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**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF
SAN MARCO TERRACE**

**NOTICE: PURSUANT TO ARTICLE VIII, SECTION 10, UPON THE RESALE OF A LOT, A
CAPITAL CONTRIBUTION/WORKING FUND CONTRIBUTION IS REQUIRED TO BE
PAID.**

Table of Contents

ARTICLE I DEFINITIONS.....	6
ARTICLE II PROPERTY SUBJECT TO THIS DECLARATION; WITHDRAWALS	10
SECTION 1. GENERAL DEVELOPMENT PLAN.....	10
SECTION 2. THE PROPERTY.....	10
SECTION 3. ADDITIONS TO THE PROPERTY.....	10
SECTION 4. WITHDRAWAL.....	12
ARTICLE III COMMON AREA; COMMUNITY SYSTEMS.....	12
SECTION 1. COMMON AREAS.....	12
SECTION 2. EASEMENTS FOR USE AND ENJOYMENT OF COMMON AREAS.....	13
SECTION 5. CONVEYANCE OF COMMON AREAS.....	15
SECTION 6. COMMUNITY SYSTEMS.....	15
SECTION 7. LIMITED WARRANTY FOR COMMON FACILITIES.....	15
ARTICLE IV MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION.....	16
SECTION 1. MEMBERSHIP.....	16
SECTION 2. VOTING RIGHTS.....	16
ARTICLE V EASEMENTS.....	17
SECTION 1. EASEMENTS FOR UTILITIES AND COMMUNITY SYSTEMS.....	17
SECTION 2. EASEMENT FOR ENTRY.....	17
SECTION 3. EASEMENT FOR MAINTENANCE.....	17
SECTION 4. DAMAGES.....	18
SECTION 5. EASEMENT FOR COLLECTION FOR STORMWATER RUNOFF AND FLOOD WATER.....	18
SECTION 6. ENCROACHMENTS.....	18
SECTION 7. EASEMENTS TO SERVICE ADDITIONAL PROPERTY.....	18
SECTION 8. EASEMENTS FOR CROSS-DRAINAGE.....	19
ARTICLE VI THE ASSOCIATION.....	19
SECTION 1. FUNCTIONS AND SERVICES.....	19
SECTION 2. OBLIGATION OF THE ASSOCIATION.....	21
SECTION 3. ASSOCIATION ACTIONS REQUIRING APPROVAL.....	21
SECTION 4. RECYCLING PROGRAMS.....	22
SECTION 5. PUBLIC GARDENS AND ENVIRONMENTAL PROGRAMS.....	22

SECTION 6. STORMWATER FACILITIES MAINTENANCE..... 22

ARTICLE VII COVENANT FOR MAINTENANCE..... 22

 SECTION 1. ASSOCIATION’S RESPONSIBILITY..... 22

 SECTION 2. OWNER’S RESPONSIBILITY..... 23

 SECTION 3. STANDARD OF PERFORMANCE..... 25

 SECTION 4. DISREPAIR OF HOMES AND LOTS..... 25

 SECTION 5. NEGLIGENCE OF OWNER..... 26

ARTICLE VII ASSESSMENTS..... 26

 SECTION 1. CREATION OF ASSESSMENTS..... 26

 SECTION 2. RESERVE BUDGET AND CAPITAL CONTRIBUTION..... 27

 SECTION 3. SPECIAL ASSESSMENTS..... 27

 SECTION 4. SPECIFIC ASSESSMENTS..... 27

 SECTION 5. DATE OF COMMENCEMENT OF ASSESSMENTS; DUE DATES..... 28

 SECTION 6. LIENS FOR ASSESSMENTS..... 28

 SECTION 7. FIRST MORTGAGEES’ RIGHTS AND LIABILITY..... 29

 SECTION 8. DECLARANT’S OPTION TO FUND BUDGET DEFICIT..... 29

 SECTION 10. WORKING FUND CONTRIBUTION FEE..... 30

 SECTION 11. PAYMENT OF LOT REAL ESTATE TAXES..... 31

ARTICLE I ARCHITECTURAL REVIEW REQUIREMENTS..... 31

 SECTION 1. THE ARCHITECTURAL REVIEW COMMITTEE..... 31

 SECTION 2. MEMBERSHIP..... 31

 SECTION 3. GENERAL PLAN..... 31

 SECTION 4. ARCHITECTURAL REVIEW REQUIREMENTS..... 31

 SECTION 5. QUORUM..... 32

 SECTION 6. POWER AND DUTIES OF THE COMMITTEE..... 32

 SECTION 7. PROCEDURE..... 32

 SECTION 10. PERMITS..... 33

 SECTION 11. CONSTRUCTION BY OWNERS..... 33

 SECTION 12. INSPECTION..... 35

 SECTION 13. VIOLATION..... 35

 SECTION 14. COURT COSTS..... 35

 SECTION 15. CERTIFICATE..... 35

 SECTION 16. EXEMPTION..... 35

 SECTION 17. EXCULPATION..... 35

 SECTION 18. SIDEWALKS..... 36

ARTICLE X INSURANCE AND CASUALTY LOSSES..... 36

SECTION 1. ASSOCIATION INSURANCE 36

SECTION 2. OWNERS INSURANCE 38

SECTION 3. DAMAGE AND DESTRUCTION IN THE COMMUNITY 40

SECTION 4. DISBURSEMENT OF PROCEEDS 40

SECTION 5. REPAIR AND RECONSTRUCTION. 40

SECTION 6. OWNER’S INSURANCE REQUIREMENTS FOR ANY CONSTRUCTION OR
RENOVATION. 40

ARTICLE XI CONDEMNATION 41

 SECTION 1. GENERAL 41

ARTICLE XII USE RESTRICTIONS 42

 SECTION 1. RESIDENTIAL USE 42

 SECTION 2. NUISANCES 42

 SECTION 3. UNLAWFUL USE 42

 SECTION 4. INSURANCE 42

 SECTION 5. PETS 42

 SECTION 6. SIGNS 43

 SECTION 7. EXTERIOR LIGHTING 43

 SECTION 8. TRAFFIC HAZARDS 43

 SECTION 9. SERVICE YARDS AND MECHANICAL EQUIPMENT 43

 SECTION 10. ANTENNAS, OTHER DEVICES 43

 SECTION 11. TEMPORARY STRUCTURES 44

 SECTION 12. WATER SUPPLY AND SEWERAGE 44

 SECTION 13. FUEL STORAGE TANKS 44

 SECTION 14. PARKING AND GARAGES 44

 SECTION 15. SOLICITING 44

 SECTION 16. TREES AND PLANTINGS 44

 SECTION 17. FENCES, POOLS, ENCLOSURES AND WALLS; CLOTHESLINES 44

 SECTION 18. MOTOR VEHICLES, TRAILERS, ETC 45

 SECTION 19. RECREATION EQUIPMENT 46

 SECTION 20. LAWNS AND LANDSCAPING 46

 SECTION 21. SUBDIVISION 47

 SECTION 22. CONSERVATION AREAS 47

 SECTION 23. LEASES 47

 SECTION 24. WINDOW TREATMENTS 47

 SECTION 25. HURRICANE SHUTTERS 48

 SECTION 26. GARAGE 48

 SECTION 27. DECLARANT EXEMPTION 48

SECTION 28. UNSIGHTLY DISREPAIR 49

SECTION 29. TRASH AND OTHER MATERIALS..... 49

SECTION 30. CHANGE IN BUILDING..... 49

SECTION 31. DAMAGE TO BUILDINGS. 49

SECTION 32. AIR CONDITIONING EQUIPMENT. 49

SECTION 33. MAILBOXES. 50

ARTICLE XIII DECLARANT’S RIGHTS 50

 SECTION 1. DECLARANT’S RIGHTS..... 50

 SECTION 2. COMMON AREAS. 51

 SECTION 3. DEVELOPMENT, SALES AND CONSTRUCTION EASEMENT 52

 SECTION 4. MODIFICATION. 53

 SECTION 5. PROMOTIONAL EVENTS. 54

 SECTION 6. USE BY PROSPECTIVE PURCHASERS. 54

 SECTION 7. ENFORCEMENT AND INACTION. 54

ARTICLE XIV ENFORCEMENT OF COVENANTS AND ABATEMENT OF VIOLATIONS..... 54

 SECTION 1. COMPLIANCE BY OWNERS. 54

 SECTION 2. ACTIONS. 55

 SECTION 3. RIGHT OF ENTRY..... 55

 SECTION 4. FINES. 55

 SECTION 5. SUSPENSION OF USE AND VOTING..... 56

 SECTION 6. ENFORCEMENT. 57

ARTICLE XV ASSIGNMENT..... 57

ARTICLE XVI CONSERVATION AREAS..... 57

ARTICLE XVII WATER MANAGEMENT SYSTEM..... 58

 SECTION 1. DEDICATION..... 58

 SECTION 2. MAINTENANCE AND MONITORING..... 58

 SECTION 3. USE RESTRICTIONS..... 58

 SECTION 4. ENFORCEMENT BY DISTRICT AND THE CITY AND/OR COUNTY..... 58

 SECTION 5. DISSOLUTION OF ASSOCIATION. 58

 SECTION 6. COVENANT FOR MAINTENANCE ASSESSMENTS FOR ASSOCIATION..... 59

 SECTION 7. EASEMENT FOR ACCESS AND DRAINAGE..... 59

 SECTION 8. AMENDMENT..... 59

ARTICLE XVIII DISCLOSURES..... 59

 SECTION 1. BUILDING AREA..... 59

 SECTION 2. SECURITY..... 59

SECTION 3. NOTICES AND DISCLAIMERS AS TO COMMUNITY SYSTEMS. T..... 59

SECTION 4. NOTICES AND DISCLAIMERS AS TO WATER BODIES..... 60

ARTICLE XIX GENERAL PROVISIONS..... 61

SECTION 1. DURATION..... 61

SECTION 2. AMENDMENT..... 62

SECTION 3. RULES AND REGULATIONS..... 63

SECTION 4. TERMINATION..... 63

SECTION 5. NOTICES..... 63

SECTION 6. CONTROLLING AGREEMENT..... 63

SECTION 7. SEVERABILITY..... 63

SECTION 8. PARTITION..... 63

SECTION 9. GENDER AND GRAMMAR..... 63

SECTION 10. CAPTIONS..... 63

SECTION 11. CONVEYANCES OF COMMON AREA..... 64

SECTION 12. MORTGAGEE PROVISIONS..... 64

SECTION 13. RIGHTS RESERVED FOR DECLARANT WITH RESPECT TO COMMUNITY SYSTEMS..... 66

SECTION 14. LEGAL ACTIONS BY ASSOCIATIONS..... 67

SECTION 15. LEGAL ACTIONS BY LOT OWNERS..... 67

SECTION 16. INDEMNIFICATION..... 67

SECTION 17. RELIANCE..... 68

ARTICLE XX COMMON STRUCTURAL ELEMENTS..... 68

SECTION 1. DEFINITION..... 68

SECTION 2. GENERAL..... 69

SECTION 3. SHARING MAINTENANCE OR REPAIR..... 69

SECTION 4. DESTRUCTION BY FIRE OR OTHER CASUALTY..... 69

SECTION 5. EASEMENT FOR REPAIRS..... 69

SECTION 6. RIGHT TO CONTRIBUTION RUNS WITHLAND..... 69

SECTION 7. WEATHER PROOFING..... 70

SECTION 8. ALTERATIONS..... 70

SECTION 9. STRUCTURAL CROSS EASEMENTS..... 70

EXHIBIT “A” LEGAL DESCRIPTION OF THE COMMUNITY A-1

EXHIBIT “B” ARTICLES OF INCORPORATION..... B-1

EXHIBIT “C” BYLAWS..... C-1

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF
SAN MARCO TERRACE

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF SAN MARCO TERRACE (the “**Declaration**”) is made and executed this 28th day April of, 2023, by TOLL SOUTHEAST LP COMPANY, INC., a Delaware corporation, hereinafter called “Declarant,” whose address is 40 Everest Lane Suite 5 St. Johns, FL 32259, and joined by the **SAN MARCO TERRACE HOME OWNERS ASSOCIATION**, a Florida not-for-profit corporation (the “**Association**”).

WITNESSETH:

WHEREAS, Declarant is the owner of the real property within **SAN MARCO TERRACE**, which property is described on Exhibit “A” attached hereto and is also described in Article II of this Declaration, and desires to create thereon mutually beneficial restrictions under a general plan of improvement for the benefit of said real property and all of its future Owners.

WHEREAS, the Association is joining this Declaration in order to acknowledge its obligations hereunder.

NOW, THEREFORE, Declarant hereby declares that all of the real property described in Article II of this Declaration, together with any improvements constructed or to be constructed thereon, is and shall be owned, held, transferred, sold, conveyed, encumbered, leased, rented, used, occupied and improved subject to the following covenants, conditions, restrictions, easements, assessments and liens, all of which are established for the purpose of enhancing and protecting the value, desirability and attractiveness of the real property described in Article II and every part thereof, and all of which shall run with the land and the title to the real property subject to this Declaration, and shall be binding upon all parties having or acquiring any right, title or interest therein.

**ARTICLE I
DEFINITIONS**

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

1. “Architectural Review Requirements” means the design criteria and building guidelines promulgated by the Architectural Review Committee as more particularly described in Article IX of this Declaration.

2. “Area(s) of Common Responsibility” means the Common Area, together with those areas, if any, which by the terms of this Declaration, any Supplemental Declaration (as hereinafter defined), other applicable covenants, or by contract with the Association become the responsibility of the Association.

3. “Articles” means the Articles of Incorporation of **SAN MARCO TERRACE HOME OWNERS ASSOCIATION, INC.**, attached hereto as Exhibit “B.”

4. “Association” means **SAN MARCO TERRACE HOME OWNERS ASSOCIATION, INC.**, a Florida not-for-profit corporation, its successors and assigns. The Association is NOT a condominium association and is not intended to be governed by Chapter 718, the Condominium Act,

Florida Statutes. This Declaration is not intended to create, and does not create, a timeshare or cooperative under Florida law.

5. “Base Assessment” means assessments levied on all Lots subject to assessment under Article VIII to fund Common Expenses for the general benefit of all Lots, as more particularly described in Article VIII.

6. “Board of Directors,” “Board” or “Directors” mean the members of the Board of Directors of the Association as from time to time elected or appointed.

7. “Builder” means any Person which purchases one or more Lots for the purpose of constructing improvements for later sale to consumers or parcels of land within the Community for further subdivision, development, and/or resale in the ordinary course of such Person’s business.

8. “Building” means a building in San Marco Terrace containing two or more attached Homes sharing party walls and a common roof.

9. “Bylaws” means the Bylaws of the Association, attached hereto as Exhibit “C.”

10. “Common Areas” means all real and personal property within the Community, which are declared herein or in any Supplemental Declaration to be the “Common Areas” or on any recorded Plat, and all improvements thereto, which are designated for the use and enjoyment of all Owners, or which are otherwise dedicated, conveyed, leased or for which a license or use right is granted to the Association and which are intended to be devoted to the common use and enjoyment of some or all of the Owners, as more specifically provided herein. Each Common Area shall be designated, dedicated, conveyed, leased, licensed or have a use right granted to the Association at such time as is provided in the instrument that designates, dedicates, conveys, leases, licenses or grants a use right for such area of land to the Association. As used herein, “Common Areas” shall include, among other things: (i) all improvements and equipment located in or on the Common Areas, including, without limitation, as applicable to the Community, private roadways, signage, gate, entry features, perimeter wall and fencing, if any, swales and berms, pedestrian paths, Common Area landscaping and irrigation systems; (ii) the Stormwater Management Facilities and/or Surface Water Management System, as permitted by SJRWMD, including, but not limited to, all lakes, retention areas, Conservation Areas, water management areas, ditches, culverts, structures and related appurtenances, but shall exclude from the definition of “Common Areas” (x) any public utility installation located in or on the Common Areas thereon, including, but not limited to, water and sewer infrastructure (to the extent not conveyed to the County or City), (y) all portions of any Community Systems (as defined below), unless any of the foregoing under (x) and (y) are specifically designated as part of the Common Areas pursuant to a Supplemental Declaration by the Declarant; and (z) any other property of Declarant not expressly made Common Areas.

11. “Common Expenses” means the actual and estimated expenses of operating the Association, including, but not limited to, maintenance of the Common Areas, and Area(s) of Common Responsibility, services and any reasonable reserve, all as may be found necessary and appropriate by the Board pursuant to this Declaration, the Articles, the Bylaws and Florida law.

12. “Community” and/or “Property” means the real property and all other property described in Exhibit “A” attached hereto and incorporated herein by reference and interests therein, which is subject to this Declaration, together with such additional property now or hereafter made subject to this Declaration in accordance with Article II.

13. “Community Systems” means and refers to any and all television (cable, satellite or otherwise), telecommunication, alarm/monitoring, electronic surveillance and/or monitoring systems intended to control access, internet, telephone, utility or other lines, conduits, wires, amplifiers, towers, antennae, satellite dishes, equipment, materials, installations and fixtures (including those based on, containing and serving future technological advances not now known), installed by Declarant, the Association or a third party provider, or pursuant to any grant of easement or authority by Declarant and/or the Association within the Community.

14. “Community-Wide Standard” means the standard of conduct, maintenance or other activity specifically determined by the Board of Directors or its committees.

15. “Conservation Areas” means those protected areas required by SJRWMD for the Community, including, but not limited to wetland preservation areas, mitigation areas and upland buffers which are protected under conservation easements created pursuant to Section 704.06, Florida Statutes.

16. “County” means Duval County, Florida.

17. “Declarant” means TOLL SOUTHEAST LP COMPANY, INC., a Delaware corporation (“TOLL”), its successors and assigns; provided, however, that any successor or assign shall acquire for the purpose of development or sale any or all portion of the remaining undeveloped or unsold portions of the Property and, provided further, in the instrument of conveyance to any such successor or assign, or via a separate recorded instrument given in connection with said instrument of conveyance, such successor or assign is designated as the Declarant hereunder by the grantor of such conveyance, which grantor shall be the Declarant hereunder at the time of such conveyance; provided further, upon such designation of such successor Declarant, all rights of the former Declarant in and to such status as Declarant hereunder shall cease and be assumed by such successor or assign, including such rights and obligations as they relate to any County ordinance related to gated communities, it being understood as to all of the Property, which is now subject to this Declaration, that there shall be no more than one person or legal entity entitled to exercise the rights and powers of the Declarant hereunder at any time.

18. “Home” shall mean a residential dwelling unit constructed within the Community which is designed and intended for use and occupancy as a single-family residence and includes but is not limited to an attached or detached single-family home, a zero lot line single family home, owned in fee simple or another form of ownership or possession, and includes any interest in land, Improvements, or other property appurtenant to the Home; provided, however, that no portion of any Community System, even if installed in a Home, shall be deemed to be a part of a Home unless and until the Association provides otherwise, if at all, or if required by applicable law. The term Home may not reflect the same division of property as reflected on a Plat.

19. “Improvement(s)” shall mean all structures or artificially created conditions and appurtenances thereto of every type and kind, whether existing or hereafter constructed, located within the Community, including, but not limited to, buildings, walkways, recreation areas and facilities, parking areas, berms, fountains, sprinkler pipes, gate, roads, driveways, fences, retaining walls, underground footers and other foundation supports, stairs, landscaping, hedges, plantings, water bodies, water features, poles, swings, swimming pools, covered patios, screen enclosures, basketball backboards and hoops, signs, site walls, benches, mailboxes, decorative street lights and signs.

20. “SAN MARCO TERRACE” is the name of the Community.

21. “Lot” means a portion of the Community, whether improved or unimproved, which may be independently owned and conveyed and which is intended for development, use, and occupancy as an attached or detached residence for a single family. The term shall refer to the land, if any, which is part of the Lot as well as any improvements thereon. The term shall include, by way of illustration but not limitation, single-family townhouses on separately platted lots, as well as vacant land intended for development as such, but shall not include Common Areas or property dedicated to the public.

In the case of a parcel of vacant land or land on which improvements are under construction, the parcel shall be deemed to contain the number of Lots designated for residential use for such parcel on the Master Plan or the site plan approved by Declarant, whichever is more recent, until such time as a Plat is recorded on all or a portion of the subject parcel. Thereafter, the portion encompassed by such plat shall constitute a separate Lot or Lots as determined above and the number of Lots on the remaining land, if any, shall continue to be determined in accordance with this paragraph.

22. “Master Plan” means the land use plan for the development of the Community last., as it may be amended, which plan includes the property described on Exhibit “A.” Inclusion of property and improvements on the Master Plan shall not, under any circumstances, obligate Declarant to add said property and/or construct the improvements reflected on the Master Plan.

23. “Member” means all those Owners who are members of the Association as provided in Article IV, Section 1, hereof.

24. “Owner” means the record owner, whether one or more persons or entities, of the fee simple title to any Lot or other property located within the Community, excluding, however, the Association and any person holding such interest merely as security for the performance or satisfaction of an obligation.

25. “Permit” or “Permits” shall mean all permits, authorizations, licenses, development approvals and other approvals pertaining to the Community or the Property.

26. “Person” means any natural person, as well as a corporation, joint venture, partnership (general or limited), association, trust or other legal entity.

27. “Plat” means any Plat or Replat of the Community or any portion thereof now or hereafter recorded, including, without limitation, that certain Plat of SAN MARCO EAST, recorded in Plat Book 79, Pages 45 through 47, inclusive, of the Public Records of Duval County, Florida, which land is more particularly described in Exhibit A.

28. “PUD” means and refers to Duval County Ordinance No. 2014-131-E; 2019-0799-E for East San Marco (Parcels A, C, D & E) Planned Unit Development.

29. “Rules and Regulations” means the procedures for administering the Association, the Community, and the use of Lots and the Common Areas, as adopted by resolution of the Board of Directors.

30. “SJRWMD” shall mean the St. Johns River Water Management District.

