owner in accordance with the maintenance provisions in this Declaration. No person shall alter the drainage flow of the Stormwater Management System, including buffer areas or swales, without the prior written approval of the ARB and SJRWMD.

8.4. **Easements.** The Owners' use and access to any lakes or retention areas within the Stormwater Management System shall be subject to and limited by the rules and regulations of the Master Association and the Permits. The Master Association is hereby granted a perpetual nonexclusive easement for ingress and egress over the Stormwater Management System and a parcel of land extending landward five feet (5') from any water's edge of a lake or water retention area and over such land as is necessary to obtain access, at a reasonable time and in a reasonable manner, whether located on the Common Property or on a Lot, to operate, maintain and repair the Stormwater Maintenance System as required by the SJRWMD Permit. Additionally, the Master Association shall have a perpetual nonexclusive easement for drainage over the entire Stormwater Management System. The adjacent Owners are hereby granted a perpetual nonexclusive easement over Stormwater Management System for the purpose of providing any maintenance to the embankment or adjacent land.

8.5. **Stormwater Management System Restrictions and Covenants.** In connection with the use of any portion of the Stormwater Management System, the following restrictions shall apply:

(a) No motorized or power boats shall be permitted on any lake within the Stormwater Management System with the exception of boats used for maintenance thereof.

(b) No bottles, trash, cans or garbage of any kind or description shall be placed in any portion of the Stormwater Management System.

(c) No activity shall be permitted on any portion of the Stormwater Management System which may become an annoyance or nuisance to adjacent Lots and the Owners thereof. The Master Association's determination whether any activity constitutes an annoyance or nuisance shall be dispositive.

(d) No person or entity, except the Developer or the Master Association, shall have the right to pump or otherwise remove any water from any portion of the Stormwater Management System for the purpose of irrigation or other use.

(e) There shall be no fishing permitted from bridges, streets or rights of way. Only Owners shall be permitted to fish in any portion of the Stormwater Management System and only in areas so designated.

(f) No swimming or bathing will be permitted in the Stormwater Management System.

(g) The Board of Directors of the Master Association shall be entitled to establish, amend, or modify rules and regulations governing the use of the Stormwater Management System as it deems necessary or convenient.

8.6. LIABILITY. NEITHER DEVELOPER, THE MASTER ASSOCIATION NOR THE ASSOCIATION SHALL HAVE ANY LIABILITY WHATSOEVER TO OWNERS, GUESTS, TENANTS, OR INVITEES IN CONNECTION WITH THE RETENTION LAKES AND DRAINAGE EASEMENTS OR ANY PART OF THE STORMWATER MANAGEMENT SYSTEM. EACH OWNER, FOR ITSELF AND ITS GUESTS, TENANTS, OR INVITEES, RELEASES DEVELOPER AND THE ASSOCIATION FROM ANY LIABILITY IN CONNECTION THEREWITH.

NEITHER DEVELOPER, THE MASTER ASSOCIATION, THE ASSOCIATION, NOR ANY OF THEIR SUCCESSORS, ASSIGNS, OFFICERS, DIRECTORS, COMMITTEE MEMBERS, EMPLOYEES, MANAGEMENT AGENTS, CONTRACTORS OR SUBCONTRACTORS (COLLECTIVELY, THE "LISTED PARTIES") SHALL BE LIABLE OR RESPONSIBLE FOR MAINTAINING OR ASSURING THE WATER QUALITY OR LEVEL IN ANY LAKE, POND, RETENTION AREA, CANAL, CREEK, MARSH AREA, STREAM OR OTHER WATER BODY WITHIN OR ADJACENT TO THE PROPERTY, EXCEPT AS SUCH RESPONSIBILITY MAY BE SPECIFICALLY IMPOSED BY AN APPLICABLE GOVERNMENTAL OR QUASI-GOVERNMENTAL AGENCY OR ENTITY AS REFERENCED HEREIN. FURTHER, ALL OWNERS AND USERS OF ANY PORTION OF THE PROPERTY LOCATED ADJACENT TO OR HAVING A VIEW OF ANY OF THE AFORESAID AREAS SHALL BE DEEMED, BY VIRTUE OF THEIR ACCEPTANCE OF A DEED TO, OR USE OF, SUCH PROPERTY, TO HAVE AGREED TO HOLD HARMLESS THE LISTED PARTIES FROM ALL LIABILITY RELATED TO ANY CHANGES IN THE QUALITY AND LEVEL OF THE WATER IN SUCH BODIES.

ALL PERSONS ARE HEREBY NOTIFIED THAT FROM TIME TO TIME ALLIGATORS AND OTHER WILDLIFE MAY INHABIT OR ENTER INTO WATER BODIES CONTAINED WITHIN OR ADJACENT TO THE PROPERTY AND MAY POSE A THREAT TO PERSONS, PETS AND PROPERTY, BUT THAT THE LISTED PARTIES ARE UNDER NO DUTY TO PROTECT AGAINST, AND DO NOT IN ANY MANNER

WARRANT AGAINST, ANY DEATH, INJURY OR DAMAGE CAUSED BY SUCH WILDLIFE.

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

8.7. **Indemnification.** In connection with the platting of the Property or obtaining the Permits, the Developer may assume or may be required to assume certain obligations of the maintenance of the Stormwater Management System. The Developer hereby assigns to the Master Association and the Master Association hereby assumes all the obligations of the Developer under the Plat, the Permits or under any applicable governmental regulations and for any and all obligations for the maintenance of Stormwater Management System (except for maintenance of the portion thereof which is contained within a Lot, which shall be the responsibility of the Adjacent Owner). The Master Association further agrees that subsequent to the recording of this Declaration, it shall indemnify and hold Developer harmless from suits, actions, damages, liability and expense in connection with loss of life, bodily or personal injury or property damage arising from or out of occurrence, in, upon, at or from the maintenance of the Stormwater Management System occasioned wholly or in part by any act of omission of the Master Association or its agents, contractors, employees, servants or licensees, but not including any liability occasioned wholly or in part by the acts of the Developer, its successors, assigns, agents or invitees. Association agrees to look solely to the Master Association with respect to all obligations for the Stormwater System.

8.8. **PERMITS.** THIS PROPERTY WAS DEVELOPED IN ACCORDANCE WITH REQUIREMENTS OF PERMIT NUMBER 199400621 (IP-MM), ISSUED BY THE ARMY CORPS OF ENGINEERS ("ACOE") AND PERMIT NUMBER 40-109-0082M14 ISSUED BY THE ST. JOHNS RIVER WATER MANAGEMENT DISTRICT ("SJRWMD"). THE PERMITS ARE OWNED BY THE ASSOCIATION AND 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 ACOE 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 AND SHALL AGREE TO MAINTAIN SUCH JURISDICTIONAL

WETLANDS AND CONSERVATION AREAS IN THE CONDITION REQUIRED UNDER THE PERMITS. 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 COST AND ATTORNEYS' FEES AS WELL AS ALL COSTS OF CURING SUCH VIOLATION.

NO PERSON SHALL ALTER ANY PORTION OF ANY JURISDICTIONAL LANDS, INCLUDING ANY BUFFER AREAS, SWALES, TREATMENT BERMS OR SWALES, WITHOUT THE PRIOR WRITTEN APPROVAL OF THE SJRWMD AND ACOE, AS APPLICABLE.

8.9. Amendment. Any amendment to this Declaration which alters the provisions relating to the Stormwater Management System, beyond maintenance in its original condition, including the water management portions of the Common Property, must have the prior written approval of the SJRWMD. Any amendment which purports to modify the rights of the parties with respect to the ACOE permits, shall be approved by the ACOE.

8.10. Enforcement. In addition to the rights described in Section 15.1, the ACOE and SJRWMD shall have the rights and powers enumerated in this paragraph. The ACOE 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 control of the ACOE 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 ACOE Permit, must have prior written approval of ACOE. 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 ACOE and SJRWMD.

IX. MASTER ASSOCIATION

9.1. Master Association. The Master Association represents residents of Marsh Landing at Sawgrass, including all Lot Owners, and its members are those persons designated in its Articles of Incorporation and Bylaws. The Master Association, acting through its Board of Directors, shall have the powers, rights and duties with respect to this Property and Marsh Landing at Sawgrass which are set forth in its Articles of Incorporation, Bylaws and the Master Declaration.

9.2. **Assessments.** The Master Association is entitled to a lien upon a Lot for any unpaid assessment for expenses incurred or to be incurred by the Master Association in the fulfillment of its maintenance, operation and management responsibilities with respect to roadways, bridges, rights of way, medians, bike paths, entrance ways, irrigation systems, traffic control systems, arterial street lighting, roving patrols, fences and other facilities, lighting system, wildlife preserve, athletic fields, and other Common Areas (as defined in the Master Declaration) used or to be used in common with all residents of Marsh Landing at Sawgrass; with respect to the maintenance, operation and management of the Stormwater Management System (including, without limitation, work within retention areas, drainage structures, and drainage easements); for the payment of real estate ad valorem taxes assessed against the Common Areas; and other services as more particularly set forth in the Master Bylaws and recorded in the Master Declaration.