31. “Special Assessment” means assessments levied in accordance with Article VIII, Section 3 of this Declaration.

32. “Specific Assessment” means assessments levied in accordance with Article VIII, Section 4 of this Declaration.

33. “Supplemental Declaration” means an amendment or supplement to this Declaration recorded pursuant to Article II which subjects additional property to this Declaration and/or imposes, expressly or by reference, additional restrictions and obligations on the land described therein.

34. “Turnover Date” shall mean the date upon which Declarant relinquishes control of the Association to the Members, which shall be the earliest of the following to occur: (1) on that date which shall be twenty (20) years from the date upon which this Declaration shall initially be recorded in the public records of Duval County, Florida; or (2) when Declarant elects, in its sole discretion, to relinquish control of the Association to the Members; provided that the Turnover Date must occur no later than three months after ninety percent (90%) of the parcels in all phases of the community have been conveyed to members.

35. “Water Management System” or “Surface Water or Stormwater Management Systems” shall mean and refer to the surface water management system and storm water management system for the Community including, but not limited to, all inlets, ditches, swales, culverts, water control structures, retention and detention areas, ponds, lakes, flood plain compensation areas, wetlands, and any associated buffer areas, and wetland mitigation areas, which is designed and constructed or implemented to control discharges which are necessitated by rainfall events, incorporating methods to collect, convey, store, absorb, inhibit, treat, use or reuse water to prevent or reduce flooding, over drainage, environmental degradation and water pollution or otherwise affect the quantity and quality of discharges, as permitted pursuant to Chapter 62-330 of the Florida Administrative Code.

ARTICLE II PROPERTY SUBJECT TO THIS DECLARATION; WITHDRAWALS

Section 1. General Development Plan. ANY SITE PLAN OF THE COMMUNITY IS CONCEPTUAL ONLY AND FOR THE CONVENIENCE OF REFERENCE. IT SHOULD NOT BE RELIED UPON AS REPRESENTATION, EXPRESS OR IMPLIED, OF THE FINAL SIZE, LOCATION OR DIMENSIONS OF ANY LOT OR BUILDING AREA. THE DECLARANT EXPRESSLY RESERVES THE RIGHT TO MAKE ANY MODIFICATIONS, REVISIONS, AND CHANGES IT DEEMS DESIRABLE IN ITS SOLE AND ABSOLUTE DISCRETION OR AS MAY BE REQUIRED BY LAW OR GOVERNMENTAL BODIES HAVING JURISDICTION OVER SAME.

The Association is not a condominium association and therefore shall not be governed by the provisions of Chapter 718, Florida Statutes, but rather shall be governed by Chapter 720, Florida Statutes, as enacted on the date this Declaration is recorded in the public records of the County, and shall in all respects permissible, except as otherwise expressly set forth herein, not be subject to subsequent amendments made to said Chapter 720, Florida Statutes. This Declaration is not a declaration of condominium.

Section 2. The Property. The real property which is, and shall be, held, transferred, sold, conveyed and occupied subject to this Declaration is described on Exhibit “A” attached hereto and made a part hereof (the “Property”).

Section 3. Additions to the Property. Additional lands may become subject to this Declaration as follows:

- (a) Declarant, together with the owner of fee simple title to the property involved

if other than Declarant, shall have the right to bring additional properties within the operation of this Declaration to become part of the Community without the consent or joinder of any other Person being required, by filing a Supplemental Declaration in the public records of the County.

(b) Additionally, Declarant shall have the right to bring additional properties within the operation of this Declaration to become part of the Community without the consent or joinder of any other Person being required to accomplish the following purposes:

(i) to include within the Community any portions of any rights-of-way which become abandoned, and which abut the Community, or to otherwise move the boundary lines of the Community such that at locations where possible, the boundary lines abut public ways; and

(ii) to include within the Community the situs of lands containing easement ways for ingress and egress and the swale areas of such easement ways which connect any private road system within the Community to the public way.

(c) Upon approval in writing of the Association pursuant to a majority vote of its Members, an owner of any land who desires to add it to the scheme of this Declaration and to subject it to the jurisdiction of the Association may record a Supplemental Declaration declaring its intention and containing the legal description of the lands to be added; provided, so long as Declarant owns a Lot in the Community for the sale in the ordinary course of business, then there shall be no additions to the Community (other than as permitted under paragraphs (a) and (b) above and paragraph (d) below), unless the Declarant joins the majority of Owners in approving such addition, which joinder of Declarant must be evidenced by Declarant joining into the subject Supplemental Declaration.

(d) Upon a merger or consolidation of the Association with another association, the Association's properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of another association may, by operation of law, be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to merger. The surviving or consolidated association may administer the covenants, restrictions and conditions established by this Declaration within the Community, together with the covenants, conditions and restrictions established upon any other property as one scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the covenants established by this Declaration within the Community.

(e) At the time any additional lands are made subject to this Declaration, in conjunction with any approval as may be required by the County, Declarant may also record an instrument which:

(i) modifies any of the provisions of this Declaration insofar as they may apply to such additional lands only; or

(ii) creates new provisions applicable only to such additional lands; or

(iii) omits the applicability of any of the provisions of this Declaration as to any such additional lands; or

(iv) does any, all, any combination of, or none of the above.

Any such instrument, if related to the gated community infrastructure or ordinance, shall be approved by the County.

(f) The execution and recordation of this Declaration shall not be construed to require Declarant to subject any additional lands to the covenants, conditions and restrictions or other provisions of this Declaration or any other recorded instrument.

Section 4. Withdrawal. Declarant reserves the right to amend this Declaration at any time, without prior notice and without the consent of any Person, for the purpose of removing certain portions of the Community then owned by the Declarant or its affiliates or the Association from the provisions of this Declaration to the extent included originally in error or as a result of any changes whatsoever in the plans for the Community desired to be effected by Declarant; provided, however, such withdrawal is not unequivocally contrary to the overall, uniform scheme of development for the Community. Any withdrawal of land not owned by Declarant shall require the written consent or joinder of the then- owner(s) and mortgagee(s) of such land, but not of any others. Notwithstanding the foregoing, no withdrawal which effects the operation and maintenance of the Water Management System shall be made without the consent of the SJRWMD and the County.

ARTICLE III COMMON AREA; COMMUNITY SYSTEMS

Section 1. Common Areas. The Common Areas are as designated on the Plat, in this Declaration, or in any other documents recorded from time to time by the Declarant. Unless otherwise provided for in Section 5 of this Article, Declarant shall have the right to add property to the Common Areas at Declarant's sole option and in its sole discretion. Declarant hereby initially designates the following tracts on the Plat as the Common Areas for the use and benefit of all Owners within the Community:

ALL BLANKET EASEMENTS, 2 FOOT UTILITY ACCESS EASEMENTS, LANDSCAPE
BUFFERS, PRIVATE ROAD RIGHTS-OF-WAY, AND OPEN SPACE TRACTS "A" AND "B"
SHOWN ON THE PLAT.

The Declarant may, but is not obligated, in its sole discretion, to construct a gatehouse and/or gated entry at the entrance of the Community and convey such gatehouse and/or gated entry to the Association. If the gatehouse and/or gated entry is constructed and conveyed to the Association, the Association shall thereafter maintain the gatehouse and/or gated entry, including, but not limited to, paying the cost of any such personnel stationed at such gatehouse. The Declarant may, but is not obligated, in its sole discretion, to construct wall and/or fencing at the entrance and perimeter of the Community. If the wall and/or fence is constructed, the Association shall thereafter maintain the wall and/or fence, and shall have an easement upon Lots adjacent to such wall or fence and over the Property, as may be necessary for ingress/egress for the maintenance, repair, and replacement of any such wall, fencing or gate. The Declarant may, but is not obligated, in its sole discretion, to construct signage at the entrance of the Community which identifies the Community and includes a notation indicating that the Community was developed "by Toll Brothers," "Toll Southeast LP Company, Inc.," "TOLL," (or some similar reference to Declarant or an entity affiliated with Declarant), including the use of any particular logos and/or trademarks utilized by Declarant, and convey such signage to the Association along with a non-exclusive license to use the logos and/or trademarks depicted on the signage (but only for purposes of maintaining such logos/trademarks in the manner depicted on the signage at the time of conveyance and for no other purpose, such license being revocable by Declarant at any time). If the signage is constructed and conveyed to the Association, the Association shall thereafter perpetually maintain such signage, including perpetually maintaining the notation that the Community was developed "by Toll Brothers," "Toll Southeast LP Company, Inc.," "TOLL," (or some similar reference to Declarant or an entity affiliated with Declarant) in the same presentation as was utilized when such signage was conveyed to the Association, until such time as the Declarant may determine, in its sole discretion, that it no longer wishes to be referenced on the signage (upon which the

Association shall, at its own expense, remove such reference). The Declarant shall have the right in its sole discretion to convey additional real estate improved or unimproved and/or personal property as additional Areas of Common Responsibility or, subject to the terms of Article II, Section 3, as additional Common Area, which conveyance or dedication to the Association shall be accepted by the Association and thereafter shall be maintained by the Association at its expense for the benefit of the Members. The boundaries of the Common Area may from time to time be modified by Declarant as deemed necessary or appropriate by Declarant for development and sale of the Community. The Association shall, at Declarant's request and without approval of a Person, execute any such instrument deemed necessary to accomplish any boundary modification.

Section 2. Easements for Use and Enjoyment of Common Areas. Every Owner of a Lot shall have a right to and easement of ingress and egress, use and enjoyment in and to the Common Areas which shall be appurtenant to and shall pass with the title to the Lot, subject to the following provisions:

(a) the right of the Association to borrow money for the purpose of improving the Common Areas, or any portion thereof or for construction, repairing or improving any facilities located or to be located thereon, and give as security for the payment of any such loan a mortgage encumbering all or any portion of the Common Areas; provided, the lien and encumbrance of any such mortgage given by the Association shall be subject and subordinate to any rights, interests, options, easements and privileges herein reserved or established for the benefit of Declarant or any Owner, or a holder of any mortgage, irrespective of when executed or given by Declarant or any Owner, encumbering any Lot or other property located within the Community;

(b) the right of the Association to grant easements across the Common Areas to Persons who are not Owners;

(c) the right of the Association to dedicate or transfer all or any portion of the Common Areas, subject to such conditions as may be agreed to by a majority of the Members of the Association (after the Turnover Date) and subject to the approval requirements of Declarant;

(d) this Declaration, the Bylaws and any other applicable covenants;

(e) any restrictions or limitations contained in any deed conveying such property to the Association;

(f) the right of the Board to adopt rules regulating the use and enjoyment of the Common Area, including rules restricting use of recreational facilities within the Common Area to occupants of Lots and their guests and rules limiting the number of guests who may use the Common Area;

(g) the right of the Board to levy reasonable fines, as further provided herein, of up to \$100 per violation against an Owner and/or any tenant, guest or invitee; provided that that a fine may not be imposed without an opportunity for notice and hearing pursuant to the Bylaws, Section 4 of Article XIV of this Declaration, and Chapter 720, Florida Statutes;

(h) the right of the Board to suspend the right of an Owner and/or any tenant, guest or invitee to use Common Areas and recreational facilities within the Common Areas, and the right of the Board to suspend the voting rights of an Owner, for the failure to pay any monetary obligation imposed against such Owner or such Owner's Lot that remains delinquent for more than ninety (90) days, said suspension to be in force until such time as the obligation is paid in full; and

(i) the right of the Board to permit use of any recreational facilities situated on the

Common Area by a person other than Owners, their families, lessees and guests upon payment of use fees established by the Board. The Board may waive use fees as it deems appropriate, at its sole discretion.

(j) The right of the Association to utilize any easement granted to it in this Declaration.

(k) the right of the Association to take such steps as are reasonably necessary to protect the Common Area against foreclosure;

(l) the right of the Association, with the consent of the Declarant, to dedicate or transfer all or any part of the Common Area owned by the Association to any public agency, authority or utility;

Any Owner may delegate his or her right of use and enjoyment in and to the Common Areas and facilities located thereon to the members of his/her family, tenants, guest and invitees. The Board of Directors may adopt reasonable rules and regulations regarding an Owner's right to delegate his or her right of use and enjoyment in and to the Common Areas and facilities, including, but not limited to, the number of guests and invitees, and the right of the Association to suspend use rights.

Section 3. Assumption of Risk. Without limiting any other provision herein, each Person within any portion of the Community, including but not limited to the Common Areas, or Areas of Common Responsibility ("User") accepts and assumes all risk and responsibility for noise, liability, injury, or damage connected with use or occupation of any portion of the Community, including, without limitation, (a) noise from maintenance equipment, (b) use of pesticides, herbicides and fertilizers as permitted by applicable law, (c) view restrictions caused by maturation of trees or shrubs, (d) reduction in privacy caused by the removal or pruning of shrubbery or trees, and (e) design of any portion of the Common Areas or Areas of Common Responsibility. Each Owner and User also expressly indemnifies and agrees to hold harmless Declarant, the Association, and all employees, directors, representatives, officers, agents, affiliates, attorneys and partners of the foregoing (the "Indemnified Parties") from any and all actions, injury, claims, loss, liability, damages, costs and expenses of any kind or nature whatsoever ("Losses") incurred by or asserted against any of the Indemnified Parties from and after the date hereof, whether direct, indirect, consequential, or otherwise, including without limitation, attorneys' fees, paraprofessional fees, and costs at trial and upon appeal, arising from or related to use of the Community, including, but not limited to the Common Areas, or Areas of Common Responsibility, by Owners, Users and/or their guests, family, members, invitees or agents, or the interpretation of this Declaration and/or exhibits attached hereto, and/or from any act or omission of any of the Indemnified Parties. Should any Owner bring suit against any of the Indemnified Parties for any claim or matter and fail to obtain judgment therein against such Indemnified Parties, such Owner shall be liable to such parties for all Losses incurred by the Indemnified Parties in the defense of such suit, including, but not limited to, attorneys' fees and paraprofessional fees at trial and upon appeal. Without limiting the foregoing, all Users using any portion of the Community, including but not limited to the Common Areas, and Areas of Common Responsibility, do so at their own risk. BY ACCEPTANCE OF A DEED TO A LOT, EACH OWNER ACKNOWLEDGES THAT THE COMMUNITY MAY CONTAIN WILDLIFE SUCH AS, AMONG OTHER THINGS, ALLIGATORS, FISH, INSECTS, SNAKES, RACCOONS, DEER, FOWL AND FOXES. DECLARANT AND THE ASSOCIATION SHALL HAVE NO RESPONSIBILITY FOR MONITORING SUCH WILDLIFE OR NOTIFYING OWNERS OR OTHER PERSONS OF THE PRESENCE OF SUCH WILDLIFE. EACH OWNER AND HIS OR HER GUESTS AND INVITEES ARE RESPONSIBLE FOR THEIR OWN SAFETY.

Section 4. Redesignation of Common Areas. Notwithstanding anything contained herein to the contrary and provided that the Master Plan of the Community is not substantially modified, Declarant shall

have the right, in its reasonable discretion, to alter or modify the Common Areas and any improvements, easements and use rights thereon or appurtenant thereto, including, but not limited to, the right to redesignate, modify, alter, increase or decrease (collectively, "Redesignate") the specified uses(s) of any Common Areas in any manner deemed reasonably appropriate by Declarant without the consent of the Association, Owners, or any lenders for so long as Declarant shall own any portions of the Property. In the event Declarant exercises its right to Redesignate the specified use(s) of the Common Areas, Declarant shall record an amendment to this Declaration in the public records, setting forth the portion of the Common Area subject to redesignation and the redesignated use thereof. Any such amendment related to the gated community infrastructure or ordinance shall be approved by the County.

Section 5. Conveyance of Common Areas. At any time as determined by Declarant in its sole discretion, all or portions of the Common Areas may be dedicated by Plat, created in the form of easements or conveyed by Quitclaim Deed from Declarant to the Association. The dedication, creation by easement or conveyance shall be subject to the terms and provisions of this Declaration and the Articles and Bylaws; easements, restrictions, reservations, conditions, limitations and/or declarations of record or common to the Community; real estate taxes for the year of recordation of this Declaration and subsequent years; and zoning, land use regulations, and survey matters. The Association shall be deemed to have assumed and agreed to pay all continuing obligations and any and all service and similar contracts relating to the ownership, operation, maintenance and administration of the conveyed portions of the Common Areas and any and all other obligations relating thereto, and the Association shall and does indemnify and hold Declarant harmless from and against same. The Association by its joinder in this Declaration, hereby accepts such dedication(s) or conveyance(s) without setoff, condition or qualification of any nature. The Common Areas, and the personal property and equipment thereon and appurtenances thereto shall be dedicated or conveyed in "as is, where is" condition WITHOUT ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, IN FACT OR BY LAW, AS TO THE CONDITION, FITNESS OR MERCHANTABILITY OF THE COMMON AREA BEING CONVEYED, except those common areas related to the gated community infrastructure as required by the County Code, if any.

Section 6. Community Systems. The Declarant shall have the right, but not the obligation, to install and provide Community Systems and to provide the services available through the Community Systems to any and all Lots within the Community. If the Declarant installs and provides the Community Systems, neither the Association nor any Owner shall have any interest in the Community Systems. Any or all of such services may be provided either indirectly, through the Association and paid for as a Common Expense, or directly, by the Declarant, an affiliated entity or a third party and paid for by the recipient of the services. The Community Systems shall be the property of the Declarant (or an affiliated entity) unless transferred by the Declarant (or such affiliated entity), whereupon any proceeds of such transfer shall belong to the Declarant (or such affiliated entity). The Declarant shall have the right, but not the obligation, to convey, transfer, sell or assign all or any portion of the Community Systems, or all or any portion of the rights, duties or obligations with respect thereto to the Association or any other Person (including an Owner, as to any portion of the Community System located on such Owner's Lot).

ALL PERSONS ARE HEREBY NOTIFIED THAT THE ASSOCIATION MAY BE A PARTY TO A CONTRACT FOR THE COMMUNITY SYSTEMS SERVING THE COMMUNITY FOR A TERM WHICH EXTENDS BEYOND THE TURNOVER DATE AND THAT, IF SO PROVIDED IN SUCH CONTRACT, THE ASSESSMENTS PAYABLE AS TO EACH LOT WILL INCLUDE CHARGES PAYABLE BY THE ASSOCIATION UNDER SUCH CONTRACT, REGARDLESS OF WHETHER OR NOT THE OWNER OR MEMBERS OF SUCH LOT ELECT TO RECEIVE SERVICE FROM OR THROUGH THE COMMUNITY SYSTEMS.

Section 7. Limited Warranty for Common Facilities. In addition to the warranty against structural defects as provided under the Act (the "Statutory Warranty"), Declarant has caused to be provided to Owners

and the Association an express limited warranty (the "Limited Warranty"). Pursuant to the Limited Warranty, Declarant warrants that the Common Facilities described in the Limited Warranty will meet the standards of performance during the warranty periods (i.e., a limited one-year warranty on certain materials and workmanship; a limited two-year warranty on certain systems; and a limited ten-year warranty on certain structural elements) set forth in the Limited Warranty. The Statutory Warranty and the Limited Warranty are the sole and exclusive warranties provided to the Association by the Declarant. The limited express warranties contained in the Limited Warranty are specific and detailed as to the scope of the Association's warranty coverage. To the extent allowed by law, all other warranties, express or implied, including, but not limited to, any statutory warranties other than the Statutory Warranty or implied warranties of habitability, merchantability, good quality, workmanship, design and construction in a good, fit, and workmanlike manner, fitness for its intended purpose, or fitness for a particular purpose as well as any implied warranties that the Common Facilities are free from faulty materials, are free from any defect resulting from noncompliance with building codes or standards, or were constructed according to sound engineering standards are hereby expressly disclaimed and waived including with respect to latent defects.

a. **Release.** As set forth in the Limited Warranty, upon completion of repairs to a warranted item or upon payment to the Association in lieu of repairs pursuant to the Limited Warranty, the Association shall sign a full release of Declarant's obligation for the deviation from the standard of performance set forth under the Limited Warranty and any related damage. Unless otherwise agreed to by the Association, the release shall apply only to the claim that is resolved by the repair or payment (as the case may be) and does not prevent the Association from making a claim under the Limited Warranty for any other deviation from the standards of performance for other claims during the warranty periods.

b. **Limitation of Liability.** The Declarant's liability with respect to the warranties set forth in this Section, whether in contract, tort, statute, negligence or otherwise, is limited to the remedies provided in the Statutory Warranty and the Limited Warranty.

ARTICLE IV MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. Every Person, including Declarant, who is a record owner of a fee or undivided fee interest in any Lot in the Community shall be a Member of the Association, provided that any Person who holds such interest merely as a security for the performance of an obligation shall not be a Member. Change of membership shall be established by recording in the public records of the County a deed or other instrument which conveys fee title to a Lot within the Community, and by the delivery to the Association of a copy of such recorded instrument. If a copy of said instrument is not delivered to the Association, the new Owner shall become a Member, but shall not be entitled to voting privileges. Membership in the Association by all Owners is mandatory and automatic with the ownership of any Lot and is appurtenant to, runs with, and shall not be separated from, the Lot upon which membership is based.

Section 2. Voting Rights. The Association shall have two (2) classes of membership, Class "A" and Class "B," as follows:

(a) Class "A." Class "A" Members shall be all Owners, with the exception of the Declarant prior to the Turnover Date. Each Class "A" Member shall be entitled to one (1) equal vote for each Lot owned by said Class "A" Member in the Community. When more than one (1) person holds an ownership interest in any Lot, all such persons shall be Members, provided that only one vote may be cast on behalf of all such Members holding an ownership interest in any one Lot. The vote for such Lot shall be exercised as those Owners themselves determine and advise the Secretary prior to any meeting. In the absence of such advice, the Lot's vote shall be suspended in the event more than one (1) person seeks to exercise it.