9.3. **Rights of Master Association.** If for any reason the Association or any Owner refuses or fails to perform the obligations imposed on it hereunder or under its Articles and Bylaws, the Master Association shall be, and is hereby, authorized to act for and in behalf of the Owner or Association in such respect that the Association or Owner has refused or failed to act, and any expenses thereby incurred by the Master Association shall be reimbursed by the Association or Owner, as the case may be.

9.4. **Limitations on Amendments.** Notwithstanding anything herein to the contrary, this Declaration shall not be amended in any manner so as to affect the rights of the Master Association without the written approval of the Board of Directors of the Master Association. Any such approval shall be evidenced by a recordable instrument executed by the president and attested by the Secretary of the Master Association.

9.5. **Rights of Ingress and Egress.** The Master Association shall have the right of ingress and egress to the Property for the purpose of preserving, maintaining or improving the Stormwater Management System, marsh areas, lakes, hammocks, wildlife preserves or other similar areas (whether within or without the Property), and for the purpose of patrolling and maintaining limited access within all of Marsh Landing at Sawgrass. Provided, however, this grant shall not be deemed to grant to the members of the Master Association such right of ingress and egress.

X. MARSH LANDING COUNTRY CLUB

10.1. **Ownership and Use of Club Facilities.** The facilities of the Marsh Landing Country Club ("Club") shall be developed, provided, and operated at the discretion of the owner of the Club ("Club Owner"). All persons, including all Owners, are hereby advised that no representations or warranties have been or are made by the Developer, the Club Owner, or any other person or entity with regard to the continuing ownership or operation of the Club. Further, the ownership or operational duties of the Club may change at any time and from time to time by virtue of, but without limitation: (a) a sale or assumption of operations of the Club to or by an independent person or entity who may or may not operate the Club in the same

manner or subject to the same rules or limitations; (b) the conversion of the Club membership structure to an "equity" club or similar arrangement whereby the members of the Club or an entity owned or controlled thereby become(s) the owner or operator of the Club; or (c) the conveyance, pursuant to contract, option or otherwise, of the Club to one or more affiliates, shareholders, employees or independent contractors of Developer without consideration and subject to or free and clear of mortgages or other encumbrances. In connection with any such transfer, no consent of any Owner, Institutional Mortgagee, or the Association or the Master Association shall be required. In addition, the owners shall have no right, title or vested interest in the Club by virtue of their ownership of a Lot or on any other basis.

10.2. Rights of Club Members. The Club, its owners and mortgagees and its members (irrespective of whether such members are Owners hereunder), employees, agents, contractors and designees, shall at all times have a right and nonexclusive easement of access and use over the Common Roads of the Master Association as is necessary and convenient to travel to and from the entrance of the Property to the Club facilities and such other portions of the Property as are necessary and convenient to the operation, maintenance, repair and replacement of the Club facilities. Without limiting the generality of the foregoing, members of the Club and permitted invitees shall have the right to park their vehicles on the Common Area of the Master Association and Common Roads owned by the Master Association at reasonable times before, during, and after tournaments and other approved functions at the Club.

10.3. Architectural Control. Neither the Association, the ARB or similar committee or board thereof, shall approve or permit any construction, addition, alteration, change, or installation on or to any portion of the Property which is adjacent to, or otherwise in the direct line of sight from, the Club property without giving the Club Owner at least fifteen (15) days prior notice of its intent to approve or permit same, together with copies of the request therefor and all other documents and information finally submitted in such regard. The Club Owner shall then have fifteen (15) days in which to voice its approval or disapproval, which opinion shall be given great weight in the final decision. The failure of the Club Owner to respond to the aforesaid notice within the fifteen (15) day period shall constitute a waiver of the Club's right to object to the matter so submitted. This section shall also apply to any work on the Common Property hereunder.

10.4. Limitations on Amendments. In recognition of the fact that the provisions of this Section are for the benefit of the Club, no amendment to this Section and no amendment in derogation hereof to any other provisions of this Declaration, may be made without the written approval thereof by the owner(s) of the Club or, in the case of a corporate owner, by its board of directors. The foregoing shall not apply, however, to amendments made by the Developer.

10.5. Jurisdiction and Cooperation. It is the Developer's intention that the Association and the Club shall cooperate to the maximum extent possible in the operation of the Property and the Club.

10.6. Ownership of Lots Near the Golf Course. Each Owner, by acceptance of the deed conveying a Lot, acknowledges and agrees for himself and for the members of his family, his tenants, guests, licensees, and invitees ("Related Parties") that owning property near a golf course has benefits as well as detriments, and that the detriments include (as examples and not as a limitation on the generality of such risks): (a) the risk of damage to property or injury to persons and animals from errant golf balls which are hit onto a Lot or other portion of the Property utilized by the Owner and Related Parties; (b) the entry by golfers looking for errant golf balls onto the Lot or other portions of the Property utilized by the Owner and Related Parties; (c) overspray in connection with the watering of the roughs, fairways, and greens on the golf course; (d) noise from golf course maintenance and operation equipment (including, without limitation, compressors, blowers, mulchers, tractors, utility vehicles and pumps, all of which may be operated at all times of the day and night or continuously); (e) odors arising from irrigation and fertilizing of the turf situated on the golf course; (f) drainage from the golf course onto any Lots or (g) disturbances and loss of privacy resulting from golf cart traffic and golfers. Additionally, each Owner, for himself and his Related Parties, acknowledges that pesticides and chemicals may be applied to the golf course throughout the year, and that reclaimed water, treated waste water, or other sources of non-potable water may be used for irrigation of the golf course. Each Owner, for himself and his Related Parties, expressly assumes such detriments and risks, and agrees that neither the Developer, the Master Association, the Association, the Club Owner or the Club manager, nor any of their successors or assigns, shall be liable to the Owner or anyone claiming any loss or damage, including, without limitation, indirect, special, or consequential loss or damage, arising from personal injury, damage to property, trespass, or any other alleged wrong or entitlement to remedy based upon, due to, arising from, or otherwise related to the proximity of the Owner's Lot or Dwelling Unit to the golf course, including, without limitation, any claim arising in whole or in part from the negligence of the Developer, the Master Association, the Association, the Club Owner or the Club manager, or their successors or assigns. Each Owner, for himself and his Related Parties, hereby agrees to indemnify and hold harmless the Developer, the Master Association, the Association, the Club Owner, and the Club manager, and their successors or assigns, from and against any and all such claims by Owner and his Related Parties. Nothing contained herein shall restrict or limit any power of the Developer, the Club Owner, the Club manager, or any entity owning or managing the golf course to change the design of the golf course, and such changes, if any, shall not nullify, restrict or impair each Owner's covenants and duties contained herein.

XI. LIABILITY - GENERALLY

11.1. General Provisions. Notwithstanding anything contained in this Declaration, the Articles, Bylaws or rules and regulations of the Association or any other document governing or binding the Association ("Property Documents"), neither the Developer nor the Association will be liable or responsible for, or in any manner a guarantor or insurer of, the health, safety or welfare of any Owner, occupant or user of any portion of the Property, including without limitation, residents, their families, guests, invitees, agents, servants, contractors or subcontractors nor for any property of such persons.

11.2. Specific Provisions. Without limiting the generality of the foregoing:

(a) It is the express intent of the Property Documents that the various provisions of the Property Documents which are enforceable by the Association and which govern or regulate the use of Property have been written and are to be interpreted and enforced for the sole purpose of enhancing and maintaining the enjoyment of the Property and the value thereof.

(b) Except as specifically set forth herein, neither the Developer nor the Association is empowered to enforce or insure compliance with the laws of the United States, the State of Florida or the Counties of St. Johns and Duval or any other jurisdiction or to prevent tortious activities by Owners or third parties.

(c) The provisions of the Property Documents setting forth the uses of Association funds which relate to health, safety or welfare will be interpreted and applied only as limitations on the uses of such funds and not as creating a duty of the Association or the Developer to protect or further the safety or welfare of the persons even if such funds are used for such purposes.

11.3. Owner Covenant. Each Owner, his heirs, successors and assigns (by virtue of his acceptance of title), and each other person or entity having an interest or lien upon or making the use of, any portion of the Property (by virtue of accepting such interest or lien or by making use thereof), will be bound by this Section and will be deemed to have automatically waived any and all rights, claims, demands or causes of action against the Association or Developer arising from or connected with any manner with any matters for which the liability of the Association or Developer have been disclaimed in this section.

XII. ACCOMMODATION OF INSTITUTIONAL MORTGAGEES

The Developer wants the holders of Mortgages to be confident in the successful development of the Property and the high standards which are to be maintained for the Property and, as an accommodation to the Institutional Mortgagees, certain notices and information will be made available, as provided in this section.