(b) Class "B". The sole Class "B" Member shall be the Declarant. The rights of the Class "B" Member, including the right to approve or withhold approval of actions proposed under this Declaration and the Bylaws, are specified elsewhere in the Declaration and the Bylaws. The Class "B" Member may appoint all of the members of the Board prior to the Turnover Date. Following the Turnover Date, the Declarant shall have a right to disapprove actions of the Board and committees as provided in the Bylaws. Additionally, prior to the Turnover Date, the Class "B" Member shall be entitled to a number of votes equal to three (3) times the number of Class "A" votes at any given time. After the Turnover Date, the Declarant shall become a Class "A" Member entitled to one (1) vote for each Lot owned.

ARTICLE V EASEMENTS

In addition to the easements which appear on the Plat, the respective rights and obligations of the Lot owners, the Association, Declarant, and others concerning easements affecting the Community shall include the following, which may not be removed except as authorized herein:

Section 1. Easements for Utilities and Community Systems. Declarant hereby reserves for the benefit of itself, its successors and assigns and the Association, perpetual blanket easements upon, across, above and under the Community, which easements shall be for access, ingress, egress, installation, construction, repair, operation, maintenance, expansion and replacement of utility services and Community Systems for the Community or any portion thereof, including, but not limited to water, sewer, gas, drainage, irrigation, fire protection, electricity, any Community Systems, and other services, such as trash disposal roads and walkways. This easement shall not entitle the holders to construct or install any drainage systems, facilities or utilities over, under or through any existing Lot, except as may be temporarily necessary for utility installation, and any damage to a Lot resulting from the exercise of this easement shall promptly be repaired by and at the expense of the Person exercising this easement. The exercise of this easement shall not unreasonably interfere with the use of any Lot and, except in an emergency, entry onto any Lot shall be made only after reasonable notice to the Owner or to the occupant of the Lot. Use of the Community for utilities, as well as use of the other utility easements as shown on relevant Plats, shall be in accordance with the applicable provisions of this Declaration and said Plats.

Section 2. Easement for Entry. The Association shall have an easement to enter into any Lot for the purpose of permitting the Association, its agents, employees, subcontractors, or designees to maintain and replace, as necessary, those portions of the Lot required to be maintained, replaced and repaired by the Association, as provided for in this Declaration, and for emergency, and for other purposes reasonably necessary for the proper maintenance and operation of the Community, which right may be exercised by the Board of Directors, its officers, agents, employees, managers, and all policemen, firemen, ambulance personnel and similar emergency personnel in the performance of their respective duties. Except in an emergency situation and in the performance of regular repairs and maintenance, entry shall only be during reasonable hours and after 24 hours' notice to the Owner. This right of entry shall include the right of the Association to enter a Lot to cure any condition which may increase the possibility of a fire or other hazard in the event an Owner fails or refuses to cure the condition upon the request by the Board.

Section 3. Easement for Maintenance. The Declarant reserves for itself, the Association, their agents, employees, successors or assigns an easement, in, on, over and upon the Property, each Lot and the Common Area as may be reasonably necessary for the purpose of to permit the Association, its employees, subcontractors, agents or designees to maintain and replace, as necessary, those portions of the Lot required to be maintained, replaced and repaired by the Association, as provided in this Declaration, and to access, maintain, repair, and replace any portion of the Common Area of Area of Common Responsibility. The rights of Declarant and Association described herein include the right to connect to any exterior spigot of a

Lot in order to facilitate the maintenance and/or landscaping of the Lot. No Lot Owner may erect any structure or improvement that will deny or impede the Association's access to the exterior spigots and irrigation controls of that Lot.

Each Owner of a Lot shall have a non-exclusive and perpetual easement to temporarily enter upon and across the Lots adjacent to such Owner's Lot, at reasonable hours, only to the extent actually necessary under the circumstances, to perform its responsibilities of maintenance, landscaping, inspection and repair of said Owner's Lot.

Section 4. Damages. The use of any easement granted under the provisions of this Article shall not include the right to disturb any building or structure in the Community, and any damage caused to same shall be repaired at the expense of the party causing such damage.

Section 5. Easement for Collection for Stormwater Runoff and Flood Water. The Declarant reserves for itself, its successors and assigns, and the Association and SJRWMD, the non-exclusive right and easement, but not the obligation, to enter upon any part of Community to (a) install, keep, maintain and replace pumps in order to provide water for the irrigation of any of the Association property and Common Areas; (b) construct, maintain and repair any part or portion of the Water Management System, stormwater treatment facilities, and any structure designed to divert, collect or retain water; and (c) remove trash and other debris. Stormwater treatment facilities may be located underground. This easement shall not entitle the holders to construct or install any drainage systems or facilities over, under or through any existing Lot, and any damage to a Lot resulting from the exercise of this easement shall promptly be repaired by and at the expense of the Person exercising this easement. The exercise of this easement shall not unreasonably interfere with the use of any Lot and, except in an emergency, entry onto any Lot shall be made only after reasonable notice to the Owner or the Owner's occupant. Further, every Lot and the Common Area shall be burdened with easements for natural drainage or stormwater runoff from other portions of the Community; provided, no Persons shall alter the natural drainage on any Lot so as to materially increase the drainage of stormwater onto adjacent portions of the Community without the consent of the Owner of the affected Property, the Association, and, if applicable, SJRWMD and the County.

Section 6. Encroachments. Any portion of any Lot encroaching upon any other Lot or on any of another Lot, Common Area, or any encroachment that shall hereafter occur as a result of (i) construction or reconstruction of any Improvement, provided the encroachment was not intentional; (ii) settling or shifting of an Improvement, provided the encroachment was not intentional; (iii) any addition, alteration or repair to the Common Area made by or with the consent of the Association; or (iv) any repair or restoration of any Improvements (or any portion thereof) or any Lot after damage by fire or other casualty (provided the encroachment was not intentional) or any taking by condemnation or eminent domain proceedings of all or any portion of any Lot, Common Area, then in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same so long as the Improvements shall stand. Such easement shall exist to a distance of not more than five (5) feet as measured from any common boundary between contiguous Lots and between each Lot and any adjacent Common Area along a line perpendicular to such boundaries at such points. Any such easement or encroachment shall include an easement for the maintenance and use of the encroaching Improvements in favor of each of the Lot Owners and their respective designees.

Section 7. Easements to Service Additional Property. The Declarant hereby reserves for itself and its duly authorized agents, representatives, employees, successors, assigns, licensees and mortgagees, an easement over the Common Area for the purposes of enjoyment, use, access and development of any property located adjacent to or in the vicinity of the Community. This easement includes, but is not limited to, a right of ingress and egress over the Common Area for construction of roads and for connecting and installing utilities Community System on such property. Declarant agrees that it and its successors or assigns

shall be responsible for any damage caused to the Common Area as a result of vehicular traffic connected with development of such property. Declarant further agrees that if the easement is exercised for permanent access to such property and such property or any portion thereof is not made subject to this Declaration, the Declarant, its successors or assigns shall enter into a reasonable agreement with the Association to share the cost of maintenance of any access roadway serving such property.

Section 8. Easements for Cross-Drainage. Every Lot and the Common Area shall be burdened with easements for natural drainage of storm water runoff from other portions of the Community; provided, no Person shall alter the natural drainage on any Lot after the development of the Community pursuant to approved permits, so as to materially increase the drainage of storm water onto adjacent portions of the Community without the consent of the Owner of the affected property, the Association, and, if applicable, SJRWMD and the County. No person shall alter the drainage over the entire surface water or stormwater system, including the buffer areas or swales, without the prior written approval of the SJRWMD and the Association.

Any amendment to the Covenants and Restrictions which alter any provision relating to the surface water or stormwater management system, beyond maintenance in its original condition, including the water management portions of the common areas, must have the prior approval of the SJRWMD.

The SJRWMD shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in the Covenants and Restrictions which relate to the maintenance, operation and repair of the surface water or stormwater management system.

ARTICLE VI THE ASSOCIATION

Section 1. Functions and Services. Except as may otherwise be provided herein, the Association shall be the entity responsible for management, maintenance, operation and control of the Common Areas. The Association shall be the primary entity responsible for enforcement of this Declaration and such reasonable rules regulating use of the Community as the Board may adopt from time to time. The Association shall also be responsible for administering and enforcing the architectural standards and controls set forth in this Declaration and in the Architectural Review Requirements. The Association shall perform its functions in accordance with this Declaration, the Bylaws, the Articles, and Florida law. Among other things, the Association shall be empowered to do the following, all of the expenses for which shall be deemed Common Expenses:

- (a) Adopt Community-Wide Standards of conduct, maintenance or other activity;
- (b) Adopt and amend the Articles, as provided therein, the Bylaws, as provided therein, and the bylaws, rules and regulations;
- (c) Adopt and amend budgets for revenues, expenditures and reserves;
- (d) Collect Base Assessments, Special Assessments and Specific Assessments for Common Expenses;
- (e) Maintain in perpetuity all lakes, water bodies, Conservation Easements and preserved areas located within the Community in accordance with all applicable Permits pertaining to said areas and pursuant to the lake management techniques;
- (f) Hire and discharge employees, agents, independent contractors, managers and

administrators;

(g) Institute, defend or intervene in litigation or administrative proceedings in its own name on its behalf or on behalf of two or more Owners, but only as to matters affecting the Community;

(h) Make contracts and incur liabilities;

(i) Adopt Rules and Regulations regarding the use, maintenance, repair, replacement and modification of the Lots and Common Area;

(j) Make additional improvements to the Common Area;

(k) Acquire, hold, encumber and convey in its own name any right, title or interest in real or personal property;

(l) Grant easements, leases, licenses and concessions through or over the Common Area, provided it has obtained the express written consent of the Declarant, if prior to the Turnover Date;

(m) Take all actions necessary to enforce the covenants, conditions and restrictions of this Declaration, the Articles, the Bylaws and the rules and regulations;

(n) Impose and receive payments, fees or charges for the use, rental or operation of the Common Area and for services provided to Owners;

(o) Impose charges for late payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of the Declarations, Bylaws and rules and regulations of the Association;

(p) Impose reasonable charges to prepare and record amendments to the Articles, Declaration and Bylaws and Notices of Lien for unpaid assessments;

(q) Purchase at its option general liability and hazard insurance for Improvements and activities on the Common Area, provided that any insurance required to be maintained by the Association pursuant to Chapter 720, Florida Statutes, to the extent applicable to this community, will be maintained;

(r) Provide for the indemnification of its officers and maintain directors and officers liability insurance;

(s) Exercise any other powers conferred by this Declaration, the Articles or the Bylaws;

(t) Exercise all powers that may be exercised in the State of Florida by similar legal entities;

(u) Exercise any other powers necessary and proper for the governance and operation of the Association, including the delegation of its functions and services to any governmental or private entity, in accordance with the requirements set forth in the County Code;

(v) To operate and maintain the Water Management System as permitted by

SJRWMD and the County, if applicable, including, but not limited to, all lakes, retention areas, Conservation Areas, water management areas, ditches, culverts, structures and related appurtenances;

(w) To perpetually maintain any and all permanent markers and signs required by SJRWMD or County, and to inform all Owners of the conservation status of the Conservation Areas required by SJRWMD or County;

(x) To enforce all use restrictions created herein and the conditions contained in any subsequent conservation easement with respect to the Conservation Areas, including, but not limited to, bringing an action in equity to obtain an injunction against a Lot Owner, enjoining the Lot Owner from violating any restrictions and conditions pertaining to the Conservation Areas, etc.;

(y) Assumption of all obligations (including all monetary and reporting requirements) of Declarant under all Permits for the Community;

(z) The Association shall be responsible for satisfying and complying with all obligations and terms under all Permits. Declarant may, in its sole discretion, convey or assign, in whole or in part, any and all Permits pertaining to the Community, or to lands surrounding the Community, to the Association for such purposes as may be expressed in the instrument of conveyance or assignment. The Association shall accept from Declarant any such conveyance or assignment and shall assume (and release Declarant from) any and all obligations relating to same.

(aa) There shall be set aside a natural vegetative buffer ("Buffer") over that portion of the property shown on the plat. No activity or placement of any structures, fences, or accessory uses shall occur in this buffer as it is to remain a natural undisturbed vegetative buffer.

Section 2. Obligation of the Association. The Association shall carry out the functions and services specified herein first with the proceeds from Base Assessments and then, if necessary, with the proceeds from Special Assessments. The Board of Directors shall consider the proceeds of assessments and the needs of Members in exercising its functions and services outlined in Section 1 of this Article.

Section 3. Association Actions Requiring Approval. Unless the Association receives the affirmative vote of at least two-thirds (2/3) of the votes entitled to be cast at a duly convened meeting of the Members, the Association shall not be entitled to:

(a) abandon, partition, subdivide, encumber, sell or transfer the Common Area or any portion thereof, except that boundaries of the Common Area may be adjusted pursuant to Article III, Section 1 hereof. Any such transfer or conveyance of the Common Area by the Association shall not be made without adequate provision for the continued maintenance and operation of infrastructure Improvements for which the Association is responsible. The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Area shall not be deemed a transfer within the meaning of this paragraph;

(b) change the method of determining the obligations, assessments, dues or other charges which may be levied against an Owner;

(c) change, waive or abandon any scheme of regulation or enforcement of Community-Wide Standards; nor

(d) use hazard insurance proceeds for losses to any Common Area other than for the repair or replacement of the Common Area.

Section 4. Recycling Programs. The Board may establish a recycling program and recycling center within the Community and in such event, all occupants of Lots shall support such program by recycling, to the extent reasonably practical, all materials which the Association's recycling program or center is set up to accommodate. The Association may but shall have no obligation to purchase recyclable materials in order to encourage participation and any income received by the Association as a result of such recycling efforts shall be used to reduce Common Expenses.

Section 5. Public Gardens and Environmental Programs. The Board may establish gardens within the Common Area or designate spaces within the Common Area for the establishment of gardens to promote public awareness of and participation in conservation, management and enhancement of native vegetation, soils and geology, and may establish programs to promote an understanding of the natural landscape and environment.

Section 6. Stormwater Facilities Maintenance. Declarant and the Association hereby grant to the County a non-exclusive drainage easements over, under, across and through the stormwater management facilities show as set forth herein or on any Plat. The Association shall be responsible for the maintenance, operation, and repair of the lakes as part of the Surface Water or Stormwater Management System and stormwater management facilities.

ARTICLE VII COVENANT FOR MAINTENANCE

Section 1. Association's Responsibility.

(a) Common Area. Except as otherwise provided herein, the Association shall maintain and keep in good repair the Common Areas and Area(s) of Common Responsibility, which shall include, but need not be limited to:

(i) all landscaping and other flora, parks, recreation facilities, signage, structures, walls and Improvements, including all roads and streets located in the Community, and bike and pedestrian pathways/trails, if any, situated upon the Common Area;

(ii) unless otherwise maintained by the local governmental authority having jurisdiction over the Community, landscaping, street lights and signage within public rights-of-way within or abutting the Community, and landscaping and other flora within any public utility easements and conservation easements within the Community (subject to the terms of any easement agreement relating thereto), and except those located on an Owner's Lot, if any, provided that the proper Permits will be obtained in advance of any work within any public rights-of-way;

(iii) any playground, open-air pavilion, and facilities located within the Community, the maintenance and repair of which shall be borne by the Association and assessed against all Owners within the Community as a Common Expense;

(iv) such portions of any additional property included within any Area(s) of Common Responsibility as may be dictated by this Declaration, any Supplemental Declaration, or any contract or agreement for maintenance thereof entered into by the Association; and

(v) any property and facilities owned by the Declarant and made available, on a temporary or permanent basis, for the primary use and enjoyment of the Association and its Members, such property and facilities to be identified by written notice from the Declarant to the Association and to thereafter remain a part of the Area of Common Responsibility and be maintained

by the Association until such time as Declarant revokes such privilege of use and enjoyment by written notice to the Association.

(b) Lot Maintenance.

(i) The Association shall be responsible for the landscaping on the Lots as set forth in this paragraph; provided, however, that neither Declarant nor the Association shall be deemed a guarantor of such landscaping. Landscaping of the Lots shall only include the mowing and edging the grass and applying fertilizers and pesticides in the front and back yard of the Lots and maintaining and trimming (but not replacing) any bushes located on the Lot and maintaining and hedging any shrubs located on the Lot and maintaining and operating the irrigation system. The landscaping and irrigation costs shall be passed on to the Owners as a part of the annual Base Assessments. Notwithstanding the foregoing, it shall be each Owner's responsibility and obligation to keep all parts of the Lot free and clear of trash and debris.

The Association shall not maintain landscaping or grass installed by any Lot Owner, nor will it maintain plantings within any deck or patio area of a Home, or within an area enclosed by a fence installed by the Lot Owner, which will specifically be the responsibility of the Lot Owner to maintain. The cost and expense of repair, maintenance and replacement of any part of the sprinkler system damaged by a Lot Owner, his family, lessees, guests, servants or invitees, may be assessed against said Lot.

(ii) The Association shall not maintain any other portion of the platted Lot and improvements thereon.

The Association shall bear responsibility for any maintenance obligations under the Permits or any other permits applicable to the Community.

There are hereby reserved to the Association easements over the Community as necessary to enable the Association to fulfill such above stated responsibilities. The Association shall maintain the facilities and equipment within the Area(s) of Common Responsibility in continuous operation, except for reasonable periods as necessary to perform required, maintenance or repairs, unless Members representing two-thirds (2/3rds) of the Class "A" votes and the Declarant, so long as Declarant owns a Lot, agree in writing to discontinue such operation.

Except as otherwise specifically provided herein, all costs associated with maintenance, repair and replacement of the Area of Common Responsibility shall be a Common Expense to be allocated among all Lots in the manner of and as a part of the Base Assessment, without prejudice to the right of the Association to seek reimbursement from the owner(s) of, or other Persons responsible for, certain portions of the Area of Common Responsibility pursuant to this Declaration, other recorded covenants or agreements with the owner(s) thereof, or otherwise.

Section 2. Owner's Responsibility.

(i) The Lot Owner is responsible to maintain and repair everything on the Lot, including but not limited to, the Home and any other improvements, except for items which the Association is required to maintain, as specifically provided in the paragraph above. The Lot Owner shall, at their expense, maintain repair and replace all portions of the exterior of the Home, including without limitation: painting the exterior, paintable walls of each Home/Building, repairing and replacing all portions of the exterior finish material of each Building, maintaining, repairing and replacing the roof of each Building, including patio roofs, if any, periodically cleaning the exterior portions of the Building, and maintaining, repairing or replacing gutters, and downspouts. All

maintenance and repair shall be performed by each Owner at regular intervals as shall be necessary to keep the Lot and Home in an attractive condition and in substantially the same condition and appearance as existed at the time of completion by the Declarant, subject to normal wear and tear that cannot be avoided by normal maintenance. The Lot Owners shall be responsible for the maintenance, repair and replacement, if applicable, of water and sanitary sewer lateral pipes servicing their Home, which laterals extend from the applicable water and sewer main to the Home, notwithstanding that a portion of such laterals may be located within any Common Area. The Lot Owner shall be responsible for pest control services.

(ii) The Lot Owner is responsible to maintain, repair and replace the air-conditioning and heating system and appurtenances thereto, servicing the Home and improvements located on his Lot and any other portion of the air-conditioning and heating system or appurtenances thereto servicing his Home which may be located on the Property.

(iii) The Lot Owner shall also maintain (including periodic cleaning), repair and replace all screening, glass, and all doors, garage doors windows or other openings in the exterior of the Home, including, without limitation, any periodic painting or staining required.

(iv) The Lot Owner shall contract for garbage removal, and the Lot Owner shall comply with the regulations promulgated in such regard.

(v) The Lot Owner shall be responsible for the maintenance, removal and replacement of all flowers, shrubs, and trees installed by the Lot Owner. In the event an Owner fails to perform its obligations with respect to Lot maintenance as set forth herein, the Association may, but is not obligated to, furnish such maintenance and removal services and the cost thereof shall constitute a special assessment for which a claim of lien may be filed or enforced against the Owner's Lot and such amount shall be the personal obligation of the Owner.

(vi) If any Association-maintained landscaped areas within the Lots are damaged or destroyed as a result of the negligence, misuse, error, act or the failure to act by an Owner or any of his guests, tenants, invitees, agents, employees, or family members, the Association may, in its sole and absolute discretion, either (a) repair the landscaped areas, with the cost of such repairs being the responsibility of that Owner as a Specific Assessment, payable by the responsible Owner immediately upon receipt of a written invoice or statement, or (b) provide written notice to the Owner to repair the landscaped area, in which case the Owner shall immediately and at such Owner's sole cost and expense, perform exactly such repairs to the landscaped area as are required by the Association.

(vii) The Lot Owner shall maintain, repair and replace, at their sole cost and expense, all interior portions of the Home, including those portions contributing to the support of the building, which portions shall include but not be limited to load-bearing columns and load-bearing walls. Notwithstanding the foregoing, the Association reserves the right but not obligation, in its sole and absolute discretion, if an Owner fails to do so, to make repairs and replacements of those interior portions of a Building contributing to the support of the Building with the cost of such repairs and replacement being the responsibility of that Owner as a Specific Assessment, payable by the responsible Owner immediately upon receipt of a written invoice or statement.

(viii) The Lot Owner shall replace, at its sole cost and expense, light bulbs located on the exterior of the Home as they burn out, using a type and model of light bulb substantially similar to the light bulbs initially installed by the Declarant or otherwise approved in advance by the ARB.

(ix) All Owner maintenance, repair and replacement obligations shall (a) be done without disturbing the rights of any other Owners; (b) be performed by each Owner at regular intervals as shall be necessary to keep the Lot and the Home in an attractive condition and in substantially the same condition and appearance as existed at the time of completion of construction; subject to normal wear and tear that cannot be avoided by normal maintenance; and (c) be of a design, quality specification and decor consistent with the Improvements located on the Property.