12.1. Institutional Mortgagee Requests for Notice. Upon written request to the Association identifying the name and address of an institutional Mortgagee and specifying the Lot encumbered by an Institutional Mortgage, such Institutional Mortgagee will be entitled to timely written notice of:

(a) Any condemnation loss or any casualty loss which affects a material portion of the Common Property or any Lot on which there is an Institutional Mortgage held, insured or guaranteed by such Institutional Mortgagee;

(b) Any delinquency in the payment of Assessments owed by an Owner or a Lot subject to an Institutional Mortgage held, insured or guaranteed by such Institutional Mortgagee, which remains uncured for a period of sixty (60) days;

(c) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and

(d) Any proposed action of a material nature on a specified bond maintained by the Association which would require the consent of the Institutional Mortgagees.

12.2. Institutional Mortgagee Information. The Association will make available to Owners and Institutional Mortgagees current copies of this Declaration, Articles, Bylaws and rules and regulations of the Association, as well as books, records and financial statements of the Association. "Available" means available for inspection, upon written request during normal business hours or under other reasonable circumstances.

12.3. Financial Statements. Upon written request of holder of an Institutional Mortgage, the Association will obtain and deliver to such Institutional Mortgagee the most recent financial statements of the Association.

XIII. INSURANCE, CONDEMNATION AND RECONSTRUCTION

13.1. Damage to or Condemnation of Common Property. If any portion of the Common Property is damaged or destroyed by casualty, natural events or taken through condemnation or a conveyance under threat of condemnation, it will be repaired or restored by the Association to substantially its condition prior to the damage or destruction, if practicable. Repair, reconstruction or restoration of the improvements to the Common Property will be substantially in accordance with the plans and specifications pursuant to which the same was originally constructed, if practicable. All insurance proceeds will be applied to the repair, reconstruction and restoration of such damage. If the insurance proceeds or condemnation awards and any reserves maintained by the Association for that purpose are insufficient to pay for the damage, the deficit will be assessed against all Owners as a General Special Assessment. If there is a surplus of insurance proceeds or condemnation award, such will become the property of the Association. The Association is hereby designated to represent the Owners in any proceedings, negotiations, settlements or agreements concerning any insurance proceeds or condemnation awards connected with any loss or damage to the Common Property or improvements thereon.

13.2. Damage to or Condemnation of the Lots. In the event of damage or destruction to any portion of the improvements on a Lot, due to casualty, natural events, condemnation or conveyance in lieu thereof, the improvements will be promptly repaired or restored by the Owner in accordance with the plans and specifications under which they were originally constructed, or any modification thereof approved by the ARB. Provided, however, if Owner

determines not to rebuild, the Owner may remove all remaining improvements and debris and sod the Lot. In such event, the Owner's landscaping obligations shall remain in effect.

13.3. Damage to Common Property Improvements Due to Owner Negligence. In the event that the Common Property is damaged as a result of the willful or negligent acts of the Owner, his tenants, family, guests or invitees, the damage will be repaired by the Association and the cost of repair will be a Specific Special Assessment against such Owner.

13.4. Insurance. The Association will obtain and maintain insurance policies insuring the interests of the Association. A policy of property insurance will cover all the Common Property and improvements thereto (excluding land, foundations, excavations and other items normally excluded from coverage) but including fixtures and building service equipment, to the extent that they serve the Common Property. The policy or policies will afford, as a minimum, protection against the following:

(a) Loss or damage by fire and other perils normally covered by the standard extended coverage endorsement;

(b) All other perils which are customarily covered with respect to projects similar in construction, location and use, including flood insurance, if applicable, and all perils normally covered by the standard "all risk" endorsement, where it is available at reasonable rates. If flood insurance is required, it must be in an amount of one hundred percent (100%) of the then current replacement cost of the improvement or the maximum coverage under the National Flood Insurance Program; and

(c) Losses covered by general liability insurance coverage covering all Common Property and improvements thereto in the amount of \$1,000,000.00, or such greater or lesser amount determined reasonable by the Board, using its business judgment, for bodily injury, including deaths of persons and property damage arising out of a single occurrence. Coverage under this policy will include, without limitation, legal liability of the insured for property damage, bodily injuries and deaths of persons in connection with the operation, maintenance or use of Common Property and any legal liability that results from lawsuits related to employment contracts in which the Association is a party. If the policy obtained does not include a "severability of interest" provision, the Association will obtain a specific endorsement to preclude the insurer's denial of an Owner's claim because of negligent acts of the Association or other Owners. The hazard policy will be in an amount equal to one hundred percent (100%) of the current replacement cost of the insured properties exclusive of land, foundation, excavation and items normally excluded from coverage. The maximum deductible amount for which policies will be the lesser of \$10,000.00 or one percent (1%) of the policy face amount, or such greater or lesser amount determined reasonable by the Board, using its business judgment, provided that funds to cover the deductible will be included in the Association reserve accounts.

(d) If any of the insurance requirements contained herein become unavailable and/or prohibitively expensive or the Institutional Mortgagees modify the insurance requirements, the Board, in its discretion, may determine to modify the coverages contained herein in such a manner as the Board, using its business judgment, deems prudent and reasonable. The policy will provide that it may not be cancelled or substantially modified without at least thirty (30) days prior written notice to the Association. The Board may obtain such additional insurance as it in its sole discretion deems reasonable, convenient or necessary. In the event that any of the coverage required herein becomes unavailable or prohibitively expensive, the Association may make such changes in coverage as it deems reasonable and prudent provided such coverage is consistent with the then applicable requirements of the Institutional Mortgagees.

XIV. ADDITION OF ADDITIONAL PROPERTY TO BE ENCUMBERED BY THIS DECLARATION

Additional Property may become part of the Property and the owners of Lots within the Additional Property may become members of the Association, subject to this Declaration, Articles and Bylaws, as provided in this Section.

14.1. Addition by Developer. The Developer may, without the consent of either the Association, any Owner or Institutional Mortgagee being required, make Additional Property a part of the Property, subject to this Declaration, and the owners of Lots included in the Additional Property members of the Association. The Developer is not obligated to add any Additional Property to the Property.

14.2. Additions by Others. With written approval of the Developer, but without the consent of either the Association or any Owner or Institutional Mortgagee being required, another owner of the Additional Property may make the Additional Property a part of the Property, subject to this Declaration, and the owners of Lots included in the Additional Property members of the Association in the manner provided in this Section.

14.3. Manner of Adding Additional Property. Additional Property may be added to the Property and the owners of Lots within the Additional Property made members of the Association by the Developer (and other owner, if applicable) by filing in the public records of St. Johns County or Duval County, as applicable, Florida, a supplement to this Declaration with respect to the Additional Property committing and declaring such to be the case (the "Supplemental Declaration"). The execution and recording of a Supplemental Declaration with respect to the Additional Property will extend the operation and effect of this Declaration to the Additional Property and will include the owners of its Lots, if any, in membership in the Association. Provided, however, until such time as the Developer subjects the Additional Property to the Declaration as provided herein, the inclusion of the land as a part of the Additional Property shall in no way encumber the title to the Additional Property which may be held, conveyed, mortgaged and occupied free and clear of this Declaration.

14.4. Content of the Supplemental Declaration. The Supplemental Declaration may contain such additions and modifications of the covenants, conditions and restrictions contained in this Declaration as may be necessary or convenient in the judgment of the Developer to reflect the different character, if any, of the other Additional Property.

14.5. Termination. The Developer has designated the Association as the entity empowered to administer the provisions of this Declaration; however, the Developer reserves the right to withdraw all or any portion of the Property from this Declaration and subject such lands to a different declaration administered by another property owners association within Marsh Landing at Sawgrass. To that end, the Developer may, without the consent of the Association, any Owner or Institutional Mortgagee being required, terminate the effect of this Declaration upon any land owned by Developer by recording a Termination of Declaration. Upon recording of such termination, the land described therein may be held, occupied, transferred and conveyed free and clear of this Declaration. Notwithstanding the foregoing, for as long as Developer owns any Lot, no single Owner or group of Owners shall have the right to terminate the effect of or withdraw from this Declaration as to their respective Lots without the written consent of the Developer, which consent may be withheld in the Developer's sole discretion.

XV. GENERAL PROVISIONS

15.1. Enforcement of Covenants. If any person, firm, corporation, trust, or other entity shall violate or attempt to violate any of the covenants or restrictions set forth in this Declaration, it shall be lawful for Developer, the Association, or any Owner: (a) to prosecute proceedings for the recovery of damages against those so violating or attempting to violate any such covenant or restriction; (b) 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 all or any such violations or attempted violations; or (c) suspend the voting rights in the Association of an Owner for the non-payment of Assessments that are delinquent in excess of ninety (90) days. In addition to all other remedies, the Board of Directors shall have the authority, in its sole discretion, to impose a fine or fines upon any Owner for failure of the Owner, his family, guests, invitees, tenants, or occupants, to comply with any covenant, restriction, rule, or regulation contained in this Declaration, the Articles, or the Bylaws, provided the following procedures are adhered to:

(a) The Association shall notify the Owner or occupant of the infraction(s) and the date and time of a meeting which shall be at least fourteen (14) days from the date of notice. The Owner shall meet with a committee appointed by the Board which committee is composed of three (3) Owners who are not officers, directors or employees of the Association.