(x) Each Owner shall maintain, repair, or replace all structures, fences, driveways, patios, walkways, and other Improvements comprising the Lot in good repair, in a neat and attractive condition, and in a manner consistent with the Community-Wide Standard and all applicable covenants, unless such maintenance responsibility is otherwise expressly assumed by or assigned to the Association pursuant to this Declaration or any Supplemental Declaration or other declaration of covenants applicable to such Lot.

Each Owner shall promptly perform any maintenance or repair requested to prevent any damage or loss to other Lots or Homes and shall be liable to all loss or damage sustained by other Owners or the Association caused by reason of the Owner's failure to promptly perform such maintenance and repair following written notice to such Owner specifying the items of maintenance or repair. Further, each Owner shall keep such Owner's Lot and Home in a neat and attractive condition. In addition to any other enforcement rights, if an Owner fails to properly perform his or her maintenance responsibility as required herein, after fifteen (15) days prior written notice from the Association specifying the required maintenance, repair, or replacement items, the Association may perform such maintenance responsibilities, in its sole and absolute discretion, and assess all costs incurred by the Association against the Lot and the Owner as a Specific Assessment in accordance with Article VIII. The Association shall afford the Owner reasonable notice and an opportunity to cure the problem prior to entry, except when entry is required due to an emergency situation.

Section 3. Standard of Performance. Maintenance, as used in this Article, shall include, without limitation, repair and replacement as needed, as well as such other duties, which may include irrigation, as the Board may determine necessary or appropriate to satisfy the Community-Wide Standard. All maintenance shall be performed in a manner consistent with the Community-Wide Standard and all applicable covenants. (Notwithstanding anything to the contrary contained herein, the Association and/or an Owner shall not be liable for property damage or personal injury occurring on, or arising out of the condition of, property, which it does not own unless and only to the extent that it has been negligent in the performance of its maintenance responsibilities.). The minimum but not exclusive standard for maintenance of improvements shall be consistency with the approved plans thereof and with the general appearance of the other occupied Improvements in the Property as a whole when initially constructed and improved (taking into account, however, normal weathering and fading of exterior finishes, but not to the point of unsightliness). The maintenance obligation of each Owner as to building improvements shall include, without limitation, maintenance of all exterior surfaces and roofs, fascias and soffits, decorative facades, screens, windows and doors. Owners shall clean, repaint or re-stain, as appropriate and with approval of the Architectural Review Committee, the exterior portions of the building improvements, including exterior surfaces of garage doors, as often as is necessary to comply with the foregoing standards.

Section 4. Disrepair of Homes and Lots. If the Owner of any Lot shall fail to maintain his Lot, and the Improvements situated thereon, as required by any provision of this Declaration, in a manner reasonably satisfactory to the Board of Directors of the Association or any committee established by such Board, except for such areas as the Association is required to maintain, upon direction of the Board of Directors, the Association shall have the right, through its agents and employees, to enter upon the Lot to maintain and

restore the improvements erected on such Lot. The cost of any maintenance supplied by the Association pursuant to this Section shall be a Specific Assessment and added to and become part of the assessment to which such Lot is subject.

Section 5. Negligence of Owner. Should any portion of a Home which the Association is required to maintain pursuant to this Article be required to be maintained, repaired or replaced as a result of the negligence of the Owner, his family, lessee, guests, servants or invitees, the applicable Owner shall be responsible for the cost thereof and the Association shall have the right to levy an assessment against the Owner of said Lot for same, which assessment shall have the same force and effect as all other assessments.

ARTICLE VIII ASSESSMENTS

Section 1. Creation of Assessments. The Association is hereby authorized to levy assessments against each Lot for Association expenses as the Board may specifically authorize from time to time. There shall be three (3) types of assessments for Association expenses and other obligations: (a) Base Assessments to fund Common Expenses for the general benefit of all Lots; (b) Special Assessments as described in Section 3 below; and (c) Specific Assessments as described in Section 4 below. Each Owner, by accepting a deed or entering into a recorded contract of sale for any portion of the Community is deemed to covenant and agree to pay these assessments.

All assessments, together with interest from the due date of such assessment at a rate determined by the Board (not to exceed the highest rate allowed by Florida law), late charges at a rate determined by the Board (in an amount not to exceed the greater of \$25.00 or 5 percent of the amount of each installment that is paid past the due date, provided that if Chapter 720, Florida Statutes, is ever amended to provide that the Association shall have the right to impose greater late charges than those enumerated in this subsection, then such right shall automatically be bestowed upon the Association without need for amending this Declaration or providing any notice), costs and reasonable attorneys' fees, shall be a charge and continuing lien upon each Lot against which the assessment is made until paid, as more particularly provided in Section 6 below, and shall also be the personal obligation of the Owner. Each such assessment, together with interest, late charges, costs, and reasonable attorneys' fees, also shall be the personal obligation of the Person who was the Owner of such Lot at the time the assessment arose. Upon a transfer of title to a Lot, the grantee shall be jointly and severally liable for any assessments and other charges due at the time of conveyance. However, no first mortgagee of record who obtains title to a Lot by exercising the remedies provided in its mortgage shall be liable for unpaid assessments which accrued prior to such acquisition of title, except to the extent provided herein.

Assessments shall be paid in such manner and on such dates as the Board may establish. If the Board so elects, assessments may be paid in one or more installments. Unless the Board otherwise provides, the Base Assessment shall be due and payable in advance on the first day of each fiscal year. If any Owner is delinquent in paying any assessments or other charges levied on his Lot, the Board may require any unpaid installments of all outstanding assessments to be paid in full immediately.

The Association shall, upon request, furnish to any Owner liable for any type of assessment, a certificate in writing, signed by an officer of the Association or its agent, setting forth whether such assessment has been paid. Such certificate shall be conclusive evidence of payment. The Association may require the advance payment of a reasonable processing fee for the issuance of such certificate.

No Owner may exempt himself from liability for assessments, by non-use of Common Area, abandonment of his Lot, or any other means. The obligation to pay assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of assessments or set-off

shall be claimed or allowed for any alleged failure of the Association or Board to take some action or perform some function required of it, or for inconvenience or discomfort arising from the making of repairs or improvements, or from any other action it takes.

The Association is specifically authorized to enter into subsidy contracts or contracts for “in kind” contribution of services, materials or a combination of services and materials with the Declarant or other entities for payment of Common Expenses.

Section 2. Reserve Budget and Capital Contribution. The Board may, but shall not be obligated to, prepare reserve budgets for general purposes, on an annual basis, which take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. This section shall not be construed as establishing and providing for initial reserve accounts by Declarant pursuant to section 720.303(6)(d). The Board shall set the required capital contribution in an amount sufficient to permit meeting the projected needs of the Association, as shown on the budget, with respect both to amount and timing by annual Base Assessments over the budget period.

While Declarant is in control of the Association, Declarant may, but is not required to, include reserves in the budget. If Declarant includes reserves in the budget, Declarant may determine the amount of reserves included. Declarant is not obligated to pay for:

- a. Contributions to reserve accounts for capital expenditures and deferred maintenance, as well as any other reserves that the homeowners’ association or the developer may be required to fund pursuant to any state, municipal, county, or other governmental statute or ordinance;
- b. Operating expenses; or
- c. Any other assessments related to the Declarant’s parcels for any period of time for which the Declarant has provided in the Declaration that in lieu of paying any assessments imposed on any parcel owned by Declarant, Declarant need only pay the deficit, if any, in any fiscal year of the association, between the total amount of the assessments receivable from other members plus any other association income and the lesser of the budgeted or actual expenses incurred by the association during such fiscal year, excluding capital improvements costs, depreciation and amortization, and Special Assessments arising as a result of any unusual loss or liability.

Section 3. Special Assessments. In addition to other authorized assessments, the Association may levy Special Assessments from time to time to cover unbudgeted expenses or expenses in excess of those budgeted. Such Special Assessment may be levied against the entire membership, if such Special Assessment is for Common Expenses, or against the specific Lots within the Community benefiting from said expenses. Special Assessments shall be payable in such manner and at such times as determined by the Board and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved.

Section 4. Specific Assessments. The Board shall have the power to levy Specific Assessments against a particular Lot or Lots constituting less than all of the Lots within the Community, as follows:

- (a) to cover the costs, including overhead and administrative costs, of providing benefits, items or services to the Lot or occupants thereof upon request of the Owner, pursuant to a menu of special services which the Board may from time to time authorize to be offered to Owners (which might include, without limitation, landscape maintenance, pool cleaning, handyman service, etc.), which assessments may be levied in advance of the provision of the requested benefit, item or service as a deposit against charges to be incurred by the Owner; Nothing herein shall be construed to obligate the Association to offer such special services; and

(b) to cover costs incurred in bringing the Lot into compliance with the terms of this Declaration, any applicable Supplemental Declaration, the Bylaws or rules, or costs incurred as a consequence of the conduct of the Owner or occupants of the Lot, their licensees, invitees or guests; provided, the Board shall give the Lot Owner prior written notice and an opportunity for a hearing before levying in Specific Assessment under this subsection (b).

(c) to cover the costs, including overhead and administrative costs, incurred by the Association as a result of the Owner's failure to comply with this Declaration or to perform any obligation hereunder.

Section 5. Date of Commencement of Assessments; Due Dates. All base assessments shall be payable annually in advance. The obligation to pay assessments shall commence as to each Lot on the date of conveyance of the Lot to an Owner other than Declarant or Builder. At the closing of the sale of each Lot in the Community to an Owner other than Declarant or Builder, said purchaser shall pay to the Association: the base assessment, prorated on a per diem basis from the date of closing on the sale of, or the date of occupancy of the Lot, whichever is earlier, through the end of the year. At the option of the Board, the payment of assessments may be changed to a more frequent basis. The due date of any Special Assessment or Specific Assessment provided for herein shall be set in the resolution authorizing such assessment.

Section 6. Liens for Assessments. All sums assessed against any Lot pursuant to this Declaration, together with interest, late fees, all amounts coming due thereafter, and all costs and expenses of collection, including reasonable attorneys' fees and paraprofessional fees at all levels, including appeals, collections and bankruptcy, shall be secured by a continuing lien in favor of the Association on such Lot, which may be foreclosed in the same manner as a mortgage lien is foreclosed under applicable Florida law. The lien is effective from and shall relate back to the date on which this Declaration was recorded in the public records of the County. Upon recording of a Notice of Lien, there shall exist a perfected lien for unpaid assessments on the respective Lot prior and superior to all other liens, except all taxes, bonds, assessments and other levies which by law would be superior thereto, or a lien or charge of any existing first mortgage of record (meaning any recorded mortgage with first priority over other mortgages) made in good faith and for value, but subject to the limitations of Section 7 hereof. Such lien, when delinquent, may be enforced by suit, judgment and foreclosure.

The Association, acting on behalf of the Owners, shall have the power to bid for the Lot at foreclosure sale and to acquire and hold, lease, mortgage and convey the same. Suit to recover a money judgment for unpaid Common Expenses and attorneys' fees shall be maintainable without foreclosing or waiving the lien securing the same. The Board, pursuant to Chapter 720 of the Florida Statutes, as amended from time to time, may temporarily suspend the voting rights and right to use the Common Area of a Member while such Member is in default in payment of any assessment.

Each Owner, by acceptance of a deed or as a party to any other type of conveyance, vests in the Association or its agents the right and power to bring all actions against him or her personally for the collection of such charges as a debt and also to foreclose the aforesaid lien in the same manner as other liens for the improvement of real property. The lien provided for in this Article shall be in favor of the Association and shall be for the benefit of all other Owners.

All payments to the Association from any Owner delinquent in its payment of assessments shall be applied first to any interest accrued, then to any administrative late fee, then to any costs and reasonable attorney fees incurred in collection, and then to the delinquent assessments in the order of their coming due.

Section 7. First Mortgagees' Rights and Liability. A first mortgagee, upon written request, shall be entitled to written notification from the Association of any default of an Owner of any obligation hereunder which is not cured within sixty (60) days. Notwithstanding anything to the contrary contained herein, the liability of a first mortgagee, or its successor or assignee as a subsequent holder of the first mortgage who acquires title to a Lot by foreclosure or by deed in lieu of foreclosure for the unpaid assessments that became due before the mortgagee's acquisition of title, shall be the lesser of:

1. The Lot's unpaid common expenses and regular periodic or special assessments, that accrued or came due during the 12 months immediately preceding the acquisition of title and for which payment in full has not been received by the Association; or
2. One percent of the original mortgage debt.

The limitations on first mortgagee liability provided by this paragraph apply only if the first mortgagee filed suit against the parcel owner and initially joined the Association as a defendant in the mortgagee foreclosure action. Joinder of the Association is not required if, on the date the complaint is filed, the Association was dissolved or did not maintain an office or agent for service of process at a location that was known to or reasonably discoverable by the mortgagee. Additionally, a first mortgagee shall become liable for all assessments which become due and payable subsequent to the sale or transfer of the Lot pursuant to a decree of foreclosure, or pursuant to a deed given in lieu of foreclosure, or any other proceeding in lieu of foreclosure. The limitations of a first mortgagee's liability as provided in this subsection shall not apply to unpaid assessments and charges for which the Association has recorded a Notice of Lien in the public records of the County prior to the recording of the applicable first mortgage. In addition, in the event the law is amended after the recording of this Declaration to permit the Association to collect a greater amount of unpaid Assessments from a mortgagee that acquires title to a Lot by foreclosure or deed in lieu of foreclosure, then such provision of law shall automatically be deemed expressly incorporated into this Section (without need for amending this Declaration or providing any notice) to permit the Association to collect such greater amount. However, if the law is subsequently amended to permit the Association to collect a lesser amount of unpaid Assessments from a first mortgagee who acquires title to a Lot by foreclosure or deed in lieu of foreclosure than what would otherwise be collectable according to this Section, then such law shall not be deemed expressly incorporated herein and shall not operate to retroactively impair the provisions herein.

Section 8. Declarant's Option to Fund Budget Deficit. To the extent permitted by Florida law, until the Association turnover date ("Turnover Date"), Declarant, its successors or assigns, may satisfy the obligation for Assessments on Lots which it owns either by paying Assessments in the same manner as any other Owner or by funding the Budget deficit. The Budget deficit is the difference between (i) the amount of Assessments levied on Owners' Lots plus any other income received during the fiscal year, including Working Fund Contribution, Special Assessments, and Specific Assessments and (ii) the lesser of the budgeted or actual expenses incurred by the Association during such year, excluding capital improvements costs, depreciation and amortization, and Special Assessments arising as a result of any unusual loss or liability.

For any assessment year, Declarant may from time to time change the option (or combination thereof) under which Declarant is making payments to the Association by written notice to such effect to the Association. After the Association Turnover Date, Declarant shall pay Assessments on Lots which it owns in the same manner as any other Owner.

Declarant's obligation to deficit fund is not a guarantee of the Assessments as contemplated by Section 720.308, Florida Statutes.

Section 9. Exempt Property. The following property shall be exempt from payment of Base

Assessments, Specific Assessments, and Special Assessments:

- (a) all Common Areas;
- (b) any property dedicated to and accepted by any governmental authority or public utility; and
- (c) any property held by a conservation trust or similar nonprofit entity as a conservation easement, except to the extent that any such easement lies within the boundaries of a Lot which is subject to assessment (in which case the Lot shall not be exempted from assessment).

Section 10. Working Fund Contribution Fee.

Each Owner who purchases a Lot from the Declarant or Builder, and each Owner thereafter upon each sale or transfer of title of a Lot, shall pay to the Association at the time legal title is conveyed to such Owner a working fund contribution assessment ("Working Fund Contribution"). The Working Fund Contribution shall be an amount equal to Five Hundred Dollars (\$500.00). The Declarant may waive this requirement for some Lots, including, but not limited to, if the first purchaser is a Builder and the Builder becomes unconditionally obligated to collect and pay the Working Fund Contribution upon the subsequent sale of each Lot to an end purchaser. At any time and from time to time, the Declarant or Association may increase the Working Fund Contribution to an amount up to, but no greater than One Thousand Five Hundred and No/100 Dollars (\$1,500.00). The foregoing sum shall be collectible in the same manner as the Base Assessment. The Working Contribution may be used for any purpose authorized by this Declaration, the Bylaws, Articles of Incorporation, or Florida law, including, without limitation, paying for initial startup expenses, operating expenses, unforeseen expenses, maintenance obligations, or reserve obligations (if reserves are established) of the Association. It is the express intent that Working Fund Contributions may be used to offset operating expenses and deficit funding obligations of Declarant, including before, during, or after any Guarantee Period.

(a) Exempt Transfers. Notwithstanding the above, no Working Fund Contribution shall be levied upon transfer of title to a Lot:

- (i) by or to Declarant, Builder or any party who becomes a successor Declarant; resale;
- (ii) by a Builder who held title solely for purposes of development and
- (iii) by an Owner to a trust, partnership, corporation, or other entity so long as such entity is and remains wholly-owned by the Owner or by such Owner and the Owner's spouse and/or children; provided, however, if the immediately preceding transfer of the Lot was exempted from payment of the Working Fund Contribution pursuant to this subsection, then this subsection shall not apply and the Lot shall be subject to the Working Fund Contribution;
- (iv) by an Owner or such Owner's estate to the Owner's spouse and/or children; provided, however, if the immediately preceding conveyance of the Lot was exempted from payment of the Working Fund Contribution pursuant to this subsection, then this subsection shall not apply and the Lot shall be subject to the Working Fund Contribution;
- (v) of an undivided interest in a Lot by the Owner thereof to any then existing co-Owner(s) of such Lot; or

Section 11. Payment of Lot Real Estate Taxes. Each Owner shall pay all taxes and obligations relating to his or her Lot which, if not paid, could become a lien against the Lot superior to the liens for Assessments created by this Declaration.

ARTICLE IX ARCHITECTURAL REVIEW REQUIREMENTS

The Board of Directors shall have the authority and standing on the behalf of the Association, to enforce in courts of competent jurisdiction decisions of the Architectural Review Committee (the "Committee"), established by this Article. This Article may not be amended without the Declarant's written consent so long as the Declarant owns any lands subject to this Declaration.

Section 1. The Architectural Review Committee. The Committee shall be a permanent committee of the Association and shall administer and perform the architectural and landscape review and control functions relating to the Community. The Committee shall consist of a minimum of three (3) members who shall initially be named by Declarant and who shall hold office at the pleasure of Declarant. One of the members of the Committee may be a paid consultant, e.g. an architect, at Declarant's option. Until the Turnover Date, Declarant shall have the right to change the number of members of the Committee and to appoint, remove, and/or replace any or all of the members of the Committee. Declarant shall determine which members of the Committee shall serve as its chairman and co-chairman. In the event that any of the members appointed by Declarant shall fail, refuse, or be unable to act, Declarant shall have the right to replace any such member(s) within thirty (30) days of such occurrence. If Declarant fails to replace that member, the remaining members of the Committee shall fill the vacancy by appointment. From and after the Turnover Date, the Board shall have the same rights as Declarant with respect hereto.

Section 2. Membership. There is no requirement that any member of the Committee be an Owner or a Member of the Association.

Section 3. General Plan. It is the intent of this Declaration to create a general plan and scheme of development of the Community. Accordingly, the Committee shall have the right to approve or disapprove all architectural, landscaping, and Improvements within the Community to be made by Owners other than Declarant. All proposed Improvements, including, but not limited to, any and all construction, modifications, additions and alterations, by Owners, Builders and developers who seek to engage in development of or construction upon all or any portion of the Community shall be in strict compliance with the Architectural Review Requirements and this Article, and subject to an applicable PUD restrictions. Moreover, no painting of the exterior of a Lot by an Owner, no construction, which term shall include within its definition staking, clearing, excavation, grading and other site work, and no fencing, screening, plantings or addition/removal of plants, trees or shrubs shall take place except in strict compliance with the Architectural Review Requirements and this Article, and with the approval of the Committee. The Committee shall have the right to evaluate all plans and specifications as to harmony of exterior design, landscaping, location of any proposed Improvements, relationship to surrounding structures, topography, and conformity with such other reasonable requirements as shall be adopted by Committee from time to time. The Committee may impose standards for construction and development which may be greater or more stringent than standards prescribed in applicable building, zoning, or other local governmental codes. Prior to the Turnover Date, any additional standards or modification of existing standards shall require the written consent of Declarant, which consent may be granted or denied in its sole discretion.

Section 4. Architectural Review Requirements. Each Owner and his or her or its contractors and employees shall observe and comply with this Article and with the Architectural Review Requirements (the "Architectural Review Requirements") which have been or may hereafter be promulgated by the Committee

and approved by the Board from time to time. The Architectural Review Requirements shall be effective from the date of adoption; shall be specifically enforceable by injunction or otherwise; and shall have the effect of covenants as set forth herein. The Architectural Review Requirements shall not require any Owner to alter any Improvements previously constructed. Until the Turnover Date, Declarant shall have the right to approve the Architectural Review Requirements, which approval may be granted in its sole discretion. Notwithstanding the foregoing, the restrictions or obligations set forth in this Article IX which require the approval of the Committee or the Association shall not apply to the Declarant or Builder affiliated with Declarant and it is specifically contemplated that Declarant shall not be obligated to obtain Committee or Association approval for any work or changes in work which Declarant may elect to make at any time on their Lots, including but not limited to, the construction or design of any improvement constructed on the Lots, or for any work or changes in work which Declarant may elect to make concerning the construction or design of any subdivision or entry feature pursuant to and in accordance with this Declaration.

Section 5. Quorum. A majority of the Committee shall constitute a quorum to transact business at any meeting. The action of a majority present at a meeting at which a quorum is present shall constitute the action of the Committee.

Section 6. Power and Duties of the Committee. No Improvements shall be constructed on a Lot or Home; no exterior of a Home or Improvement shall be repainted; no landscaping, sign, or Improvements shall be erected, removed, planted, or maintained on a Lot; nor shall any material addition to or any change, replacement, or alteration of the Improvements as originally constructed by Declarant (visible from the exterior of the Home) be made until the plans and specifications showing the nature, kind, shape, height, materials, floor plans, color scheme, and the location of same shall have been submitted to and approved in writing by the Committee. The Committee shall also have the right to retain and pay outside consultants in relation to the exercise of any of the Committee's powers or duties hereunder.