(b) At such meeting, the committee shall be presented with the infraction(s) and shall give the Owner or occupant the opportunity to present reasons why penalties should not be imposed. A written decision of the committee shall be provided to the Owner or occupant within twenty one (21) days after the date of the meeting.

(c) If approved by the committee, the Board of Directors may impose fines against the applicable Lot of up to One Hundred and 00/100 Dollars (\$100.00) per violation. The maximum permitted fine may be increased from time to time by the Board of Directors, as permitted by applicable statutes. A fine may be levied on the basis of each day of a continuing violation with a single notice and opportunity for hearing, except that no such fine for the same violation shall exceed One Thousand and 00/100 Dollars (\$1,000.00) in the aggregate.

(d) Each incident which is grounds for a fine shall be the basis for a separate fine. In case of continuing violations, each continuation after notice is given shall be deemed a separate incident.

(e) Fines shall be paid within thirty (30) days after the receipt of notice of their imposition.

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

(g) The imposition of a fine shall not be an exclusive remedy and shall exist in addition to all other rights and remedies to which the Association may otherwise be entitled, including without limitation the right to impose a Lot Assessment; however, any fine paid by the Owner or occupant shall be deducted from or offset against any damages which the Association may otherwise be entitled to recover by law from such Owner or occupant. The limitations on fines in this paragraph does not apply to suspensions or fines arising from failure to pay Assessments.

(h) The failure of Developer, the Association, or any Owner, or their respective successors or assigns, to enforce any covenant, restriction, obligation, right, power, privilege, authority, or reservation herein contained, however long continued, shall not 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 occurring prior or subsequent thereto.

15.2. Severability. The invalidation of any of these covenants by judgment or Court order will in no way affect any other provisions, which will remain in full force and effect.

15.3. Amendment. As long as the Developer owns any part of the Property or Additional Property submitted to this Declaration, the Developer reserves the right, without consent or joinder of any Owner, Mortgagee or the Association, to amend this Declaration: (a) to cure any ambiguity in or inconsistency between the provisions contained in this Declaration; (b) to include in any Supplemental Declaration or other instrument hereafter made any additional covenants, restrictions or easements applicable to the Property which do not lower the standards of the covenants, restrictions or easements contained in this Declaration; (c) to release any Lot from any part of the covenants and restrictions which may have been violated; (d) to accommodate the requirements of any Institutional Mortgagee; (e) to accommodate the

requirements of any entity issuing Permits in connection with the development of the Property; and (f) as Developer may deem necessary or convenient to supplement the terms and conditions of the Declaration. Thereafter, this Declaration may be amended at any time and from time to time in a written instrument executed by the Owners of at least two-thirds (2/3) of the Lots included within the Property and recorded among the public records of St. Johns County and Duval County, Florida; provided, however, that these restrictions may be amended, modified, added to, deleted in whole or in part and variances granted only with the advance approval of the Developer for as long as the Developer owns a Lot. Amendments to the Articles and Bylaws shall be made in accordance with the requirements of the Articles and Bylaws and need not be recorded in, the public records of the County.

15.4. Interpretation. The provisions of this Declaration will be interpreted without regard to the headings contained herein, which have been inserted and used for ease of reference only. Unless the context expressly requires otherwise, the use of the singular includes the plural and vice versa; the use of all genders includes all genders; the use of the terms "including" or "include" is without limitation; and the use of the terms "will", "must", and "should" shall have the same effect as the use of the term "shall". Wherever any time period is expressed in days, if such time period ends on a Saturday, Sunday, or legal holiday, it shall be extended to the next succeeding calendar day that is not a Saturday, Sunday, or legal holiday. The terms "Lot" and "Property" mean all or any portion applicable to the context, and include all improvements, fixtures, trees, vegetation, and other property from time to time situated thereon, and the benefit of all appurtenant easements. The terms of this Declaration shall be liberally construed in favor of the party seeking to enforce its provisions to effectuate their purpose of protecting and enhancing the value, marketability, and desirability of the Property by providing a uniform and consistent plan for the development and enjoyment thereof. Headings and other textual divisions are for convenience only and are not to be used to interpret, construe, apply, or enforce any substantive provisions. The provisions of this subparagraph apply also to the interpretation, construction, application, and enforcement of all the Association Documents.

15.5. Duration. The restrictions contained in this Declaration will run with the Lots and be binding upon the Lot Owners, inuring to the benefit of and enforceable by the Developer, the Association and each Lot Owner and each person claiming by, through and under them, for a term beginning with the date of recording this Declaration and ending on December 31, 2040, after which they will be automatically extended for successive periods of ten (10) years each unless an instrument terminating them is executed by Lot Owners owning not less than seventy-five percent (75%) of the Lots and recorded in within the public records of St. Johns County or Duval County, Florida.

15.6. Proceedings by Association. No judicial or administrative proceedings will be commenced or prosecuted by the Association unless same is approved by the written consent or a vote of the Owners of seventy-five percent (75%) of the Lots at a general meeting. This section will not apply, however, to: (a) actions brought by the Association to enforce the provisions of this Declaration (including, without limitation, the foreclosure of liens); (b) the imposition of Assessments as provided herein; (c) proceedings involving challenges to ad

valorem taxation; or (d) counterclaims brought by the Association in proceedings instituted against it. Notwithstanding the provisions of Section 15.3, this Section 15.6 shall not be amended unless such amendment is made by the Developer or is approved by the percentage vote or written consent and pursuant to the same procedures necessary to institute proceedings as above.

15.7. Notices. Any notice required to be sent to the Owner of any Lot under the provisions of this Declaration shall be deemed to have been properly sent when hand delivered or mailed, postage prepaid, to the Lot and to the last known address of the person who appears as Owner of such Lot on the records of the Association at the time of such mailing, if different.

15.8. Assignment of Developer Rights. Developer may assign all or only a portion of its rights hereunder, or all or a portion of such rights in connection with appropriate portions of the Property. In the event of such a partial assignment, the assignee shall not be deemed to be the Developer but may exercise such rights of Developer specifically assigned to it. Any such assignment may be made on a nonexclusive basis. In addition, in the event that any person or entity obtains title to all of the Property owned by Developer as a result of foreclosure or deed in lieu thereof, such person or entity may elect to become the Developer by written election recorded in the public records of the County, and regardless of the exercise of such election, such person or entity may appoint the Developer or assign any rights of Developer to any other party which acquires title to all or any portion of the Property by written appointment recorded in the public records of the County. In any event, no subsequent Developer shall be liable for any actions or defaults of, or obligations incurred by, any prior Developer, except as the same may be expressly assumed by the subsequent Developer.

15.9. Legal Fees and Costs. The prevailing party in any dispute arising out of the subject matter of this Declaration or its subsequent performance shall be entitled to reimbursement of its costs and attorney's fees, whether incurred before or at trial, on appeal, in bankruptcy, in post-judgment collection, or in any dispute resolution proceeding, and whether or not a lawsuit is commenced.

15.10. Survival of Covenants. All provisions of this Declaration relating to a Lot which has been sold for taxes or special assessments survive and are enforceable after the issuance of a tax deed, tax certificate or tax lien, to the same extent that they would be enforceable against a voluntary grantee of title to a Lot immediately before the delivery of the tax deed or foreclosure.

IN WITNESS WHEREOF, the Developer has caused these presents to be executed as required by law on this, the day and year first above written.

Signed, sealed and delivered in the presence of:

M. L. PARTNERSHIP, a Florida general partnership, by its General Partner:

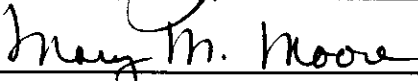
Marsh Landing Venture, Ltd., a Florida limited partnership, by its General Partner:

Marsh Landing Investors, Ltd., a California limited partnership, by its Managing General Partner:

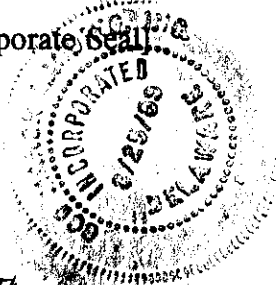
GGC Marsh Landing Inc., a Delaware corporation


Print Name: STEPHEN C. LOVELAND

By: 
EDWIN R. MIHM, Its Vice President


Print Name: Mary M. Moore

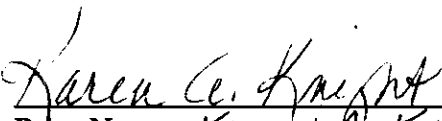
[Corporate Seal]



STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 13th day of FEBRUARY, 1998, by Edwin R. Mihm, the Vice President of GGC Marsh Landing Inc., a Delaware corporation, the Managing General Partner of Marsh Landing Investors, Ltd., a California limited partnership, the General Partner of Marsh Landing Venture, Ltd., a Florida limited partnership, the General Partner of M. L. Partnership, a Florida general partnership, on behalf of the partnership. He is personally known to me or produced as identification.

 Karen A Knight
My Commission CC605442
Expires December 4, 2000


Print Name: KAREN A. KNIGHT
Notary Public, State of Florida
My Commission Expires: DEC. 4, 2000
Commission Number: CC 605442

CONSENT OF MORTGAGEE TO DECLARATION

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BARNETT BANK, N.A. ("Mortgagee"), is the owner and holder of that certain Mortgage encumbering the lands described in this Declaration, given by M. L. Partnership, a Florida general partnership, to Mortgagee, securing the amount of \$3,000,000.00, dated October 23, 1992, and recorded in Official Records Book 962, page 1476, and is the secured party under that certain Financing Statement recorded in Official Records Book 962, page 1516, both of the public records of St. Johns County, Florida, and hereby consents to the recording of the foregoing Declaration dated Feb. 13, 1998, and hereby subordinates the lien of its Mortgage and Financing Statement to the terms and conditions thereof.

IN WITNESS WHEREOF, this Consent has been executed and delivered this 13th day of Feb., 1998.

Signed, sealed and delivered
in the presence of:

BARNETT BANK, N.A.

Mary M. Moore
Print Name: Mary M. Moore

Charlene Treadwell
Print Name: CHARLENE TREADWELL

By:

J. Tony Lott
Print Name J. Tony Lott
Its Vice President

[Corporate Seal]

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 13th day of Feb., 1998, by J. TONY LOTI, VICE President of Barnett Bank, N.A., a national association, on behalf of the association. He is personally known to me OR AND produced A DRIVER'S LICENSE as identification.



Karen A. Knight
Print Name: KAREN A. KNIGHT
Notary Public, State of Florida
My Commission Expires: DEC. 4, 2000
Commission Number: CC 605442

JAX1-284209.6



**ARTICLES OF INCORPORATION
OF
MARSH LANDING AT SAWGRASS HOMEOWNERS ASSOCIATION VIII, INC.**

In compliance with the laws of the State of Florida, the undersigned do hereby voluntarily associate for the purpose of forming a corporation not-for-profit for the purposes and with powers set forth herein. All capitalized terms set forth herein, to the extent not defined herein, shall have the meanings set forth in the Declaration of Covenants, Restrictions, Conditions and Easements and Notice of assessments - Marsh Landing at Sawgrass Owners Association VIII to be recorded in the public records of St. Johns County, Florida, as it may be modified and supplemented from time to time ("Declaration").

ARTICLE I - NAME

The name of the corporation is MARSH LANDING AT SAWGRASS OWNERS ASSOCIATION VIII, INC., hereinafter referred to as the "Association."

ARTICLE II - REGISTERED AGENT

The name and address of the Registered Agent of the Association is:

Stephen C. Loveland.
4400 Marsh Landing Boulevard
Ponte Vedra Beach, Florida 32082

ARTICLE III - PRINCIPAL OFFICE

The principal office of the Association shall be located at 4400 Marsh Landing Boulevard, Ponte Vedra Beach, Florida 32082; but the Association may maintain offices and transact business in such places, within or without the State of Florida, as may from time to time be designated by the Board of Directors.

ARTICLE IV - PURPOSE AND POWERS

The Association does not contemplate pecuniary gain or profit to its Members. The specific purposes for which it is formed are to operate as a corporation-not-for-profit pursuant to Chapter 617, Florida Statutes and to provide for the maintenance, preservation and architectural control of all Improvements on the Property and the Common Property, all within that certain tract of land described in the Declaration ("Property"), as such is supplemented from time to time, all for the mutual advantage and benefit of the Members of this Association, who shall be the Owners of the Lots. For such purposes, the Association shall have and exercise the following authority and powers:

(1) To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration, as the same may be amended from time to time as therein provided, as well as in the provisions of these Articles and the Bylaws. The Declaration is incorporated herein by this reference as if set forth in detail.

(2) To fix, levy, collect and by any lawful means enforce payment of all Assessments pursuant to the terms of the Declaration, and to pay all expenses in connection therewith, and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association, including without limitation, adequate assessments for the costs of maintenance and operation of the Stormwater Management System.

(3) To acquire, by gift, purchase or otherwise, own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use, or otherwise dispose of real or personal property or any improvements thereon in connection with the affairs of the Association.

(4) To borrow money and, with the assent of seventy-five percent (75%) of the Members, to mortgage, pledge or hypothecate any and all of the Association's real or personal property as security for money borrowed or debts incurred.

(5) To dedicate, sell or transfer all or any part of the Common Property to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Board of Directors.

(6) To participate in mergers and consolidations with other nonprofit corporations organized for the same purposes, as more fully provided in the Declaration.

(7) To make, establish and amend reasonable rules and regulations governing the use of the Lots and Common Property.

(8) To maintain, repair, replace, operate and manage the Common Property.

(9) To employ personnel, agents or independent contractors to perform the services required for the proper operation of the Common Property.

(10) To exercise architectural control over Improvements within the Property pursuant to the rights granted to the Association in the Declaration.

(11) To operate, maintain and manage the Stormwater Management System in a manner which is consistent with the St. Johns River Water Management District Permit No. 40-031-0443 requirements and applicable St. Johns River Water Management District rules, and to assist in the enforcement of the terms and conditions of the Declaration which relate to the Stormwater Management System.

(12) To have and to exercise any and all powers, rights and privileges which a corporation organized under the law of the State of Florida may now or hereafter have or exercise.

All of the Association's assets and earnings shall be used exclusively for the purposes set forth herein and in accordance with Section 528 of the Internal Revenue Code of 1986, as amended ("Code"), and no part of the assets of this Association shall inure to the benefit of any individual Member or any other person. The Association may, however, reimburse its Members for actual expenses incurred for or on behalf of the Association, and may pay compensation in a reasonable amount to its Members for actual services rendered to the Association, as permitted by Section 528 of the Code, other applicable provisions of the Code, federal and state law. In addition, the Board of Directors shall also have the right to exercise the powers and duties set forth in the Bylaws.

ARTICLE V - MEMBERSHIP

(1) Every person or entity who is record owner of a fee or undivided fee interest in any Lot, including ML Partnership, a Florida general partnership ("Developer") and contract sellers, shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

(2) The transfer of the membership of any Owner shall be established by the recording in the public records of St. Johns County of a deed or other instrument establishing a transfer of record title to any Lots for which membership has already been established. Upon such recordation the membership interest of the transferor shall immediately terminate. Notwithstanding the foregoing, the Association shall not be obligated to recognize such a transfer of membership until such time as the Association receives a copy of the deed or other instrument establishing the transfer of ownership of the Lot. It shall be the responsibility and obligation of the former and new Owner of the Lot to provide such copy to the Association.

(3) The interest of a Member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner, except as an appurtenance to the Lot owned by such Member.

ARTICLE VI - VOTING RIGHTS

The Association shall have two (2) classes of voting Members, as follows:

(1) Class A. Class A Members shall be all Owners, with the exception of Developer while the Class B Membership exists. Class A Members shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members; however, the vote for such Lot shall be exercised as they shall determine

among themselves, but in no event shall more than one vote be cast with respect to any Lot. Notwithstanding the foregoing, if title to any Lot is held by a husband and wife, either spouse may cast the vote for such Lot unless and until a written voting authorization is filed with the Association. When title to a Lot is in a corporation, partnership, association, trust, or other entity (with the exception of Developer), such entity shall be subject to the applicable rules and regulations contained in the Articles and Bylaws. Provided, however, if an Owner owns a Reconfigured Lot, for so long as such Reconfigured Lot contains only one single family Residence, the Owner thereof shall have only one vote in Association matters.

(2) Class B. The Class B Member shall be Developer and shall be entitled to the sole right to vote in Association matters until the occurrence of the earlier of the following events ("Turnover"):

- (a) Three (3) months after ninety percent (90%) of the Lots in the Property that will ultimately be operated by the Association have been conveyed to Class A Members.
- (b) Such earlier date as Developer, in its sole discretion, may determine in writing.

After Turnover, the Class A Members may vote to elect the majority of the members of the Board. For the purposes of this Article builders, contractors or others who purchase a Lot for the purpose of constructing improvements thereon for resale shall not be deemed to be Class A Members. After Turnover, for so long as the Developer owns at least five percent (5%) of the Lots within the Property, the Developer may appoint the minority of the Board members or not less than one (1) Director. After Turnover, the Developer will be a Class A Member with respect to Lots which it owns and shall have all rights and obligations of a Class A Member except that it may not cast its votes for the purpose of reacquiring control of the Association.