Section 7. Procedure. In order to obtain the approval of the Committee, each Owner shall observe the following:

(a) Each applicant shall submit an application to the Committee with respect to any proposed Improvement or material change in an existing Improvement, together with the required application(s) and/or other fees established by the Committee from time to time. The applications shall include such information as may be required by the application form adopted by the Committee. The Committee may also require submission of samples of building materials and colors proposed to be used. At the time of such submissions, the applicant shall, if requested, submit to the Committee such site plans, plans, and specifications for the proposed Improvement, prepared and stamped by a registered Florida architect or residential designer, landscaping and irrigation plans prepared by a registered landscape architect or designer showing all existing trees and major vegetation stands, and surface water drainage plans showing existing and proposed design grades, contours relating to the predetermined ground floor finish elevation, pool plans and specifications, and the times scheduled for completion, all as reasonably specified by the Committee.

(b) In the event the information submitted to the Committee is, in the Committee's opinion, incomplete or insufficient in any manner, the Committee may request and require the submission of additional or supplemental information. The Owner shall, within fifteen (15) days thereafter, comply with the request.

(c) No later than thirty (30) days after receipt of all information required by the Committee for final review, the Committee shall approve or deny the application in writing. The Committee shall have the right to disapprove any plans and specifications which are not suitable or desirable, in the Committee's sole discretion, for aesthetic or any other reasons or to impose

qualifications and conditions thereon. In approving or disapproving such plans and specifications, the Committee shall consider the suitability of the proposed Improvements, the materials of which the Improvements are to be constructed, the site upon which the Improvements are proposed to be erected, the harmony thereof with the surrounding area, and the effect thereof on adjacent or neighboring property. In the event the Committee fails to respond within said thirty (30)-day period, the plans and specifications shall be deemed disapproved by the Committee.

(d) In the event that the Committee disapproves any plans and specifications, the applicant may request a rehearing by the Committee for additional review of the disapproved plans and specifications. The meeting shall take place no later than thirty (30) days after written request for such meeting is received by the Committee, unless applicant waives this time requirement in writing. The Committee shall make a final written decision no later than thirty (30) days after such meeting. In the event the Committee fails to provide such written decision within said thirty (30) days, the plans and specifications shall be deemed disapproved.

(e) Upon final disapproval, the applicant may appeal the decision of the Committee to the Board within thirty (30) days of the Committee's written review and disapproval (even if the members of the Board and Committee are the same). Review by the Board shall take place no later than thirty (30) days subsequent to the receipt by the Board of the applicant's request therefor. If the Board fails to hold such a meeting within thirty (30) days after receipt of request for such meeting, then the plans and specifications shall be deemed disapproved. The Board shall make a final decision no later than sixty (60) days after such meeting. In the event the Board fails to provide such written decision within such sixty (60) days after such meeting, such plans and specifications shall be deemed disapproved. The decision of the Committee or, if appealed, the Board shall be final and binding upon the applicant, his, her or its heirs, legal representatives, successors, and assigns.

(f) Construction of all Improvements shall be completed within the time period set forth in the application and approved by the Committee.

Section 8. Alterations. Any and all alterations, deletions, additions, and changes of any type or nature whatsoever to then-existing Improvements or the plans or specifications previously approved by the Committee shall be subject to the approval of the Committee in the same manner as required for approval of original plans and specifications.

Section 9. Variances. The Association or Committee shall have the power to grant variances from any requirements set forth in this Declaration or in the Architectural Review Requirements, on a case-by-case basis, provided that the variance sought is reasonable and results from a hardship upon the applicant. The granting of a variance shall not nullify or otherwise affect the right to require strict compliance with the requirements set forth herein or in the Architectural Review Requirements on any other occasion.

Section 10. Permits. In connection with any plans and specifications approved by the Committee, the Owner is solely responsible to obtain all required building and other permits from all governmental authorities having jurisdiction.

Section 11. Construction by Owners. In addition to the requirements set forth in Article X, Section 7, the following provisions govern construction activities by an Owner ("Approved Party") after consent of the Committee has been obtained:

(a) Each Approved Party shall deliver to the Committee copies of all construction and building permits as and when received by the Approved Party. Each construction site in the

Community shall be maintained in a neat and orderly condition throughout construction. Construction activities shall be performed in a diligent, workmanlike, and continuous manner. Roadways, canals, drainage inlets, preservation or conservation areas, easements, swales, Association property, and other such areas in the Community shall be kept clear of construction vehicles, construction materials, and debris at all times. Except as otherwise specifically provided herein, no construction office or trailer shall be kept in the Community and no construction materials shall be stored in the Community subject, however, to such conditions and requirements as may be promulgated by the Committee. All refuse and debris shall be removed or deposited in a dumpster on a daily basis. No materials shall be deposited or permitted to be deposited in any canal, lake or waterway or Association property or other property in the Community or be placed anywhere outside of the Lot upon which the construction is taking place. No hazardous waste or toxic materials shall be stored, handled, or used, including, without limitation, gasoline and petroleum products, except in compliance with all applicable federal, state, and local statutes, regulations, and ordinances, and shall not be deposited in any manner on, in, or within the construction or adjacent property or waterways. All construction activities shall comply with the Architectural Review Requirements. If a "Contractor" (as hereinafter defined) or Approved Party shall fail in any regard to comply with the requirements of this section, the Committee may require that such Approved Party or Contractor post security with the Association in such form and amount deemed appropriate by the Committee in its sole discretion.

(b) There shall be provided to the Committee a list (name, address, telephone number, and identity of contact person) of all contractors, subcontractors, materialmen, and suppliers (collectively, "Contractor" or "Contractors") and changes to the list as they occur relating to construction. Each Contractor and its employees shall utilize those roadways and entrances into the Community as are designated by the Committee for construction activities. The Committee shall have the right to require that each Contractor's employees check-in at the designated construction entrances and to refuse entrance to persons and parties whose names are not registered with the Committee.

(c) Each Approved Party is responsible for insuring compliance with all terms and conditions of these provisions and of the Architectural Review Requirements by all of its employees, agents and Contractors. In the event of any violation of any of the terms or conditions set forth herein by any employee, agent or Contractor and/or the continued refusal of any employee, agent or Contractor to comply with such terms and conditions after five (5) days' notice and right to cure, the Committee shall have, in addition to the other rights hereunder, the right to prohibit the violating employee, agent or Contractor from performing any further services in the Community.

(d) When the physical construction of any Home or other Improvement is started, such construction shall be performed diligently and completed within a reasonable time. If for any reason an Improvement is not completed within six (6) months from the commencement of construction, as determined by Declarant or the Committee, then Declarant or the Committee may, in its sole and absolute discretion, after ten (10) days' notice to the Owner of the Home, enter the Home and take such steps as necessary to correct any undesirable condition. The Owner of the Home will be charged for the costs thereof as a Specific Assessment. The Board of Directors, in its sole discretion, may grant an extension of time to complete any Improvement, as may be reasonably necessary depending on the scope of the Improvement. Such extension must be in writing.

(e) If, during any construction activity on a Home or other Improvement or at any other time, any of the Association property is damaged or destroyed, including, without limitation, any street lights, sidewalks, landscaping, street signs, or other Improvements located thereon, the Approved Party shall be liable for all costs incurred in repairing or replacing such Association property, and the total costs thereof shall be assessed against the Owner as a Specific Assessment. The Association reserves the right to collect from Approved Parties or Contractors a security deposit that may be applied to reduce

damages to the Association property which might occur during the construction of a Home or other Improvement.

(f) The Committee may, from time to time, adopt standards governing the performance or conduct of Approved Parties, Contractors, and their respective agents and employees within the Community. Each Approved Party and Contractor shall comply with such standards and cause its respective employees to comply with same. The Committee may also promulgate requirements to be inserted in all contracts relating to construction within the Community and each Owner shall include the same therein.

Section 12. Inspection. There is specifically reserved to the Association and the Committee, and to any agent or member of either of them, the right of entry and inspection upon any portion of the Community for the purpose of determining whether there exists any violation of the terms of any approval given by the Association or the Committee or of the terms of this Declaration or the Architectural Review Requirements.

Section 13. Violation. If any Improvement shall be constructed or altered without prior written approval, or in a manner which fails to conform with the approval granted, the Approved Party shall, upon demand of the Association or the Committee, cause such Improvement to be removed or restored until approval is obtained or in order to comply with the plans and specifications originally approved. The Approved Party shall be liable for the payment of all costs of and associated with effecting such removal or restoration, including, without limitation, all legal fees, incurred by the Association or Committee. The costs shall be deemed a Specific Assessment and be enforceable pursuant to the provisions of this Declaration. The Committee and/or the Association are specifically empowered to enforce, at law or in equity, the architectural and landscaping provisions of this Declaration and the Architectural Review Requirements.

Section 14. Court Costs. In the event it becomes necessary to resort to litigation to determine the propriety of any constructed Improvement or to cause the removal of any unapproved Improvement, the Association and/or Committee shall be entitled to recover all legal fees incurred in connection therewith.

Section 15. Certificate. In the event that any Owner fails to comply with the provisions contained in this Declaration, the Architectural Review Requirements or other rules and regulations promulgated by the Committee or the Association, the Association and/or the Committee may, in addition to all other remedies contained herein, record a Certificate of Non-Compliance against the Home or Homes stating that the Improvements on the Home or Lot fail to meet the requirements of this Declaration and that the Home or Lot is subject to further enforcement remedies.

Section 16. Exemption. Notwithstanding anything contained herein or in the Architectural Review Requirements to the contrary, any Improvements of any nature made or to be made by Declarant or its affiliates or nominees, including, without limitation, Improvements made or to be made to the Association property or any Home or Lot, shall not be subject to the review of the Committee, the Association, or the provisions of this Article or the Architectural Review Requirements.

Section 17. Exculpation. Declarant, the Association, the directors or officers of the Association, the Committee, the members of the Committee, or any person acting on behalf of any of the foregoing, shall not be liable for any costs or damages incurred by any Owner or any other party whatsoever due to any mistakes in judgment, negligence, or any action or omission of Declarant, the Association, the Committee, or any of the foregoing's members, officers, or directors, in connection with the approval or disapproval of plans and specifications or the exercise of any other rights or powers set forth in this Article IX. Each Owner, by acceptance of a deed to a Home and/or Lot, agrees, individually and on behalf of its heirs, successors, and assigns, that he, she or it shall not bring any action or suit against Declarant, the Association, or their respective directors or officers, the Committee or the members of the Committee, or any of the foregoing's

respective agents to recover any damages caused by or related to the actions of Declarant, the Association, or the Committee, or any of the foregoing's respective members, officers, or directors in connection with the provisions of this Article IX. The Association does hereby indemnify, defend, and hold Declarant, the Committee, and each of their members, officers, and directors harmless from and against all costs, expenses, and liabilities, including, without limitation, legal fees, of all nature resulting from the acts of the Owners, the Association, the Committee, or any of the foregoing's members, officers and directors. Declarant, the Association, its directors or officers, the Committee or its members, or any person acting on behalf of any of them, shall not be responsible for any defects in any plans or specifications or the failure of same to comply with applicable laws or code nor for any defects in any Improvements constructed pursuant thereto. Each party submitting plans and specifications for approval shall be solely responsible for the sufficiency thereof and for the quality of construction performed pursuant thereto. By way of example, and not of limitation, the approval of hurricane shutters shall not be deemed an endorsement or guarantee of the effectiveness of such hurricane shutters.

Section 18. Sidewalks. Simultaneously with the construction of a dwelling on any Lot, a concrete sidewalk shall be installed at the expense of the home builder according to the specifications of the County, the line and grade of said sidewalk to be in accordance with the site plan of such plan approved by the Committee.

ARTICLE X INSURANCE AND CASUALTY LOSSES

Section 1. Association Insurance. The Association, acting through its Board or its duly authorized agent, shall obtain blanket "all-risk" property insurance, if reasonably available, for all insurable improvements on the Common Area and on other portions of the Area of Common Responsibility to the extent that it has assumed responsibility for maintenance, repair and/or replacement in the event of a loss. The Association shall have the authority to and interest in insuring any privately or publicly owned property for which the Association has maintenance or repair responsibility. Such property shall include, by way of illustration and not limitation, any insurable improvements on or related to parks, private rights-of-way, medians, and easements which the Association is obligated to maintain. If blanket "all-risk" coverage is not generally available at reasonable cost, then the Association shall obtain fire and extended coverage, including coverage for vandalism and malicious mischief. The face amount of the policy shall be sufficient to cover the full replacement cost of the insured property. The cost of such any insurance shall be a Common Expense to be allocated among all Lots subject to assessment as part of the annual Base Assessment. Such coverage may be in such form as the Board of Directors deems appropriate from time to time. Premiums for all insurance on the Area of Common Responsibility shall be Common Expenses and shall be included in the Base Assessment.

The policies may contain a reasonable deductible which shall not be subtracted from the face amount of the policy in determining whether the insurance at least equals the required coverage. In the event of an insured loss, the deductible shall be treated as a Common Expense in the same manner as the premiums for the applicable insurance coverage. However, if the Board reasonably determines, after notice and an opportunity to be heard in accordance with the terms hereof, the Bylaws, or as may be required by Florida law, that the loss is the result of the negligence or willful conduct of one or more Owners or occupants, then the Board may specifically assess the full amount of such deductible against the Lot of such Owner or occupant, pursuant to Article VIII, Section 4.

All insurance coverage obtained by the Association shall:

- (a) be written with a company authorized to do business in Florida which holds a Best's rating of A or better and is assigned a financial size category of IX or larger as established by A.M. Best Company, Inc., if reasonably available or, if not available, the most nearly equivalent rating

which is available;

(b) be written in the name of the Association as trustee for the benefited parties. Policies on the Common Area shall be for the benefit of the Association and its Members;

(c) vest in the Board exclusive authority to adjust losses; provided, however, no mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related to the loss;

(d) not be brought into contribution with insurance purchased by individual Owners, occupants or their mortgagees; and

(e) have an inflation guard endorsement, if reasonably available. If the policy contains a co-insurance clause, it shall also have an agreed amount endorsement. The Association shall arrange for an annual review of the sufficiency of insurance coverage by one or more qualified persons, at least one of whom must be in the real estate industry and familiar with construction in the County area.

The Board shall use reasonable efforts to secure insurance policies containing endorsements that:

(f) waive subrogation as to any claims against the Association's Board, officers, employees and its manager, the Owners and their tenants, servants, agents and guests;

(g) waive the insurer's rights to repair and reconstruct instead of paying cash;

(h) preclude cancellation, invalidation, suspension or non-renewal by the insurer on account of any one or more individual Owners, or on account of any curable defect or violation without prior written demand to the Association to cure the defect or violation and allowance of a reasonable time to cure;

(i) exclude individual Owners' policies from consideration under any "other insurance" clause; and

(j) require at least thirty (30) days prior written notice to the Association of any cancellation, substantial modification or non-renewal.

The Association shall also obtain, as a Common Expense, worker's compensation insurance and employer's liability insurance, if and to the extent required by law, directors' and officers' liability coverage, if reasonably available, and flood insurance, if advisable.

The Association also shall obtain, as a Common Expense, a fidelity bond or bonds, if generally available at reasonable cost, covering all persons responsible for handling Association funds. The Board shall determine the amount of fidelity coverage in its best business judgment but, if reasonably available, shall secure coverage equal to not less than the maximum funds that will be in the custody of the Association or its management agent at any one time. If available, bonds shall contain a waiver of all defenses, based upon the exclusion of persons serving without compensation, and shall require at least thirty (30) days' prior written notice to the Association of any cancellation, substantial modification or non-renewal. If annually approved by a majority of the voting interests present at a properly called meeting of the Association, the Association may waive the requirement of obtaining an insurance policy or fidelity bond for all persons who control or disburse funds of the Association.

To the extent permitted by law, notwithstanding anything herein to the contrary for so long as the Declarant controls the Board of Directors, the Declarant reserves the right (in its sole and absolute discretion) to include any insurance obligation of the Association within a master insurance program controlled by the Declarant.

Section 2. Owners Insurance.

(a) Owner's Insurance Coverage. Each Owner shall be required to obtain and maintain adequate insurance on his Home that shall insure the property for its full replacement value, with no deductions for depreciation, against loss by fire, storm or other hazards or casualty. Such insurance shall name the Association an additional insured and shall be sufficient to cover the full replacement value, or to cover necessary repair or reconstruction work including the Common Structural Elements, Foundation, Roofing, and Party Walls. Such insurance shall be written in the manner acceptable to the Board of Directors of the Association and shall contain a clause that provides ten (10) days prior written notice to the Board of Directors of the Association before the policy can be cancelled. At the request of the Association, each Owner shall be required, on an annual basis, concurrent with the payment of annual assessments pursuant to this Declaration, to supply the Board of Directors with evidence of insurance coverage on his Home that complies with the provisions of this Section. Each Owner shall also be responsible for the purchasing of liability insurance for accidents occurring on his or her Lot.

(i) Action by Board. If the insurance provided under this Section has not otherwise been adequately obtained by each Owner, as determined by the Board of Directors, then the Board may, but is not obligated to, obtain such insurance coverage. Insurance obtained by the Board of Directors shall be written in the name of the Association as Trustee for the benefit of the applicable Homeowner.

(ii) Payment of Premium. Premiums for insurance obtained by the Board of Directors for the benefit of an individual Owner, as provided hereinabove, shall not be an Operating Expense, but shall be an individual assessment (Specific Assessment or Special Assessment) payable in accordance with the provisions of this Declaration.

(iii) Repair or Replacement of Damaged or Destroyed Property. Each Owner shall be required to reconstruct or repair any Home or portion thereof destroyed by fire or other casualty, covered by insurance written in the name of the Association as Trustee. The insurance proceeds shall be deposited in a bank or other financial institution, subject to withdrawal requiring the signature(s) of an agent(s) duly authorized by the Board of Directors. If no repair or rebuilding has been contracted for, or otherwise substantially started by the Owner within thirty (30) days of the receipt of the insurance proceeds, the Board of Directors may, but is not obligated to, initiate the repair or rebuilding of the damaged or destroyed portions of the structure and/or exterior of the Home pursuant to Section 2(b) hereinbelow.

(b) Association Action. Notwithstanding the provisions of the above subsection (a) of this Section 1, the following provisions shall also apply to Homes that have Common Structural Elements:

(i) Association Approval. The insurance referred to in subsection (a) of this Section shall be written in a manner acceptable to the Association. The Association may, but shall not be obligated to, carry out the functions set forth hereafter.

(ii) Insurance Trustee. Each policy shall contain a loss payment provision

which provides that the proceeds of any loss shall be payable to the Association who shall hold such funds in trust to insure that repairs are made as hereinafter set forth. Each policy shall also contain a clause that it is non-cancelable without ten (10) days prior written notice to the Association. Each Owner shall be required to supply the Association with evidence of insurance coverage on his Home which complies with the provisions of this Section.

(iii) Action by Board. If the insurance provided under this Section has not otherwise been adequately obtained by each Owner, as determined by the Board of Directors of the Association, then the Board of Directors of the Association may, but is not obligated to, obtain such insurance coverage. The purpose of such insurance will be to protect, preserve and provide for the continued maintenance and support of separately owned Homes which shall include Common Structural Elements. Insurance obtained by the Board of Directors of the Association shall be written in the name of the Association, as Trustee, for the benefit of the applicable Owner.

(iv) Payment of Premiums. Premiums for insurance obtained by the Board of Directors for the benefit of an individual Owner, as provided hereinabove, shall not be a part of the Operating Expenses, but shall be an individual assessment (special assessment) payable in accordance with the provisions of this Declaration.

(iv) Repair or Replacement of Damaged or Destroyed Property. Each Owner shall, with the concurrence of the Owner's Institutional Mortgagee, if any, and the Board of Directors of the Association, be required to reconstruct or repair any Home destroyed by fire, storm or other casualty in accordance with the requirements of this Declaration. Insurance proceeds issued for such repair shall be in the name of the Association, as Trustee. The insurance proceeds shall be deposited in a bank or other financial institution, subject to withdrawal requiring the signature(s) of an agent(s) duly authorized by Board of Directors of the Association. If no repair or rebuilding has been contracted for or otherwise substantially started by the Owner within thirty (30) days after the Association receives the insurance proceeds, the Board of Directors of the Association is hereby irrevocably authorized by such Owner and the Association may, but shall not be obligated to, initiate the repair or rebuilding of the damaged or destroyed portions of the structure and/or exterior of the Home. Repairs should be done in a good and workmanlike manner in conformance with the original plans and specifications. The Board of Directors of the Association may advertise for sealed bids from any licensed contractors and may then negotiate with said contractors. The contract or contracts selected to perform the work shall provide full performance and payment bonds for such repair or rebuilding, unless such requirement is waived by the Board of Directors of the Association. If the insurance proceeds are insufficient to fully pay the costs of repairing and/or rebuilding the damaged or destroyed portions in a good and workmanlike manner, the Board of Directors of the Association shall levy a Special Assessment or Specific Assessment against the Owner in whatever amount is required to make up the deficiency. If the insurance proceeds exceed the cost of repairing and/or rebuilding, such excess shall be paid over to the respective Owner and/or the Owner's mortgagee in such portions as shall be independently determined by those parties.

(c) Administrative Fee. Should the Association obtain the insurance coverage on a Home pursuant to this Article, then the Association may charge, and the applicable Owner shall be responsible for, as a special assessment against the Lot, an administrative fee of \$100.00. Said fee is in addition to the charge for the premium, for which Owner shall also be responsible.

(d) Notwithstanding anything to the contrary in this Article, the Association, its Director or officers, shall not be liable to any person should it fail for any reason whatsoever to obtain insurance coverage on a Home.

Section 3. Damage and Destruction in the Community.

(a) Immediately after damage or destruction to all or any part of the Community covered by insurance written in the name of the Association, the Board or its duly authorized agent shall file and adjust all insurance claims and obtain reliable and detailed estimates of the cost of repair or reconstruction. Repair or reconstruction, as used in this paragraph, means repairing or restoring the property to substantially the condition in which it existed prior to the damage, allowing for changes or improvements necessitated by changes in applicable building codes.

(b) To the extent permitted by law, any damage to or destruction of the Common Area shall be repaired or reconstructed unless the Members representing at least seventy five percent (75%) of the total Class "A" votes in the Association, and the Declarant, so long as Declarant owns a Lot, decide within sixty (60) days after the loss not to repair or reconstruct.

If either the insurance proceeds or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not available to the Association within such sixty (60) day period, then the period shall be extended until such funds or information are available. However, such extension shall not exceed sixty (60) additional days. No mortgagee shall have the right to participate in the determination of whether the damage or destruction to the Common Area shall be repaired or reconstructed.

(c) If determined in the manner described above that the damage or destruction to the Common Area shall not be repaired or reconstructed and no alternative improvements are authorized, the affected property shall be cleared of all debris and ruins and maintained by the Association, in a neat and attractive, landscaped condition consistent with the Community-Wide Standard.

Section 4. Disbursement of Proceeds. Any insurance proceeds remaining after paying the costs of repair or reconstruction, or after such settlement as is necessary and appropriate, shall be retained by and for the benefit of the Association and placed in a capital improvements account. This is a covenant for the benefit of mortgagees and may be enforced by the mortgagee of any affected Lot.

Section 5. Repair and Reconstruction. If insurance proceeds are insufficient to cover the costs of repair or reconstruction, the Board of Directors shall, without a vote of the Members, levy Special Assessments against those Lot Owners responsible for the premiums for the applicable insurance coverage under Article VIII, Section 3 above.

Section 6. Owner's Insurance Requirements for any Construction or Renovation. Prior to the commencement of and during the performance of any construction, remodeling, repairs or improvements (collectively, "Work") on a Lot by an Owner other than Declarant, the Owner upon which the Work is being undertaken shall keep and maintain, or cause its general contractor to keep and maintain, and provide the Association with evidence that Owner or the general contractor of Owner has obtained, the following insurance with the Association, the Declarant and the other Owners to the extent any of the foregoing has an insurable interest, as the primary insured parties:

(a) worker's compensation insurance in minimum statutory amounts, as required by applicable law, as it may exist from time to time, and employer's liability insurance in the amount of not less than Five Hundred Thousand Dollars (\$500,000) for each accident/disease;

(b) comprehensive commercial general liability insurance covering all operations

by or on behalf of the general contractor, which shall contain the following coverages:

- (i) premises and operations;
- (ii) products and completed operations;
- (iii) contractual liability;
- (iv) broad form property damage (including completed operations);
- (v) explosion, collapse, and underground hazards; and
- (vi) personal injury liability.

The policy for general liability insurance shall be endorsed to provide that each of the aforementioned coverages shall apply in total to this jobsite only and by specific endorsement (per project limit). The policy must list both the Association and the Declarant as an additional insured.

(c) each of the above coverages shall have the following minimum limits of liability:

- (i) Two Million Dollars (\$2,000,000) for each occurrence for bodily injury and property damage; and
- (ii) Two Million Dollars (\$2,000,000) in the aggregate for products and completed operations (which coverage shall continue to be provided and maintained for a period following final completion of the Work up to the termination of the statute of limitations provided in Section 95.11, Florida Statutes).

(d) "all risk" builder's risk insurance in an amount equal to one hundred percent (100%) of the full replacement cost of the Work to be completed, including materials delivered, and improvements. The policy shall include coverage on an "all risk" basis, including, but not limited to, coverage against fire, collapse, lightning, wind damage, hail, explosion, theft, riot, civil commotion and vehicles. Coverage must include all materials, supplies, and equipment owned by the Owner that are intended for specific installation in the applicable Lot, while such materials, supplies, and equipment are located on the Property, in transit, or while temporarily located away from the Property for the purpose of repair, adjustment, or storage at the risk of the insured party.

(e) Any automobile liability insurance in statutory amounts for bodily injury and property damage combined.

(f) Each contractor must be licensed, bonded and insured, and provide evidence of same to the Association prior to the commencement of any Work. Furthermore, each Owner, by acceptance of a deed to his or her Lot, hereby indemnifies the Declarant, the Association and any management agent harmless from and against any damages, claims, losses and liability resulting from any Work initiated by the Owner.

ARTICLE XI CONDEMNATION

Section 1. General. If any part of the Common Area shall be taken (or conveyed in lieu of and under

threat of condemnation by the Board acting on the written direction of Members representing at least sixty seven percent (67%) of the total Class "A" votes in the Association and of the Declarant, as long as the Declarant owns any Property) by any authority having the power of condemnation or eminent domain, each Owner shall be entitled to written notice. The award made for such taking shall be payable to the Association as trustee for all Owners to be disbursed as follows:

If the taking (or conveyance in lieu thereof) involves a portion of the Common Area on which Improvements have been constructed, the Association shall restore or replace such Improvements on the remaining land included in the Common Area to the extent available, unless within sixty (60) days after such taking (or conveyance in lieu thereof) the Declarant, so long as the Declarant owns any property in the Community, and Members representing at least seventy five percent (75%) of the total Class "A" votes in the Association, shall otherwise agree. Any such construction shall be in accordance with plans approved by the Board. The provisions of Article X, Sections 3 and 4, regarding funds for the repair of damage or destruction shall apply.

If the taking (or conveyance in lieu thereof) does not involve any improvements on the Common Area, or if a decision is made not to repair or restore, or if net funds remain after any such restoration or replacement is complete, then such award or net funds shall be disbursed to the Association and used for such purposes as the Board shall determine.

ARTICLE XII USE RESTRICTIONS

Section 1. Residential Use. Subject to the Declarant's rights set forth herein, and except for any commercial enterprises operated by Declarant or a Builder (including sales activities consistent with the construction, development, sales and marketing of residential homes), no commercial use of a Lot which shall be inconsistent with applicable zoning laws and regulations shall be permitted unless approved by the Board of Directors in writing.

Section 2. Nuisances. No activity shall be permitted to exist or operate in a Lot which constitutes a nuisance or is detrimental to the Community or to any other Lot within the Community. No Owner or resident of a Lot may make or permit any disturbing noises, as determined by the Board of Directors, whether made by himself, his or her family, friends, guests, pets or employees, nor may he, she, or it do or permit to be done anything by such persons that would interfere with the rights, comforts or other conveniences of other residents. No person may play or suffer to be played any musical instrument, stereo, phonograph, radio or television set in his or her Lot or in or about the Community if the same shall in any manner disturb or annoy the other residents or Owners in the Community.

Section 3. Unlawful Use. The Association and the Owners shall comply with all applicable laws, zoning ordinances, orders, rules, regulations or requirements of any governmental agency relating to the Community.

Section 4. Insurance. No Owner shall permit anything to be done or kept in or on his Lot or the Common Area which increases the rate of insurance, or results in the cancellation of insurance, on the Common Area.

Section 5. Pets. No household pets shall be permitted by Owners in a Lot except in accordance with the pet behavior criteria established in the Rules and Regulations for the Association. Furthermore, all permitted pets must be contained in the Owner's Home and shall not be permitted to roam free. No separate or exterior building, shelter or structure for animals shall be permitted. Further, all permitted pets must be kept in a fully fenced area or leashed at all times when not located in the Home. No goats, chickens, pigeons, livestock, poultry of any kind or any other obnoxious animals, fowl or reptiles shall be raised, kept or

permitted to be kept. Commercial activities involving pets shall not be allowed. Pets of Owners or occupants shall be limited to a reasonable number as determined by the Association in its sole and absolute discretion. The ability to keep a pet is a privilege, not a right. If, in the opinion of the Board, any pet becomes a source of unreasonable annoyance to others, or the owner of the pet fails or refuses to comply with these restrictions, the owner, upon written notice, may be required to remove the pet from the Community. All owners of pets are responsible for timely cleanup of pet waste and the Board may elect to promulgate rules and regulations to enforce such cleanup. Pursuant to rules and regulations, the Board may further regulate pets, including but not limited to number and type of pets.

Section 6. Signs. No sign, advertisement or notice of any type or nature whatsoever may be erected or displayed upon any Lot, Home (including in any window, vehicle, or structure), and/or Common Area, or visible from the exterior of any Home or Lot unless expressed prior written approval of the size, shape, content and location has been obtained from the Board of Directors, which approval may be withheld in its discretion. Notwithstanding the foregoing, the Declarant shall be permitted to post and display advertising signs on the Property and the Board of Directors may erect reasonable and appropriate signs on any portion of the Common Area. Additionally, no Lot Owner may hold an "open house" without first obtaining the approval of the Board of Directors.

Section 7. Exterior Lighting. Except as may be installed initially by Declarant, no spotlights, seasonal and special effect lighting, floodlights or similar high intensity lighting shall be placed or utilized upon any Lot which in any way will allow light to be reflected on any other Lot or the improvements thereon or upon the Common Area, or any part thereof without the prior written approval of the Committee and in accordance with the Architectural Review Requirements. Low intensity lighting which does not disturb the Owners or other occupants shall be permitted.

Section 8. Traffic Hazards. Nothing shall be erected, constructed, planted or otherwise placed in the Community subsequent to the initial construction of Improvements in the Community by Declarant which creates a traffic hazard or blocks the vision of motorists upon any of the streets, roads or intersections of the Community.

Section 9. Service Yards and Mechanical Equipment. All garbage receptacles, gas meters, air conditioning, heating, pool equipment, materials and supplies, and other equipment placed or stored outside must be concealed from view from roads and adjacent property in accordance with the Architectural Review Requirements. All garbage receptacles shall be stored inside the garage or in appropriate areas (i.e., areas not visible from the street or any other Lot other than at times of scheduled trash pick-up). No Lot Owner may erect any structure or improvement that will deny or impede the Association's access to the exterior spigots and irrigation controls of that Lot, without prior approval by the Association or Committee. Mechanical equipment, such as air conditioning units, pumps, heating equipment, solar panels, and similar installations, and screening and housing for such equipment, may project into the required Side Yard(s) or Rear Yard(s) but shall be not located within five (5) feet of any lot line, and may not project into the required Front Yards.

Section 10. Antennas, Other Devices. Except as permitted by law, and except as may be installed initially by Declarant, no exterior radio or television antenna, satellite dish or other receiver transmitting device or any similar exterior structure or apparatus may be erected or maintained unless approved by the Committee, pursuant to the Architectural Review Requirements; provided, however, each Owner may maintain a satellite dish provided the satellite dish complies with location guidelines adopted by the Committee from time to time. Satellite dishes must be installed on the rear of the home or within twenty-five feet (25') of the rear of the home. Ground-mounted satellite dishes must be screened from view by adequate landscaping, and must comply with the size and height guidelines adopted by the Committee from time to time. Installation, maintenance, and use of all antennas shall comply with the rules and restrictions adopted by the Board and shall be subject to any applicable rules of the Federal Communications

Commission ("FCC").

Section 11. Temporary Structures. No temporary structure, such as a trailer, tent, shack, barn, shed or other outbuilding shall be permitted at any time, other than:

- (a) Temporary structures during the period of actual construction; and
- (b) Tents or other temporary structures for use during social functions.

Section 12. Water Supply and Sewerage. No septic tanks shall be permitted (except for the initial temporary sales and construction trailers) within the Community. No wells shall be installed. Lot Owner must use reclaimed water for irrigation and may not use potable water or any other alternate source for irrigation purposes.

Section 13. Fuel Storage Tanks. No fuel or gas storage tanks shall be permitted.

Section 14. Parking and Garages. Owners shall park only in their garages, in the driveways servicing their Lot, or in appropriate parking spaces designated by the Board. Garage doors shall be kept closed except when automobiles are entering or leaving the garage. Only the number of cars exceeding occupied garage spaces shall be parked on the driveway. Cars parked in the driveway shall be parked such that they are not blocking the sidewalk. All parking within the Community shall be in accordance with Rules and Regulations adopted from time to time by the Association.

Section 15. Soliciting. Soliciting is strictly forbidden within the Community. Owners should notify the Association if a solicitor appears, and appropriate action may be taken by the Board.

Section 16. Trees and Plantings. Pursuant to the Architectural Review Requirements, no trees or other plantings shall be cut, removed or added, excepting any landscaping as may be put in place initially by Declarant, without approval of the Committee, nor shall any Lot Owner alter the landscaping, plant beddings (including mulch or any substitute therefore) or modify the swales without the approval of the Committee. Upon violation of this provision, the Association maintains the right to enter into and upon the Lot and remove and/or replace the unapproved article(s), which cost shall be assessed against the Owner as a Specific Assessment.

Section 17. Fences, Pools, Enclosures and Walls; Clotheslines. Except as may be installed initially by Declarant, no fences, pools, screens and/or enclosures (including front or rear screening/enclosures or pool enclosures of any kind), pergolas, or walls shall be erected unless in accordance with the Architectural Review Requirements and only upon approval by the Committee. Above-ground swimming pools shall not be allowed. Pools shall not encroach into drainage and underground utility easements. No fence shall be erected, installed or maintained which encroaches on an unobstructed easement or prohibits ingress and egress as granted by easements granted herein. No portion of any upland buffer, development edge or perimeter buffer as depicted on the plat or set forth in the PUD shall be encroached upon by fencing. Notwithstanding the foregoing, this provision shall not prevent the Declarant from installing perimeter fencing around the project's boundary, or around the recreation area and/or related facilities.

Any fence placed upon any Lot must be approved by the ARB prior to installation. Any fence must not exceed (6) feet in height. Chain link fences are prohibited. In no event may the ARB approve any request for a fence to be placed in any drainage easement within the Property or in a manner that would obstruct the Association from meeting its maintenance obligations on the Lot. The Owner assumes complete responsibility to maintain the fence, including, but not limited to, trimming any grass, ivy or other plants from the fence. In the event the ARB approves the installation of a fence, it shall also have the

right to require installation of landscaping, also subject to the ARB's approval, at the time the fence is installed. Invisible pet fences are not permitted. In the event a Lot Owner erects a fence, the Association shall not be responsible to maintain landscape elements inside the fenced portion of the Lot.

In addition, the installation of any fence placed upon any Lot is subject to easements which run with the land. In the event that any fence is approved by the ARB and is permitted to cross any such easements, such ARB's approval is still subject to Owner first receiving written approval from the grantee of such easements and all other applicable governmental authorities. In the event the grantee of any such easement which runs with the land (e.g., utility provider or the County), its successors and/or assigns, requires the removal of any fence upon the Lot, then the Owner of said Lot shall, at the Owner's sole cost and expense, immediately remove the fence. Notwithstanding the foregoing or any permit or governmental approval to the contrary, no fence may be installed within any drainage easement(s) on the Property. The Owner of a Lot, when installing any fence upon the Lot, shall comply with all valid laws, zoning ordinances, codes, rules and regulations of all applicable governmental bodies, as applicable, in addition to the ARB approval.

The Association shall have the authority to set forth criteria with respect to fences, including without limitation, the type, height, location, and materials.

Furthermore, Lot Owners shall not erect or maintain any clotheslines, without the written consent of the Board of Directors, and in no event may the clotheslines be erected in the front yard or visible from the street. Upon violation of this provision, the Association maintains the right to enter into and upon the Lot and remove and/or replace the unapproved article(s), which cost shall be assessed against the Owner as a Specific Assessment.

Section 18. Motor Vehicles, Trailers, Etc. Commercial and Recreational Vehicles (as defined below) are strictly prohibited from being stored in plain view and may not be stored upon any Lot unless fully enclosed within a garage. Notwithstanding the foregoing, Commercial Vehicles used by professionals in conjunction with the provision of services to residents or the Association may be temporarily stored for a maximum of 8 hours (but not overnight, unless fully enclosed within a garage). For the purposes of this Declaration, a "Commercial Vehicle" shall be defined as a vehicle of any type having one or more of the following characteristics: (i) Visible signage displaying information which may be used for marketing purposes, including, but not limited to: business, trade or personal names; phone numbers; artwork, pictures, or graphics of any type regardless of commercial purpose; (ii) Trucks in excess of three-quarter (3/4) ton capacity; (iii) Non-passenger vehicles (i.e. trucks and utility vans) displaying commercial registration; (iv) Utility trailers of any type. For the purposes of this Declaration, the definition of "Recreational Vehicle" shall include (but in any event shall not be limited to) boats, watercraft, motorcycles, boat trailers, golf carts, mobile homes, trailers (either with or without wheels), motor homes, vans (other than non-commercial passenger vans), tractors, all-terrain vehicles ("ATVs"), "side by side" ATVs, campers, motorized campers, motorized go-carts, motorized skateboards, scooters or any other related or similar transportation device. Any non-commercial passenger vehicle, van or truck displaying any one of the following characteristics shall also be deemed a Recreational Vehicle: (i) Frame to ground clearance of twenty-four (24) inches or greater; (ii) A "custom" exterior finish scheme displaying artwork, graphics or patterns including, but not limited to camouflage or animal skin patterns (e.g. "Realtree", leopard skin, zebra skin, tiger skin, etc.); (iii) Modified, unrestricted and / or low restriction exhaust systems (such as "coffee can" mufflers, "Cherry Bombs", "Magnaflow" pipes, straight "stack" exhausts, and the like.) Recreational Vehicles as described in (iii) above are intrusive on neighboring residents' peaceable enjoyment of their homes and shall not be permitted to operate anywhere within the Community at any time. No Recreational Vehicle shall be parked on any portion of the Common Area unless such areas are specifically designated for Recreational Vehicle parking. Motorized skateboards, mopeds (unless registered as a "street-legal" vehicle), scooters, "Segways", ATVs, side by side ATVs and other non-street-legal motorized vehicles shall not be permitted to operate

anywhere within the Community. No Owner or other occupant of the Community shall repair or restore any vehicle of any kind upon or within the Community, except for (i) emergency repairs and then only to the extent necessary to enable the movement thereof to a proper repair facility; or (ii) repairs completed within the garage. All vehicles must be parked on surfaces designed for vehicle parking (e.g. parking areas and driveways) and shall not in any event be parked on individual lawns or common areas. Vehicles shall not be parked in a manner which would block fire hydrants, dumpsters, sidewalks or pedestrian / bicycle paths. Parking by Owners and / or other occupants within street rights-of-way is prohibited. Notwithstanding the foregoing, marked or unmarked police cars are specifically excluded from the above definitions of Commercial or Recreational Vehicles. Recreational vehicles may be parked in driveways and (where permitted) at street sides for brief periods (not to exceed 8 hours) for the purposes of loading and unloading. Inoperable vehicles (e.g. missing major components such as engines and / or transmissions, one or more flat tires, etc.), derelict vehicles (e.g. broken glass, severely damaged body panels, unpainted body panels, etc.) and / or unregistered vehicles (e.g. missing or "out of date" tags, etc.) must be fully enclosed within a garage at all times, and in any case may not be parked in plain view.

The Association is authorized to take reasonable steps as permitted by law in order to enforce the above, up to and including towing (even if the subject vehicle is parked within a Lot), suspension of privileges, and the imposition of administrative charges.

Notwithstanding anything contained herein to the contrary, trailers shall not be parked on the streets or in any common area. No inoperative cars, trucks, or other types of vehicles shall be allowed to remain on the Property for a period in excess of two (2) days. There shall be no major maintenance, repair or restoration performed on any motor vehicle on or adjacent to any Lot in the Property; provided, however, such maintenance, repair or restoration may be done if solely within an enclosed garage. All vehicles shall have current license plates. Moreover, no stripped, unsightly, offensive, wrecked, junked, or dismantled vehicles or portions thereof, shall be parked, stored or located upon any Lot at any time.

Section 19. Recreation Equipment. All basketball courts, backboards, volleyball nets, swing sets, sandboxes and other outdoor recreational equipment shall be installed, maintained or used only in accordance with the Architectural Review Requirements, and approved by the Committee and no portable basketball hoop may be left outside overnight. Skateboard ramps or equivalent structures shall not be permitted on any Lot.

Section 20. Lawns and Landscaping. Any changes to a Lot's yard, landscaping, shrubbery and any flora (including the replacement, removal or addition of flora, plantings or modification of swales) to be performed by an Owner with respect to the Owner's Lot must be approved by the Architectural Review Committee. In the event such changes result in an increased maintenance cost to the Association, such additional cost will be assessed individually against such Owner's Lot. Further, except as may be installed initially by Declarant, no gravel, blacktop or paved parking strips shall be installed or maintained by any Owner adjacent to and along the street. No trash, debris or refuse pile shall be placed or remain on a Lot.

Each Owner shall prevent the occurrence of any unclean, unsightly or unkempt conditions of buildings or grounds of any Lot which shall tend to decrease or adversely affect the aesthetic appearance of the community or specific areas therein. Each Owner shall be responsible for the maintenance of the exterior of all buildings and structures on the Lot, which includes maintaining the exterior of the improvements painted and in good repair.

No weeds, underbrush or other unsightly vegetation shall be permitted to grow or remain upon any Lot, and no refuse pile or unsightly objects shall be allowed to be placed or suffered to remain anywhere within the Lot. All Lots and any improvements shall be maintained in a neat, attractive and orderly manner, including maintenance of grass, plants, plant beds, trees, turf, proper irrigation and edging, all in a manner with such frequency as is consistent with good property management. The

minimum but not exclusive standard for maintenance of landscaping shall be consistency with the approved plans thereof and with the general appearance of the other occupied Lots in the Property as a whole when initially landscaped (taking into account, however, the natural and orderly growth and maturation of applicable landscaping, as properly trimmed and maintained).

Section 21. Subdivision. No Lot shall be further subdivided except upon express written consent of the Declarant and Board of Directors of the Association, and in accordance with applicable subdivision regulations.