ARTICLE VII - BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of Directors, who shall be Members of the Association, provided, however, that until Turnover, the Directors need not be Members of the Association. The number of Directors of the Association shall be not less than three (3) nor more than seven (7). The names and addresses of the persons who are to act in the initial capacity of Directors until the selection and qualification of their successors are:

<u>Name</u>	<u>Address</u>
Stephen C. Loveland	4400 Marsh Landing Boulevard Ponte Vedra Beach, Florida 32082
Robert L. Holland	4400 Marsh Landing Boulevard Ponte Vedra Beach, Florida 32082

Janet Pritchette

4400 Marsh Landing Boulevard
Ponte Vedra Beach, Florida 32082

Until Turnover, the Board shall consist of Directors appointed by the Class B Member who shall serve until the Class B Member no longer has the right to appoint any Directors.

At the first annual meeting after Turnover, the Class A Members shall elect one-third (1/3) of the Directors to be elected by the Class A Members for a term of one (1) year, one-third (1/3) of the Directors to be elected by the Class A Members for a term of two (2) years and one-third (1/3) of the Directors to be elected by the Class A Members for a term of three (3) years (should the membership of the Board not be divisible by three, then the classes of directors should be made as nearly equal as possible); at each annual meeting thereafter, the Members shall elect the Directors to be elected by the Class A Members for terms of three (3) years. Provided however, for so long as the Class B Member has the right to appoint the minority of the Directors or at least one Director, the Class B member shall appoint and replace such persons at its sole discretion. Any vacancy on the Board of Directors which is not subject to appointment by the Class B Member shall be filled for the unexpired term of the vacated office by the remaining Directors.

ARTICLE VIII - TERM OF EXISTENCE

This corporation shall have perpetual existence unless sooner dissolved in accordance with the provisions herein contained or in accordance with the laws of the State of Florida. The date on which corporate existence shall begin is the date on which these Articles of Incorporation are filed with the Secretary of State of the State of Florida.

ARTICLE IX - MERGERS

(1) Developer shall have the right, but not the obligation, until Turnover, from time to time, within its sole discretion, to merge or consolidate this Association with any other property owners association. Notwithstanding the foregoing, until Turnover, such merger or consolidation must have the prior written approval of the Veterans Administration ("VA") and Federal Housing Administration ("FHA") in accordance with the regulations of the U.S. Department of Housing and Urban Development ("HUD"), if the HUD or VA is the insurer of any Mortgage encumbering a Lot.

(2) After Turnover, with the written consent of seventy five percent (75%) of the Class A Members or upon a seventy five percent (75%) vote of the Class A Members voting in person or by proxy at a regular Association meeting or a special meeting called for that purpose at which there is a quorum, the Association may merge or consolidate with any other property owners association.

(3) Upon a merger or consolidation of the Association with another property owners association, the Association's Common Property, rights and obligations may, by

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operation of law, be transferred to the surviving or consolidated association, or alternatively, the Property, rights and obligations of another property owners association may, by operation of law, be added to the Common Property, rights and obligations of the Association, as a surviving corporation pursuant to a merger. To the greatest extent practicable, the surviving or consolidated property owners association shall administer the covenants, conditions, easements and restrictions established by this Declaration within the Property, together with any surviving covenants and restrictions established upon any other properties as one scheme, but with such differences in the method or level of Assessments to be levied upon the Property and the other properties as may be appropriate, taking into account the different nature or amount of services to be rendered to the owners thereof by the surviving or consolidated association. No such merger or consolidation, however, shall effect any revocation, change, or addition to the covenants established by this Declaration, except as expressly adopted in accordance with the terms hereof.

ARTICLE X - DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than seventy-five percent (75%) of each class of Members in accordance with the provisions of the Declaration. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association as created, or for the general welfare of the residents of the county in which the Property is located. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to similar purposes. In addition, the conveyance of any portion of the Stormwater Management System, or the transfer of any maintenance obligations pertaining to the Stormwater Management System must be to an entity which would comply with Section 40C-42.027, Florida Administrative Code, and the approval of the St. Johns River Water Management District must be obtained.

ARTICLE XI - OFFICERS

Subject to the direction of the Board of Directors, the affairs of this Association shall be administered by its officers, as designated in the Bylaws of this Association. Said officers shall be elected annually by the Board of Directors. The names and addresses of the officers who shall serve until the first annual meeting of the Board of Directors are:

<u>Name and Title</u>	<u>Address</u>
Stephen C. Loveland President	4400 Marsh Landing Boulevard Ponte Vedra Beach, Florida 32082
Robert L. Holland Vice President	4400 Marsh Landing Boulevard Ponte Vedra Beach, Florida 32082

Janet Pritchette
Secretary/Treasurer

4400 Marsh Landing Boulevard
Ponte Vedra Beach, Florida 32082

ARTICLE XII- BYLAWS

The Bylaws of this Association shall be adopted by the first Board of Directors, which Bylaws may be altered, amended, modified or appealed in the manner set forth in the Bylaws.

ARTICLE XIII - AMENDMENTS

Until Turnover, Developer reserves the exclusive right to amend or repeal any of the provisions of these Articles of Incorporation or any amendments hereto without the consent of any Class A Member or Institutional Mortgagee. Thereafter, the Association shall have the right to amend or repeal any of the provisions contained in these Articles or any amendments hereto, provided, however, that any such amendment shall require the assent of persons holding two-thirds (2/3) of the votes and provided, further, that no amendment shall conflict with any provisions of the Declaration. After Turnover, the consent of any Institutional Mortgagees shall be required for any amendment to these Articles which impairs the rights, priorities, remedies or interest of such Institutional Mortgagees, and such consent shall be obtained in accordance with the terms and conditions, and subject to the time limitations, set forth in the Declaration. Any amendments to these articles which affect the rights of the St. Johns River Water Management District, shall be subject to the approval of the St. Johns River Water Management District. Amendments to these Articles need only be filed with the Secretary of State and do not need to be recorded in the public records of the County.

ARTICLE XIV - INDEMNIFICATION

This Association shall indemnify any and all of its directors, officers, employees or agents, or former directors permitted by law. Said indemnification shall include, but not be limited to, the expenses, including the cost of any judgments, fines, settlements and counsel's fees, actually and necessarily paid or incurred in connection with any action, suit or proceeding, whether civil, criminal, administrative or investigative, and any appeals thereof, to which any such person or his legal representative may be made a party or may be threatened to be made a party by reason of his being or having been a director, officer, employee or agent, as herein provided. The foregoing right of indemnification shall not be inclusive of any other rights to which any such person may be entitled as a matter of law or which he may be lawfully granted. It shall be the obligation of the Association to obtain and keep in force a policy of officers' and directors' liability insurance.

ARTICLE XV - SUBSCRIBER

The name and address of the Subscriber of the corporation is:

Stephen C. Loveland

4400 Marsh Landing Boulevard
Ponte Vedra Beach, Florida 32082

IN WITNESS WHEREOF, for the purpose of forming this Association under the laws of the State of Florida, the undersigned has executed these Articles of Incorporation this 13th day of Feb., 1998.

Signed, sealed and delivered
in the presence of:

Mollie Altick-Magill
Print Name: Mollie Altick-Magill

Stephen C. Loveland
STEPHEN C. LOVELAND

Joy Bonday
Print Name: Joy Bonday

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 13th day of Feb., 1998, by Stephen C. Loveland, who is personally known to me or who has produced _____ as identification.



Karen A Knight
My Commission CC605442
Expires December 4, 2000

Karen A. Knight
Notary Public, State of Florida

Print Name: KAREN A. KNIGHT
My Commission Expires: DEC. 4, 2000
Commission Number: CC 605442

**CERTIFICATE OF DESIGNATION OF PLACE OF BUSINESS
OR DOMICILE FOR THE SERVICE OF PROCESS WITHIN FLORIDA,
NAMING AGENT UPON WHOM PROCESS MAY BE SERVED**

In compliance with Section 48.091, Florida Statutes, the following is submitted:

Marsh Landing at Sawgrass Owners Association VIII, Inc., desiring to organize or qualify under the laws of the State of Florida, with its principal place of business in the City of Ponte Vedra Beach, County of St. Johns, State of Florida, has named Stephen C. Loveland 4400 Marsh Landing Boulevard, Ponte Vedra Beach, Florida 32082, as its agent to accept service of process within Florida.



JANET PRITCHETT Secretary

Date: 2/13/98

Having been named to accept service of process for the above stated corporation, at the place designated in the certificate, I agree to act in this capacity and I further agree to comply with the provisions of all statutes relative to the proper and complete performance of my duties.



STEPHEN C. LOVELAND

Date: 2/13/98

BYLAWS
OF
MARSH LANDING AT SAWGRASS OWNERS ASSOCIATION VIII, INC.

ARTICLE I - NAME AND LOCATION

The name of the corporation is MARSH LANDING AT SAWGRASS OWNERS ASSOCIATION VIII, INC., hereinafter referred to as the "Association." The initial principal office of the corporation shall be located at 4400 Marsh Landing Boulevard, Ponte Vedra Beach, Florida 32082, but meetings of Members and directors may be held at such places within Duval or St. Johns County, Florida, as may be designated by the Board of Directors.