Section 22. Conservation Areas. No person may alter the Conservation Areas, including but not limited to, all wetlands and upland buffer areas, from their natural and/or permitted condition; provided, however, the Association and Declarant may remove all exotic or nuisance vegetation as permitted under SJRWMD and County permits pertaining to the Community, or restore any Conservation Area as set forth in any restoration plan contained in a conservation easement created for the Conservation Areas. Exotic vegetation may include, but is not limited to, mealeuca, Brazilian pepper, Australian pine, Japanese climbing fern or any other species currently listed by the Florida Exotic Pest Plant Council. Nuisance vegetation may include, but is not limited to, cattails, primrose willow and grapevine.

Section 23. Leases. Only an entire Lot may be leased; no rooms within a Home may be rented apart from the entire Lot. Only one (1) family is permitted to occupy a Home at any particular time. In order to maintain a community of congenial Owners who are financially responsible and thus protect the value of the Lots, the leasing and rental of Lots by any Owner shall be subject to the following provision, which provision each Lot Owner covenants to observe: (i) no Owner may lease his or her Lot or Home for a period less than twelve (12) months; and (ii) the lease must specifically state that the tenant lets the Lot subject to the terms and conditions of this Declaration, the Association's governing documents and Rules and Regulations. Each Lot Owner covenants and agrees to cause his lessee, occupant, and all invitees to comply with this Declaration, the Association's governing documents and Rules and Regulations. In the event a lessee or invitee violates a provision of this Declaration, the governing documents, or Rules and Regulations, the Board of Directors shall have the power to bring legal proceedings against the lessee and the Lot Owner to recover sums due for damages or injunctive relief, or for any other remedy available at law or equity. The Lot Owner will also be jointly and severally liable with the tenant to the Association for any amount (as determined in the sole discretion of the Association) which is required by the Association to repair any damage to any portion of the Property or to pay any claim for personal injury, death, or damage to property caused by the act or omission of the tenant or invitees. Individual Assessments may be levied against the Lot for such amounts. Any lease must specifically state that the tenant lets the Lot subject to the terms and conditions of this Declaration, the Association's governing documents, and Rules and Regulations, and that if the Lot Owner becomes delinquent in paying any monetary obligation due to the Association, the Association may demand that the tenant pay to the Association the subsequent rental payments and continue to make such payments until all the monetary obligations related to the Lot have been paid in full to the Association. The demand is continuing in nature, and upon demand, the tenant must continue to pay the monetary obligations until the Association releases the tenant or the tenant discontinues tenancy in the Lot.

The Association is entitled to exercise any and all other remedies at law or in equity as against the Lot Owner or the tenant. The tenant does not, by virtue of payment of monetary obligations, have any of the rights of a Lot Owner to vote in any election or to examine the books and records of the Association.

Section 24. Window Treatments. All window coverings shall be lined with white or off- white lining on the side exposed to the public, unless otherwise approved by the Board of Directors. All window coverings shall be professionally made, uniform in appearance, and generally keeping with the exterior scheme of the Lot. Window coverings made of bed sheets, shower curtains, foil, grasses or reeds, or paper are specifically

excluded.

Section 25. Hurricane Shutters. Any hurricane shutters or other protective devices visible from the outside of a Home shall be of a type approved in writing by the Architectural Review Committee. Hurricane shutters may not be left closed for any extended period beyond the time needed for hurricane protection. Any approved hurricane shutters may be installed or closed up five (5) days prior to the expected arrival of a hurricane and must be removed or opened within five (5) days after the end of a hurricane watch or warning or as the Board may determine otherwise. Except as the Board may otherwise decide, shutters may not be closed at any time other than a storm event. Any approval by the Committee shall not be deemed as an endorsement of the effectiveness of hurricane shutters.

The following specific restrictions apply with regard to hurricane shutters:

1. Clear hurricane shutters are approved for all windows, entry doors, sliding glass and French doors. These are the only shutters approved to be on the Home throughout hurricane season (typically June 1st through November 30th).
2. Roll down hurricane shutters are approved for all windows, entry doors, sliding glass and French doors.
3. Galvanized steel shutters are approved for all windows, entry doors, sliding glass and French doors. All shutters must be fully installed, including all slats in place and all such openings covered during a storm event referenced above.
4. Accordion type shutters may be installed but are only approved for windows and doors on the lanai area in the rear, the sides of a Home, or courtyard area of the Home. Accordion type shutters are not permitted in the front of the Home.
5. No hurricane shutters, except as listed above, are permitted without Committee approval.
6. A Lot Owner or occupant who plans to be absent during all or any portion of a hurricane season as defined above must prepare their Home prior to their departure by designating a responsible firm or individual to care for their Home should a hurricane threaten the Home or should the Home suffer hurricane damage. A Lot Owner must furnish the Association with the names of such firm or individual prior to any storm event.

Section 26. Garage. Garages are intended primarily for parking and vehicle storage. No Lot Owner may convert his or her garage to living space, an office or workshop. Owners shall park only in their garages, in the driveways servicing their Lot, or in appropriate parking spaces designated by the Board, if any. Garage doors shall be kept closed except when automobiles are entering or leaving the garage. Only the number of cars exceeding occupied garage spaces shall be parked on the driveway. Vehicles parked in the driveway shall be parked such that they are not blocking the sidewalk.

Section 27. Declarant Exemption. The provisions of this Article are intended to restrict certain uses that may be harmful or affect the ambience or aesthetic appeal of the Community to be constructed by Declarant. The restrictions are not intended to prohibit Declarant from performing such work as may be necessary in the completion of the work in the Community. The restrictions of this Article shall therefore not be binding upon Declarant in the performance of any of the work required in order to complete construction of or in the marketing of the Community, including, but not limited to, the use of Lots and Common Areas for model homes and sales centers during the development and sale of Lots within the Property.

The Declarant expressly reserves the right to retain one or more Homes in the Community as a guest house, to be used and enjoyed by the Declarant, its affiliates, employees, invitees, and licensees for any lawful purpose.

Section 28. Unsightly Disrepair. No dwelling shall be allowed by the Owner to fall into the condition of unsightly use, misuse, or disrepair. The minimum but not exclusive standard for maintenance of improvements shall be consistency with the approved plans thereof and with the general appearance of the other occupied improvements in the Property as a whole when initially constructed and improved (taking into account, however, normal weathering and fading of exterior finishes, but not to the point of unsightliness). The maintenance obligation of each Owner as to building improvements shall include, without limitation, maintenance of all exterior surfaces and roofs, fascias and soffits, decorative facades, screens, windows and doors. Owners shall clean, repaint or re-stain, as appropriate and with approval of the Architectural Review Committee, the exterior portions of the building improvements, including exterior surfaces of garage doors, as often as is necessary to comply with the foregoing standards.

Section 29. Trash and Other Materials. No rubbish, trash, garbage, refuse or other waste material shall be kept or permitted on the Lots and/or Property of the Association, or other portions of the Property, except in sanitary, self-locking containers located inside the garage or in appropriate areas (i.e., areas not visible from the street or any other Lot other than at times of scheduled trash pick-up), and no odor shall be permitted to arise therefrom so as to render the Property or any portion thereof unsanitary, offensive, detrimental or a nuisance to Owners or to any other property in the vicinity thereof or to its occupants. No clothing or other household items shall be hung, dried or aired in such a way as to be visible from the Property of the Association or another Lot. No stripped vehicles, lumber or other building materials, grass, tree clippings, metals, scrap, automobile pieces or parts, refuse or trash shall be stored or allowed to accumulate on any portion of the Property (except when accumulated during construction by Declarant, during construction approved by the Architectural Review Committee, or when accumulated by the Association for imminent pick-up and discard).

Section 30. Change in Building. No Owner shall make or permit any structural modification or alteration of any Building except with the prior written consent of the Association and all Institutional Lenders holding a mortgage on a Home within said Building. Consent may be withheld if, in the sole discretion of the party requested to give the same, it appears that such structural modification or alteration would affect or in any manner endanger other Homes. No Building shall be demolished or removed without the prior written consent of all Owners of all other Homes within such Building and of all Institutional Mortgagees holding a mortgage on a Home within said Building, and also the prior written consent of Declarant or its successors. Declarant shall have the right, but shall not be obligated, to assign all of its rights and privileges under this Article to the Association.

Section 31. Damage to Buildings. If a Home is damaged or destroyed, through Act of God or other casualty, then the Owner shall promptly cause his Home to be repaired and rebuilt substantially in accordance with the architectural plans and specifications used by the Declarant for the original construction of such Home. It shall be the duty of the Association to enforce such repair or rebuilding of the Home to comply with this responsibility in accordance with this Declaration. To accomplish the requirements of this Section, each Owner shall insure his Home at the highest insurable value, including, but not limited to, full replacement value of the premises, in accordance with Article X.

Section 32. Air Conditioning Equipment. No window or wall air conditioning units will be permitted. All air conditioner compressors shall be screened from view, insulated by a fence, wall or shrubbery so as to minimize noise.

Section 33. Mailboxes. Community cluster-type mailboxes will be installed by the Declarant and individual mailboxes on each Lot shall be prohibited while community mailboxes are utilized by the U.S. Post Office. To the extent the community cluster-type mailbox unit is not owned and installed by the U.S. Post Office, such cluster-type unit shall be owned and maintained by the Association, at the Association's sole cost and expense. The individual compartments assigned to each Lot, along with the locks/keys for each of the compartments shall be maintained, repaired, and replaced by each Owner, at their sole cost and expense. The Board shall have the right to establish, modify and enforce policies and procedures for the use of such cluster-type mailboxes, which shall include, without limitation, a charge for repairs or replacement resulting from damage caused by an Owner, their family, guests, or invitees.

ARTICLE XIII DECLARANT'S RIGHTS

Section 1. Declarant's Rights. The Declarant and its successors or assigns will undertake the work of constructing Homes and related amenities on the Lots and improvements on the Common Areas. The completion of that work and the sale, rental and other disposal of Lots is essential to the establishment and welfare of the Community as a community. As used in this section and its subparagraphs, the words "its successors or assigns" specifically do not include purchasers of completed Lots. In order that said work may be completed and the Community established as a fully occupied Community as rapidly as possible, no Owner or the Association shall do anything to interfere with the Declarant's activities. Without limiting the generality of the foregoing, nothing in this Declaration or the Articles or Bylaws shall be understood or construed to:

(a) Prevent the Declarant, its successors or assigns, or its or their contractors or subcontractors, from doing on any property owned by them or on any Common Areas whatever they determine to be necessary or advisable in connection with the completion of said work, including without limitation, the alteration of its construction plans and designs as the Declarant deems advisable in the course of development (all models or sketches showing plans for future development of the Community may be modified by the Declarant at any time and from time to time, without notice); or

(b) Prevent the Declarant, its successors or assigns, or its or their contractors, subcontractors or representatives, from erecting, constructing and maintaining on any property owned or controlled by the Declarant or on any Common Areas, or its successors or assigns or its or their contractors or subcontractors, such structures as may be reasonably necessary for the conduct of its or their business of completing said work and establishing the Community as a Community and disposing of the same by sale, lease or otherwise; or

(c) Prevent the Declarant, its successors or assigns, or its or their contractors or subcontractors or representatives, from conducting on any property owned or controlled by the Declarant or its successors or assigns, its or their business of developing, subdividing, grading and constructing improvements within the Community and of disposing of Homes therein by sale, lease or otherwise; or

(d) Prevent the Declarant, its successors or assigns, from determining in its sole discretion the nature of any type of improvements to be constructed as part of the Community.

Notwithstanding any provisions to the contrary herein, the Declarant expressly reserves the right to retain one or more Lots in the Community as a guest house, to be used and enjoyed by the Declarant, its affiliates, employees, invitees, and licensees for any lawful purpose together with access to and use of all Common Areas. Any or all of the special rights and obligations of the Declarant may be transferred to other parties, provided that the transfer shall not reduce an obligation nor enlarge a right beyond that contained herein, and provided further, no such transfer shall be effective unless it is in a written

instrument signed by the Declarant and duly recorded in the public records of the County. Nothing in this Declaration shall be construed to require Declarant or any successor to develop any property in any manner whatsoever. Each Owner on his, her or its own behalf and on behalf of such Owner's heirs, personal representatives, successors, mortgagees, lienors and assigns acknowledges and agrees that the completion of the development of the Community may occur over an extended period of time and that incident to such development and the construction associated therewith the quiet use and enjoyment of the Community and each Lot therein may be temporarily interfered with by the development and construction work occurring on those Lots owned by the Declarant or its successors and assigns and each Owner, on such Owner's own behalf and on behalf of such Owner's heirs, assigns, personal representatives, successors, mortgagees, lienors and assigns does hereby waive all claims for interference with such quiet enjoyment and use as a result of the development and construction of the balance of the Community. Each Owner, on such Owner's own behalf and on behalf of such Owner's heirs, personal representatives, successors, mortgagees, lienors and assigns agrees that the development, construction and completion of the balance of the Community may interfere with such Owner's original and existing views, light and air and diminish the same and each such Owner on such Owner's behalf and on behalf of such Owner's heirs, assigns, personal representatives, successors, mortgagees, lienors and assigns does hereby release the Declarant and its successors in interest and others involved from all claims that they may have in connection therewith.

Section 2. Common Areas.

(a) So long as the Declarant owns land in the Community for development or for sale in the ordinary course of business:

(i) Declarant expressly reserves the right to grant easements and rights-of-way over, under and through the Common Areas; provided, no such easement shall structurally weaken or otherwise interfere with the use of the Common Area by Owners.

(ii) Declarant may in its sole discretion, set aside, convey, lease, grant an easement, license or other use right to real property to the Association within or without the Community for such purposes as may be expressed in the instrument of conveyance, lease or grant of easement, license or other use right. The Association must accept from Declarant any such conveyance, designation, dedication, lease, grant of easement or license, or grant of other use right. No such real property shall be considered to be Common Areas until actually so conveyed, designated, dedicated by platting, leased or a grant of easement, license or other use right is created by a written instrument. The written instrument shall also provide when the area(s) of land are designated, dedicated, conveyed, leased, licensed or a use right is granted to the Association.

(iii) The Association shall not accept from any Person other than Declarant a conveyance, dedication, lease, grant of license or grant of use right except upon the prior written consent of the Declarant or of the Board of Directors after the Declarant is no longer selling Lots in the ordinary course of business or developing said Lots.

(iv) Declarant shall have the right and the power to regulate and control the external design and appearance of the Common Areas in such a manner as Declarant deems appropriate as to promote a quality environment which will preserve the value of the Lots and to foster the attractiveness and functional utility of the Community as a place to live.

(v) Any use of the Common Areas shall be subject to the prior written approval of Declarant or the Board of Directors after the Declarant is no longer selling Lots in the ordinary course of business or developing said Lots; provided, however, that this shall not apply to the use of the streets and utility infrastructure within the Community.

(vi) Declarant shall have the right in its sole discretion to grant easements, licenses or use rights for the Common Areas to Persons that are not Members. The Board of Directors shall have the right to grant easements, licenses and use rights for the Common Areas to Persons that are not Members after the Declarant is no longer selling Lots in the ordinary course of business or developing said Lots.

(b) Prior to any conveyance, designation, dedication, lease or grant of easement, license or other use right by Declarant to the Association of any property, Declarant shall have the right to charge reasonable fees for the use of such property; thereafter, the right to use such property may be subject to reasonable rents, fees and other charges in favor of the Association; in any event, rents, fees and other charges required to be paid to Declarant under the leases, grants, license or contracts creating the use right shall continue to be paid.

(c) Any real property conveyed, leased or the use of which has been granted by Declarant or any third party to the Association as Common Areas is not and shall not be deemed dedicated for use by the general public but is, and shall be, deemed restricted for the common use and enjoyment of Members, their guests and tenants unless otherwise provided by the Declarant.

(d) No nuisance or obnoxious or offensive activity shall be conducted or permitted on any Common Areas. So long as Declarant owns any Lot located in the Community for development or for sale in the ordinary course of business, the Declarant shall have the right and the power in the exercise of its reasonable discretion to determine what activities or uses constitute nuisances or obnoxious or offensive activity and thereafter the Board of Directors of the Association shall make such determination. Nothing shall be done within the Common Areas which may be or become a nuisance to residents or Members.

(e) Neither the execution and recordation of this Declaration, nor the creation of the Association or other entity, nor the recordation of any other instrument subjecting any land in the Community to protective covenants and restrictions, shall obligate or require Declarant or any other Person to grant any right, power, duty or privilege of any nature or kind to the Association or other entity; or obligate or require Declarant to perform any act permitted under this Declaration or to enforce any covenants, condition, restriction or other provision thereof.

(f) The Declarant and its affiliates shall have the right from time to time to enter upon the Common Areas and other portions of the Community for the purpose of the installation, construction, reconstruction, repair, replacement, operation, expansion and/or alteration of any Improvements or facilities on the Common Areas or elsewhere in the Community as the Declarant and its affiliates, employees and agents, as appropriate, elect to effect. Further, the Declarant and its affiliates, guests and invitees shall have right to use the Common Areas for sales, marketing, leasing, customer parking, displays and signs during the period of construction and sale of any of the land owned by the Declarant and its affiliates within the Community, including the operation of a sales office. All of the foregoing shall apply notwithstanding the fact that the Association holds title to the applicable Common Areas as of any relevant time.

Section 3. Development, Sales and Construction Easement. In addition to the rights reserved elsewhere herein, Declarant reserves an easement for itself or its affiliates and nominees over, upon, across and under the Property, as may be required in Declarant's sole opinion, in connection with the development, construction, marketing and sale of the Community and other lands designed by Declarant. This right shall include, without limitation, the right to: locate and maintain business offices, construction trailers, models, sales offices, and parking associated therewith; post and maintain signs; and maintain employees and agents

in the models and offices. The sales offices and signs and all items pertaining to development and sales shall remain the property of Declarant. Without limiting the foregoing, Declarant specifically reserves the right to use all paved roads and rights of way within the Community for vehicular and pedestrian ingress and egress to and from construction sites and for the construction and maintenance of any Community System provided by Declarant. Specifically, each Owner acknowledges that construction vehicles and trucks may use portions of the Lots owned by Declarant, and the Common Areas, and Declarant may use portions of the Lots owned by Declarant and the Common Areas, for storage of construction materials. Declarant shall have no liability or obligations to repave, restore or repair any portion of the Common Area as a result of the use of the same for construction traffic, and all maintenance and repair of such Common Area shall be deemed ordinary maintenance of the Common Areas payable by all owners as part of the assessments. Without limiting the foregoing, at no time shall Declarant be obligated to pay any amount to the Association on account of Declarant's use of the Common Areas for construction purpose(s). Declarant intends to use the Common Areas for sales and re-sales of Lots. Further, Declarant may market other residences and commercial properties located outside the Community from Declarant's sales facilities located within the Community. Declarant has the right to use all portions of the Common Areas in connection with its marketing activities, including, without limitation, allowing members of the general public to inspect model homes, installing signs and displays, holding promotional parties and picnics, and any other activities employed in the marketing of homes. The easements created by this section, and the rights reserved herein in favor of Declarant, shall be construed as broadly as possible and supplement the other rights of Declarant set forth herein. At no time shall Declarant incur any expense whatsoever in connection with its use and enjoyment of such rights and easements.

ALL OWNERS, OCCUPANTS AND USERS OF THE COMMUNITY ARE HEREBY PLACED ON NOTICE THAT DECLARANT AND ITS AGENTS, CONTRACTORS, SUBCONTRACTORS, LICENSEES AND OTHER DESIGNEES WILL BE, FROM TIME TO TIME, CONDUCTING BLASTING, EXCAVATION, CONSTRUCTION AND OTHER ACTIVITIES WITHIN OR IN PROXIMITY TO THE COMMUNITY. BY THE ACCEPTANCE OF HIS OR HER DEED OR OTHER CONVEYANCE OR MORTGAGE, LEASEHOLD, LICENSE, OR OTHER INTEREST, AND BY USING ANY PORTION OF THE COMMUNITY, EACH OWNER, OCCUPANT AND USER ULTIMATELY ACKNOWLEDGES, STIPULATES AND AGREES: (i) THAT NONE OF THE AFORESAID ACTIVITIES WILL BE DEEMED NUISANCES OR NOXIOUS OR OFFENSIVE ACTIVITIES, HEREUNDER OR AT LAW GENERALLY, (ii) NOT TO ENTER UPON OR ALLOW CHILDREN, GUESTS OR OTHER PERSONS UNDER THEIR CONTROL OR DIRECTION TO ENTER UPON (REGARDLESS OF WHETHER SUCH ENTRY IS A TRESPASS OR OTHERWISE) PROPERTY WITHIN OR IN PROXIMITY TO THE AREA WHERE SUCH ACTIVITY IS BEING CONDUCTED (EVEN IF NOT BEING ACTIVELY CONDUCTED AT THE TIME OF ENTRY, SUCH AS AT NIGHT OR OTHERWISE DURING NON-WORKING HOURS); (iii) DECLARANT, THE ASSOCIATION, AND THE OTHER LISTED PARTIES SHALL NOT BE LIABLE BUT, RATHER, SHALL BE HELD HARMLESS FROM ANY AND ALL LOSSES, DAMAGES (COMPENSATORY, CONSEQUENTIAL, PUNITIVE OR OTHERWISE), INJURIES OR DEATHS ARISING FROM OR RELATING TO THE AFORESAID ACTIVITIES, EXCEPT RESULTING DIRECTLY FROM DECLARANT'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT; AND (iv) ANY PURCHASE OR USE OF ANY PORTION OF THE PROPERTY HAS BEEN AND WILL BE MADE WITH FULL KNOWLEDGE OF THE FOREGOING.