ARTICLE II - DEFINITIONS

All capitalized terms set forth herein, except as specifically set forth herein, shall have the same meaning and definition as set forth in the Declaration of Covenants, Restrictions, Conditions and Easements and Notice of Assessments Marsh Landing at Sawgrass Owners Association VIII, Inc. to be recorded in the public records of St. Johns County, Florida, as such may be modified and supplemented from time to time ("Declaration").

ARTICLE III - MEETING OF MEMBERS

Section 1. Annual Meetings. The regular meetings of the Members shall be held on a designated day of November of each year hereafter, at the hour designated by the Board of Directors in the notice provided hereinbelow.

Section 2. Special Meeting. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of the Members who are entitled to vote one-tenth (1/10) of all of the votes of the Class A Membership. Business conducted at a special meeting is limited to the purposes described in the meeting notice.

Section 3. Notice of Meeting.

(a) Written notice of each meeting of the Members shall be given by or at the direction of the Secretary or person authorized to call the meeting by hand delivery to each Lot, or by mailing a copy of such notice, postage prepaid, addressed to the Member's address last appearing on the books of the Association for the purpose of notice, at least fifteen (15) days but no more than ninety (90) days before such meeting, to each Member entitled to vote thereat. Said notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting. If mailed, the notice shall be addressed to the Member's address last appearing in the books of the Association for the purpose of notice, or to the last address supplied by the Member to the Association.

(b) Any Member may waive such notice by a writing signed by such Member, and such waiver, when filed in the records of the Association before, at or after the holding of the meeting, shall constitute notice to such Member. Attendance of a Member at a meeting, either in person or by proxy, constitutes waiver of notice and waiver of any and all objection to the place of meeting, the time of meeting, or the manner in which it has been called or convened, unless the Member attends the meeting solely for the purpose of stating, at the beginning of the meeting, any such objection or objections to the transaction of affairs.

Section 4. Voting. Members shall be entitled to such votes as more fully set forth in the Articles. Matters shall be deemed approved if approved by a majority of votes represented at a meeting at which a quorum is present.

Decisions that require a vote of the Members must be made by the concurrence of Members holding at least a majority of the votes present in person or by proxy, represented at a meeting at which a quorum has been attained.

Section 5. Quorum. The presence at the meeting of Members or proxies entitled to vote thirty percent (30%) of the votes of Membership shall constitute a quorum for any action, except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws.

Section 6. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Proxies shall be dated, state the date, time, and place of the meeting for which it was given and be signed by the person authorized to give the proxy. A proxy may permit the holder to appoint in writing a substitute holder. Any proxy shall be effective only for the specific meeting for which originally given and any lawfully adjourned meetings thereof. A proxy is not valid for a period longer than ninety (90) days after the date of the first meeting for which it was given. A proxy is revocable at any time at the pleasure of the Member who executes it. Proxies need not be notarized.

Section 7. Waiver and Consent. Whenever the vote of Members at a meeting is required or permitted, the meeting and vote may be dispensed with if the applicable percentage of the Members who would have been required to vote upon the action if such meeting were held, shall consent in writing to such action being taken. Any such consent shall be distributed in accordance with the rules and regulations adopted by the Board of Directors and an executed copy shall be placed in the minute book.

Section 8. Order of Business. The order of business at the annual meeting of Members shall be as follows:

- a. Call to order
- b. Calling of the roll and certifying proxies
- c. Proof of notice of meeting or waiver of notice
- d. Reading and disposal of unapproved minutes
- e. Election or appointment of inspectors of election

- f. Nomination and election of Board of Directors
- g. Reports
- h. Unfinished business
- i. Adjournment.

Section 9. Adjournment. The adjournment of an annual or special meeting to a different date, time or place must be announced at that meeting before adjournment is taken or notice must be given of the new time, date or place in the same manner as notice is given for such meeting. Any business that might have been transacted on the original date of the meeting may be transacted at the adjourned meeting. If a new record date for the adjourned meeting is or must be fixed, notice of the adjourned meeting must be given to persons who are entitled to vote and are Members as of the new record date but were not Members as of the previous record date.

ARTICLE IV - BOARD OF DIRECTORS

Section 1. Number of Directors. The affairs of the Association shall be managed by a Board of Directors of not less than three (3) but not more than seven (7) Directors, who shall be Members of the Association; provided, however, that until the Class B Membership has terminated the Directors need not be Members of the Association. All Directors shall be elected or appointed in accordance with the applicable provisions contained in the Articles of Incorporation of the Association and herein.

Section 2. Method of Nomination. Until Turnover (as more fully defined in the Declaration), the Board shall consist of Directors appointed by the Class B Member. After Turnover, the persons to be elected by the Class A Members shall be made by a nominating committee or from the floor by Members at the annual meeting.

Section 3. Election. After Turnover, the Members may cast one vote for each Lot or Reconfigured Lot owned in respect to each vacancy. An election shall be by secret written ballot. Cumulative voting is not permitted. The election of Directors shall take place at the annual meeting and Members may vote in person at a meeting or by ballot that the Member personally casts prior to such meeting. Those persons receiving the largest number of votes shall be elected. At the first annual meeting after Turnover, the Class A Members shall elect one third (1/3) of the Directors to be elected by the Class A Members for a term of one (1) year, one third (1/3) of the Directors to be elected by the Class A Members for a term of two (2) years and one third (1/3) of the Directors to be elected by the Class A Members for a term of three (3) years (should the membership of the Board not be divisible by three, then the classes of Directors shall be made as nearly equal as possible). Thereafter, all Directors to be elected by the Class A Members shall be elected for a three (3) year term, it being the intent that the terms of the Directors should be staggered. Provided however, for so long as the Class B Member has the right to appoint the minority of the Directors or at least one Director, the Class B Member shall appoint and replace such persons at its sole discretion.

Section 4. Resignation and Removal. A Director may resign at any time by delivery of a written notice to the Board of Directors, its chairman or secretary. The unexcused absence of a Director from three consecutive regular meetings of the Board shall be deemed a resignation. Any Director elected by the Class A Members may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. No director appointed by the Class B Member shall be removed except by the Class B Member. A resignation is effective when notice is delivered, unless notice specifies a later effective date. If a resignation is made effective at a later date, the Board of Directors may fill the pending vacancy before the effective date if the Board of Directors provides that the successor does not take office until the effective date.

Section 5. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 6. Action Taken Without a Meeting. To the extent permitted by law, the Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all of the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

Section 7. Failure to Fill Vacancies. If there is a failure to fill vacancies on the Board of Directors sufficient to constitute a quorum of Directors in accordance with these Bylaws, any Member may apply to the Circuit Court of St. Johns County, Florida, for the appointment of a receiver to manage the affairs of the Association by certified or registered mail. At least thirty (30) days before applying to the circuit court, the Member shall mail to the Association by certified or registered mail and post in a conspicuous place on the Common Property a notice describing the intended action, giving the Association thirty (30) days to fill the vacancies. If during such time the Association fails to fill a sufficient number of the vacancies so that a quorum can be assembled, the Member may proceed with the petition. If a receiver is appointed, the Association shall be responsible for the salary of the receiver, court costs, attorney's fees and all other expenses of the receivership. The receiver has all powers and duties of a duly constituted board of directors and shall serve until the Association fills sufficient vacancies so that a quorum can be assembled.

ARTICLE V - MEETING OF DIRECTORS

Section 1. Organizational Meeting. The newly elected Board shall meet for the purposes of organization, the election of officers and the transaction of other business immediately after their election or within ten days of same at such place and time as shall be fixed by the Directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary.

Section 2. Regular Meetings. Regular meetings of the Board of Directors shall be held at such place and hour as may be fixed from time to time by resolution of the Board, and shall be open to all Members, except that meeting between the Board and its attorney, with respect to proposed or pending litigation, where the contents of the discussion would otherwise be governed by attorney client privilege, may be closed to Members.

Notice of the meetings of the Directors shall be posted on the Common Property at least forty-eight (48) hours in advance, except in an emergency. In the alternative, if notice is not posted in a conspicuous place on the Common Property, the notice of Board meetings shall be mailed or delivered to each Member at least seven (7) days in advance, except in an emergency. Notice of any meeting in which Assessments against Lots are to be established shall specifically contain a statement that Assessments shall be considered and a statement of the nature of such Assessments. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 3. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days' notice to each Director.

Section 4. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. A meeting at which a quorum of the Directors is present shall be deemed to be a meeting. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board. If a quorum is present when a vote is taken, the affirmative vote of a majority of the Members is the act of the Board of Directors. A Director who is present at a meeting of the Board of Directors when corporate action is taken is deemed to have assented unless he or she objects, at the beginning of the meeting or promptly upon his arrival, to the holding of the meeting or transacting of specified affairs at the meeting, or unless he or she votes against or abstains from the action taken.

Section 5. Voting. Directors may not vote by proxy or by secret ballot at Board meetings, except that secret ballots may be used in the election of officers.

ARTICLE VI - POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to exercise all powers granted to the Association in the Articles of Incorporation, except those powers specifically reserved to the members.

Section 2. Duties. It shall be the duty of the Board of Directors to perform the following:

- (a) Cause to be kept a complete record of all its corporate affairs, including minutes of all meetings, make such records available for inspection by any Member or his agent, and

present an annual statement thereof to the Members. Minutes of all meetings of Members and the Board must be maintained in a written form or in another form that can be converted into written form in a reasonable time. A vote or abstention from voting on each matter for each Director present at a Board meeting must be recorded in the minutes.

(b) Supervise all officers, agents and employees of the Association and see that their duties are properly performed.

(c) Issue, or authorize its agent to issue, upon demand by any Member, a certificate setting forth whether or not any Assessment has been paid and giving evidence thereof for which a reasonable charge may be made by the Association or by its authorized agent.

(d) Designate depositories for Association funds, designate those officers, agents and/or employees who shall have authority to withdraw funds from such account on behalf of the Association, and cause such persons to be bonded as the Board of Directors deems appropriate in its sole discretion.

(e) Prepare the proposed annual budget, submit the same to the Membership for comments, and approve the annual budget. The budget shall reflect the estimated revenues and expenses for each year and the estimate of the surplus or deficit as of the end of the current year.

(f) Fix General Assessments, Special Assessments, and Lot Assessments at an amount sufficient to meet the obligations imposed by the Declaration.

(g) Annually adopt the budget and set the date or dates Assessments will be due, and decide what, if any, interest is to be applied to Assessments which remain unpaid ten (10) days after they become due.

(h) Send written notice of each Assessment to every Owner subject thereto at least thirty (30) days in advance of the due date of the Assessment or of the first installment thereof.

(i) Cause the lien against any Lot for which Assessments are not paid within thirty (30) days after the due date to be foreclosed, or cause an action at law to be brought against the Owner personally obligated to pay the same.

(j) Cause the Common Property including, without limitation, the Stormwater Management System, to be maintained in accordance with the Declaration.

(k) Procure and maintain adequate liability and hazard insurance on the Common Property as required by the Declaration, and such other insurance as the Board of Directors deems necessary or as may be required or permitted by the Declaration.

(l) Retain minutes of all meetings of Members and of the Board of Directors in a businesslike manner, which shall be available for inspection by Members or their authorized representatives and Board members, at reasonable times and for a proper purpose; which records shall be retained for at least seven (7) years.

ARTICLE VII - OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a President and Vice President, who shall at all times be members of the Board of Directors, a Secretary and a Treasurer, and such other officers as the Board of Directors may from time to time by resolution create. Officers need not be Members of the Association.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members. Voting may be by secret ballot.

Section 3. Term. The officers of this Association shall be elected annually by the Board of Directors and each shall hold office for such period, have such authority, and perform such duties as the Board may determine from time to time.

Section 4. Special Appointments. The Board of Directors may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may determine from time to time.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board of Directors. Any officer may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of President and Secretary may not be held by the same person.

Section 8. Duties. The duties of the officers are as follows:

(a) President. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board of Directors are carried out; shall sign all leases, mortgages, deeds and other written instruments; and shall co-sign all promissory notes and contracts as the Board of Directors may approve from time to time.

(b) Vice President. The Vice President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

(c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members; maintain the minute book; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board of Directors and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and shall perform such other duties as required by the Board.

(d) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall co-sign any promissory notes and contracts of the Association; keep proper books of account; cause an annual review of the Association books to be made by public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the Board of Directors and to the membership at its regular annual meetings.

ARTICLE VIII - COMMITTEES

The Association shall appoint such committees as are provided in the Declaration and shall appoint other committees as deemed appropriate in carrying out its purpose.

Meetings of committee shall be open to Members. Members of the committees may not vote by proxy or secret ballot.

ARTICLE IX - FISCAL YEAR

The Fiscal Year of the Association shall begin on the first day of January and end on the thirty-first day of December of every year, except that the first Fiscal Year shall begin on the date of incorporation.

ARTICLE X - BUDGETS AND ASSESSMENTS

Section 1. Budgets. The Association shall prepare an annual budget. The budget shall reflect the estimated revenues and expenses for that year and the estimated surplus or deficit as of the end of the current year. The budget must set out separately all fees or charges for recreational amenities. The Association shall provide each Member with a copy of the annual budget or a written notice that a copy of the budget is available to the Member upon request with no charge.

Section 2. Assessments. As more fully provided in the Declaration, each Member is obligated to pay to the Association certain Assessments which are secured by a continuing lien upon the property against which the Assessment is made. Any Assessments which are not paid when due shall be delinquent. The Assessment shall bear interest from the date of delinquency at an interest rate equal to the highest rate allowed by law, or as otherwise determined by the Board of Directors. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot, and interest, costs and reasonable attorney's fees of any Assessment. No Owner may waive or otherwise escape liability for the Assessments provided for herein by nonuse of the Common Property or abandonment of his Lot.

Section 3. Financial Reports. The Association shall prepare an annual financial report with sixty (60) days after the close of the fiscal year. The Association shall provide each member with a copy of the annual financial report or a written notice that it is available, upon request, at no charge. The financial report shall comply with the applicable provisions of Florida Law.

ARTICLE XI - NOTICE OF TRANSFER

Prior to conveyance of any Lot to an Owner, such Owner shall provide to the Association written notice of the party to whom the Lot is to be conveyed together with an address for such new Owner for Association records.

ARTICLE XII - ASSOCIATION RECORDS

In accordance with the requirement of Section 617.303(4), the Official Records of the Association shall consist of:

Section 1. General Records.

(a) A copy of any plans, permits, warranties, and other items related to improvements constructed on the Common Property or other property which the Association is obligated to maintain, repair or replace.

(b) A copy of the Bylaws of the Association and of each amendment to the Bylaws.

(c) A certified copy of the Articles of Incorporation of the Association, or other documents creating the Association, and of each amendment thereto.

(d) A copy of the Declaration of Covenants and of each amendment thereto.

(e) A copy of the current rules of the Association.

(f) A book or books that contain the minutes of all meetings of the Association, of the Board of Directors, and of Members, which minutes shall be retained for a period of not less than seven (7) years.

(g) A current roster of all Members and their mailing addresses, Lot identifications, and, if known, telephone numbers.

(h) All current insurance policies of the Association, or a copy thereof, which policies must be retained for at least seven (7) years.

(i) A current copy of any management agreement, lease, or other contract to which the Association is a party or under which the Association or the Members have an obligation or responsibility.

(j) A copy of all bids received by the Association for work to be performed, which must be retained for one (1) year.

Section 2. Financial Records. Accounting records for the Association and separate accounting records for each Lot, according to generally accepted accounting principles. All accounting records shall be maintained for a period of not less than seven (7) years. The financial records shall include, but are not limited to:

(a) Accurate, itemized, and detailed records of all receipts and expenditures.

(b) A current and a periodic statement of the account for each Member of the Association, designating the name and address of the Member, the due date and amount of each Assessment, the amount paid upon the account, and the balance due.

(c) All tax returns, financial statements and financial reports of the Association.

(d) Any other records that identify, measure, record or communicate financial information.

Section 3. Inspection and Copying of Records. The foregoing official records shall be maintained within the State and must be open to inspection and available for photocopying by Members or their authorized agents at reasonable times and places within ten (10) business days after receipt of a written request for access. The Association may adopt reasonable rules and

regulations governing the frequency, time, location, notice and manner of inspections and may impose fees to cover the costs of providing copies of official records.

ARTICLE XIII - AMENDMENT

Section 1. Procedure. Until Turnover, these Bylaws may be amended by the Class B Member without the consent or joinder of any Class B Member, provided that for so long as there is a Class B membership, any such amendments shall be subject to approval by the Veterans Administration or Federal Housing Administration if either has guaranteed a mortgage on a Lot. Thereafter, these Bylaws may be amended at a regular or special meeting of the Board of Directors by a majority vote of the Directors. Amendments to these Bylaws need only be filed in the minute book, and need not be recorded in the public records of the County.

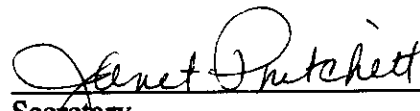
Section 2. Conflict. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles of Incorporation shall prevail. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall prevail.

ARTICLE XIV - SEAL

Section 1. Seal. The seal of the Association is hereby adopted in the form affixed hereto including the name of the Association, the words "Corporation Not For Profit" and the year of incorporation.

These Bylaws have been adopted in accordance with the provisions of Chapter 617, Florida Statutes, as amended in 1997.

The foregoing Bylaws of Marsh Landing at Sawgrass Owners Association, Inc., a corporation not-for-profit under the laws of the State of Florida, were adopted at the first meeting of the Board of Directors on the 13 day of January 1998.


Secretary