Section 4. Modification. The development and marketing of the Community will continue as deemed appropriate in Declarant's sole discretion, and nothing in this Declaration or the Architectural Review Requirements, or otherwise, shall be construed to limit or restrict such development and marketing. It may be necessary or convenient for the development of the Community, as an example and not a limitation, to amend a Plat, and/or Permit, and/or the Master Plan; modify the boundary lines of the Common Areas; grant

easements, dedications, agreements, licenses, restrictions, reservations, covenants and/or rights-of-way; and/or take such other action(s) which Declarant or its agents, affiliates or assignees may deem necessary or appropriate. The Association and Owners shall, at the request of Declarant, execute and deliver any and all documents and instruments which Declarant deems necessary or convenient, in its sole and absolute discretion, to accomplish the same.

Section 5. Promotional Events. Declarant shall have the right, at any time, to hold marketing, special, and/or promotional events within the Community, without any charge for use of the Property. Declarant, its agents, affiliates and/or assignees shall have the right to market the Community in advertisements and other media by making reference to any portion(s) of the Community, including, but not limited to, pictures of drawings of the Community and Homes. All logos, trademarks and designs used in connection with the Community are property of the Declarant, and the Association shall have no right to use same except with the express written permission of the Declarant.

Section 6. Use by Prospective Purchasers. Declarant shall have the right to use, without charge, the Common Areas for the purpose of entertaining prospective purchasers of Lots or other properties owned by Declarant outside of the Community.

Section 7. Enforcement and Inaction.

(a) So long as the Declarant owns any land in the Community for development or for sale in the ordinary course of business, Declarant shall have the right and power, but not the obligation, to enforce the covenants, conditions, restrictions and other provisions imposed by this Declaration by any proceeding at law or in equity against any Person violating or attempting to violate such provision, to restrain any violation or attempted violation of such provisions, to require performance of such provisions, to recover damages for violations of such provisions, to levy against the land to enforce any lien created by this Declaration, and to delegate or assign either exclusively or non-exclusively any or all of its rights, powers, duties or privileges hereunder to the Association, or to an Owner, or to any other Person. In the event Declarant expends any sum of money to enforce the covenants, conditions, restrictions and other provisions imposed by this Declaration, the Association shall immediately reimburse the Declarant for such expenditure. Failure by Declarant, or by the Association or any other Owner or any other Person to enforce any of such provisions shall in no event be deemed a waiver of their right to do so thereafter. After Declarant no longer owns any land in the Community for development or sale in the ordinary course of business, the Association shall have the right and power to enforce the covenants, conditions, restrictions and other provisions imposed by this Declaration.

(b) The costs and reasonable attorneys' fees, including those resulting from any appellate proceedings, incurred by Declarant or the Association in any action against an Owner, an Owner's family, guests, tenants, or invitees to enforce any provisions of this Declaration shall be a personal obligation of such Owner which shall be paid by such Owner and any amount which remains due and unpaid shall be a continuing lien upon the Owner's Lot collectible in the manner provided in Article VIII.

(c) Notwithstanding anything to the contrary in this Declaration, the terms and provisions of this Article shall not be amended, modified or terminated without the prior written consent of the Declarant so long as Declarant owns any Lot(s) in the Community.

ARTICLE XIV ENFORCEMENT OF COVENANTS AND ABATEMENT OF VIOLATIONS

Section 1. Compliance by Owners. Each Owner, Owner's family, guests, invitees, tenants, agents,

and employees shall be governed by and shall comply strictly with the terms, covenants, conditions and restrictions of the Act, this Declaration, the Bylaws, Community-Wide Standards, Architectural Review Requirements, and the Rules and Regulations adopted pursuant thereto (as hereinafter referred to in this Article, the "Rules"), and the same as they may be amended from time to time. All violations shall be reported immediately to a member of the Board. Disagreements concerning violations, including interpretation of the Rules, shall be presented to and determined by the Board of Directors, whose interpretation and whose remedial action shall control. In the event that an Owner fails to abide by the Rules, then he or she may be subject to any action, right of entry, fine, or other remedy contained in this Declaration. Each remedy shall be non-exclusive and in addition to all other rights and remedies to which the Declarant or the Association may be entitled. Failure by the Association to enforce any Rules or exercise any right or remedy contained herein shall not be deemed a waiver of the right to do so thereafter.

Section 2. Actions.

(a) The Board of Directors shall have the power to adopt, amend and enforce compliance with such Rules and Regulations relative to the operation, use and occupancy of the Lots and the Common Areas consistent with the provisions of this Declaration, and Chapter 720, Florida Statutes, including, but not limited to such enforcement procedures and penalties for violations as the Board of Directors shall deem appropriate. Any such Rules and Regulations shall be adopted or amended, from time to time, by means of appropriate resolutions duly approved by the Board of Directors in accordance with the Bylaws. A copy of such Rules and Regulations and copies of any amendments thereto shall be delivered or mailed to each Owner or occupant of a Lot promptly after the adoption thereof and shall become binding upon all Owners, their successors in title and assigns, and occupants.

(b) Failure of any Owner, other than the Declarant to the extent permitted by law, Owner's family, guests, invitees, tenants, agents, and employees, to comply with any provisions of Chapter 720, Florida Statutes, this Declaration, the Bylaws, Community-Wide Standards, Architectural Review Requirements, or any Rules and Regulations shall entitle the Association or other Owners to the remedies provided in this Declaration and Florida Statutes, and also to the following relief, none of which remedies shall be exclusive of any other remedies:

(c) To sue for the recovery of damages or for injunctive relief, or both subject to compliance with this Article. The failure of the Declarant, the Board of Directors, or any Owner to enforce any covenant, restriction or other provision of the Act, this Declaration, the Bylaws or the Rules and Regulations, shall not constitute a waiver of the right to do so thereafter.

Section 3. Right of Entry. Violation of the Rules shall give the Association or its duly authorized agent the right to enter a Lot or any portion of the Common Area to summarily abate or remove, at the expense of the Owner, any structure, thing or condition which violates the Rules. The Association shall not be liable in any manner for trespass, abatement or removal, and all costs and fees incurred by the Association may be specifically assessed against the violating Owner and shall be treated as a Specific Assessment otherwise due the Association.

Section 4. Fines. The Board, in its sole discretion, may levy a fine or fines upon an Owner for failure to comply with any obligation, requirement or rule, provided the following procedures are adhered to:

(a) Notice: The Association shall notify the Owner and, if applicable, any occupant, licensee, or invitee of the Owner, sought to be fined in writing of the non-compliance. The notice shall include an opportunity for a hearing before a committee, as described below, which the non-compliance will be heard and considered. The notice of the non-compliance to the Owner shall

provide, at a minimum, at least fourteen (14) days' notice prior to the hearing.

(b) Hearing: The noncompliance shall be presented at a hearing before a committee of at least three (3) members appointed by the Board, who are not officers, directors or employees of the Association, or the spouse, parent, child, brother or sister of an officer, director or employee, where the Owner may protest any allegation of non-compliance and any imposition of fines. The role of the committee is limited to determining whether to confirm or reject the fine or suspension levied by the Board.

(c) Fines: The Board of Directors may levy reasonable fines, not to exceed \$100 per violation per day, against any Owner, tenant, guest or invitee for the failure of the Owner of the Lot, or its occupant, licensee, or invitee to comply with any provision of the Declaration, the Bylaws, or reasonable rules of the Association. A fine may be levied for each day of a continuing violation, with a single notice and opportunity for hearing as, and there shall be no aggregate ceiling on the total fine which may be imposed for a recurring violation.

(d) Payment of Fines: If the proposed fine levied by the Board is approved by a majority of the committee, the fine payment is due five (5) days after the date of the committee meeting at which the fine is approved. The Association must provide written notice of such fine or suspension by mail or hand delivery by to the Owner and, if applicable, to any tenant, licensee, or invitee of the Owner.

(e) Assessments: Fines shall be treated as a Specific Assessment otherwise due to the Association. All fines in the aggregate amount of \$1,000 or more shall be a charge and continuing lien upon each Lot against which the fine(s) is made until paid. Upon recording of a Notice of Lien, there shall exist a perfected lien for unpaid fines in the aggregate amount of \$1,000 or more on the respective Lot prior and superior to all other liens, except all taxes, bonds, assessments and other levies which by law would be superior thereto, a lien or charge of any first mortgage of record (meaning any recorded mortgage with first priority over other mortgages) made in good faith and for value, but subject to the limitations provided in Section 7 of Article VIII hereof. Such lien may be enforced by suit, judgment and foreclosure.

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

(g) Non-Exclusive Remedy: Any fine paid by the offending Owner shall be deducted from or offset against any damages that the Association may otherwise be entitled to recover by law from such Owner.

Section 5. Suspension of Use and Voting. The Board of Directors may suspend, for a reasonable period of time, the right of a Member, or a Member's tenant, guest, or invitee, to use the Common Areas and/or facilities for the failure of the Owner or its occupant, licensee or invitee to comply with any provision of the Declaration, the Bylaws, or reasonable rules of the Association, provided that the Association must provide notice and an opportunity for a hearing as provided herein and Chapter 720, Florida Statutes, as amended from time to time; provided, however, that this shall not apply to the use of the streets within the Community.

If an Owner is delinquent for more than ninety (90) days in paying a monetary obligation due to the Association, the Association may suspend, until such monetary obligation is paid in full, the rights of any Owner, tenant, guest or invitee to use any Common Area and/or facilities. The notice and hearing requirements provided herein and as may be provided under the Bylaws do not

apply to a suspension of use rights due to a monetary delinquency.

The Association may also suspend the voting rights of a Member for nonpayment of any monetary obligation due to the Association that is delinquent in excess of ninety (90) days. The notice and hearing requirements provided herein and as may be provided under the Bylaws do not apply to a suspension of voting rights due to a monetary delinquency.

Notwithstanding any other provision to the contrary, but only as to this subsection, if Chapter 720, Florida Statutes, is ever amended to provide that the Association shall have the right to exercise the suspension rights (for either use of Common Areas/facilities and/or voting rights) enumerated in this subsection for a monetary delinquency of less than ninety (90) days, or in the event that Chapter 720, Florida Statutes, is ever amended to provide that the Association shall have the right to exercise the suspension rights (for either use of Common Areas/facilities and/or voting rights) enumerated in this subsection for other types of violations, then such rights shall automatically be bestowed upon the Association without need for amending this Declaration or providing any notice.

Section 6. Enforcement. Failure of an Owner, an Owner's family, guests, tenants, occupants, or invitees to comply with the terms hereof or with such Rules shall be grounds for immediate action. The enforcement of this Declaration may be by proceeding at law for damages or in equity to compel compliance with its terms, or to prevent violation or breach of any of the covenants or terms herein. The Declarant, the Association, or any Owner may, but shall not be required to, seek enforcement of this Declaration. Any Owner who seeks enforcement of this Declaration shall, by his actions, be deemed to have indemnified the Declarant and the Association from all liabilities resulting from his actions. In an action to enforce this Declaration, the non-prevailing party shall pay to the prevailing party all costs and reasonable attorneys' fees, including paraprofessional fees, at all trial and appellate levels.

ARTICLE XV ASSIGNMENT

Any or all of the rights, powers, obligations, easements and estates reserved or given to the Declarant or the Association may be assigned by the Declarant or by the Association, as the case may be, in whole or in part, to the Association or any other assignee. Any assignment shall be made by appropriate instrument in writing, and any assignee shall expressly agree to assume the rights, powers, duties and obligations contained herein, and the assignor shall be relieved and released of all responsibility and obligations associated with the assigned items.

ARTICLE XVI CONSERVATION AREAS

Portions of the Community may contain Conservation Areas, as required by St. Johns River Water Management District (SJRWMD), and as more particularly identified on the Plat or pursuant to any conservation easements created pursuant to Section 704.06, Florida Statutes. All Owners are notified that portions of the Lots may contain or lie adjacent to Conservation Areas and each Owner shall comply with all use restrictions created herein or pursuant to any conservation easements created for the Conservation Areas. The Association is charged with the duty of perpetually maintaining all Conservation Areas in accordance with the requirements contained in the SJRWMD permit(s) pertaining to the Community and any subsequent conservation easements created. All expenses incurred in maintaining the Conservation Areas shall be deemed Common Expenses and the Lot Owners shall be responsible for paying same. The Association is further charged with the duty to perpetually maintain all markers and signage required by the SJRWMD permit(s) governing the

Community and the Association shall have a perpetual right and easement over the entire Community to maintain the Conservation Areas, and all markers and signs pertaining thereto.

THE CONSERVATION AREAS MAY IN NO WAY BE ALTERED FROM THEIR NATURAL OR PERMITTED STATE. ACTIVITIES PROHIBITED WITHIN THE CONSERVATION AREAS INCLUDE, BUT ARE NOT LIMITED TO, CONSTRUCTION OR PLACING OF BUILDINGS ON OR ABOVE THE GROUND, DUMPING OR PLACING SOIL OR OTHER SUBSTANCES SUCH AS TRASH, REMOVAL OR DESTRUCTION OF TREES, SHRUBS OR OTHER VEGETATION, WITH THE EXCEPTION OF EXOTIC/NUISANCE VEGETATION REMOVAL, EXCAVATION, DREDGING OR REMOVAL OF SOIL MATERIAL, DIKING OR FENCING, AND ANY OTHER ACTIVITIES DETRIMENTAL TO DRAINAGE, FLOOD CONTROL, WATER CONSERVATION, EROSION CONTROL OR FISH AND WILDLIFE HABITAT CONSERVATION OR PRESERVATION.

ARTICLE XVII WATER MANAGEMENT SYSTEM

Section 1. Dedication. The Water Management System is hereby dedicated as part of the Common Areas. The Water Management System shall be the perpetual responsibility of the Association and may in no way be altered from its natural or permitted state.

Section 2. Maintenance and Monitoring. The Association shall be responsible for the maintenance, operation and repair of the Water Management System. Maintenance of the Water Management System shall mean the exercise of practices which allow the system to provide drainage, water storage, conveyance or other surface water or storm water management capabilities as permitted by the SJRWMD and the County. Any repair or reconstruction of the Water Management System shall be as permitted or if modified, as approved by the SJRWMD and the County. Nothing contained herein shall relieve the Declarant of its responsibilities prior to the Turnover Date.

Section 3. Use Restrictions. The Association shall enforce the use restrictions for the Water Management System. Activities prohibited within the Water Management System shall include, but not be limited to:

- (a) Digging or excavation;
- (b) Depositing fill, debris, or any other material or item;
- (c) Constructing or altering any water control structure; or
- (d) Any other construction that would modify the Water Management System.

Section 4. Enforcement by District and the City and/or County. The SJRWMD and the City and/or County shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in this Declaration regarding the Water Management System and take enforcement measures, including a civil action for injunction and/or penalties, against the Association to compel the Association to correct any outstanding problems with the Water Management System.

Section 5. Dissolution of Association. If the Association ceases to exist, then all Owners shall be jointly and severally responsible for operation and maintenance of the Water Management System in accordance with the requirements of the applicable Environmental Resource Permit, unless and until an alternate entity assumes responsibility for such system.

Section 6. Covenant for Maintenance Assessments for Association. Assessments shall also be used for the maintenance and repair of the Water Management System including, but not limited to, work within retention areas, drainage structures and drainage easements.

Section 7. Easement for Access and Drainage. The Association shall have a perpetual non-exclusive easement over all areas of the Water Management System for access to operate, maintain or repair the system. By this easement, the Association shall have the right to enter upon any portion of any Lot which is a part of the Water Management System at a reasonable time and in a reasonable manner to operate, maintain or repair the Water Management System as required by the SJRWMD permit. Additionally, the Association shall have a perpetual non-exclusive easement for drainage over the entire Water Management System. No person shall alter the drainage flow of the Water Management System, including buffer areas or swales, without the prior written approval of the SJRWMD and the County.

Section 8. Amendment. Any amendment to this Declaration which alters any provisions relating to the Water Management System, beyond maintenance in its original condition, including the water management portions of the Common Areas, must have the prior approval of the SJRWMD and the County.

ARTICLE XVIII DISCLOSURES

Section 1. Building Area. Lots adjacent to water bodies within the Community may actually contain less building area than reflected on the Plat, and no Owner shall have any claim(s), cause(s) of action or basis for any demand(s) against Declarant and/or the Association as a result thereof or in relation thereto.

Section 2. Security. The Association will strive to maintain the Community as a safe, secure residential environment. HOWEVER, NEITHER THE ASSOCIATION NOR THE DECLARANT SHALL IN ANY WAY BE CONSIDERED GUARANTORS OF SECURITY WITHIN THE COMMUNITY, NEITHER THE ASSOCIATION NOR THE DECLARANT SHALL HAVE ANY OBLIGATION TO AFFIRMATIVELY TAKE ANY ACTION IN ORDER TO MAINTAIN THE COMMUNITY AS A SAFE, SECURE RESIDENTIAL ENVIRONMENT, AND NEITHER THE ASSOCIATION NOR THE DECLARANT SHALL BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. ALL OWNERS, TENANTS, GUESTS AND INVITEES OF ANY OWNER, AS APPLICABLE, ACKNOWLEDGE THAT THE ASSOCIATION, ITS BOARD, THE DECLARANT AND COMMITTEES ESTABLISHED BY ANY OF THE FOREGOING ENTITIES, ARE NOT GUARANTORS AND THAT EACH OWNER, TENANT, GUEST AND INVITEE ASSUMES ALL RISK OF LOSS OR DAMAGE TO PERSONS, LOTS, LOTS, HOMES AND TO THE CONTENTS OF HOMES AND FURTHER ACKNOWLEDGE THE ASSOCIATION, ITS BOARD, THE DECLARANT AND COMMITTEES ESTABLISHED BY ANY OF THE FOREGOING ENTITIES HAVE MADE NO REPRESENTATIONS OR WARRANTIES, NOR HAS ANY OWNER, TENANT, GUEST OR INVITEE RELIED UPON ANY REPRESENTATIONS OR WARRANTIES EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE RELATIVE TO ANY SECURITY MEASURES RECOMMENDED OR UNDERTAKEN.

Section 3. Notices and Disclaimers as to Community Systems. Declarant, its affiliated entities, the Association, their successors or assigns may enter into contracts for the provision of security services through any Community Systems. DECLARANT, ITS AFFILIATED ENTITY, THE ASSOCIATION, THEIR SUCCESSORS OR ASSIGNS DO NOT GUARANTEE OR WARRANT, EXPRESSLY OR IMPLIEDLY, THE MERCHANTABILITY OR FITNESS FOR USE OF ANY SUCH SECURITY SYSTEM OR SERVICES, OR THAT ANY SYSTEM OR SERVICES WILL PREVENT INTRUSIONS, NOTIFY AUTHORITIES OF FIRES OR OTHER OCCURRENCES, OR THE CONSEQUENCES OF SUCH OCCURRENCES, REGARDLESS OF WHETHER OR NOT THE SYSTEM OR SERVICES ARE

DESIGNED TO MONITOR SAME; AND EVERY OWNER OR OCCUPANT OF THE PROPERTY RECEIVING SECURITY SERVICES THROUGH THE COMMUNITY SYSTEMS ACKNOWLEDGES THAT DECLARANT, ITS AFFILIATED ENTITY, THE ASSOCIATION, ANY SUCCESSOR OR ASSIGN ARE NOT INSURERS OF THE OWNER OR OCCUPANT'S PROPERTY OR OF THE PROPERTY OF OTHERS LOCATED ON THE LOT, DO NOT HAVE ANY OBLIGATION TO AFFIRMATIVELY TAKE ANY ACTION TO PREVENT SUCH OCCURRENCES, AND WILL NOT BE RESPONSIBLE OR LIABLE FOR LOSSES, INJURIES OR DEATHS RESULTING FROM SUCH OCCURRENCES. It is extremely difficult and impractical to determine the actual damages, if any, which may proximately result from a failure on the part of a security service provider to perform any of its obligations with respect to security services and, therefore, every Owner or occupant of the property receiving security services through the Community Systems agrees that Declarant, its affiliated entities, the Association, any successor or assign assumes no liability for loss or damage to property or for personal injury or death to persons due to any reason, including, without limitation, failure in transmission of an alarm, interruption of security service or failure to respond to an alarm because of (a) any failure of the Owner's security system, (b) any defective or damaged equipment, device, line or circuit, (c) negligence, active or otherwise, of the security service provider or its officers, agents or employees, or (d) fire, flood, riot, war, act of God or other similar causes which are beyond the control of the security service provider. Every Owner or occupant of a Lot obtaining security services through the Community Systems further agrees for himself, his grantees, tenants, guests, invitees, licensees and family members that if any loss or damage should result from a failure of performance or operation, or from defective performance or operation, or from improper installation, monitoring or servicing of the system, or from negligence, active or otherwise, of the security service provider or its officers, agents, or employees, the liability, if any, of the Declarant, its affiliated entity, the Association, their successors or assigns for loss, damage, injury or death shall be limited to a sum not exceeding Two Hundred Fifty U.S. Dollars (\$250.00), which limitation shall apply irrespective of the cause or origin of the loss or damage and notwithstanding that the loss or damage results directly or indirectly from negligent performance, active or otherwise, or non-performance by an officer, agent or employee of Declarant, its affiliated entities, the Association, their successor or assign of any of same. Further, in no event will Declarant, its affiliated entities, the Association, their successors or assigns be liable for consequential damages, wrongful death, personal injury or commercial loss.

In recognition of the fact that interruptions in cable television and other Community Systems services will occur from time to time, no person or entity described above shall in any manner be liable, and no user of any Community System shall be entitled to any refund, rebate, discount or offset in applicable fees, for any interruption in Community Systems services, regardless of whether or not same is caused by reasons within the control of the then-provider of such services.

Section 4. Notices and Disclaimers as to Water Bodies. NEITHER DECLARANT, THE ASSOCIATION, NOR ANY OF THEIR OFFICERS, DIRECTORS, COMMITTEE MEMBERS, EMPLOYEES, MANAGEMENT AGENTS, CONTRACTORS OR SUBCONTRACTORS (COLLECTIVELY, THE "LISTED PARTIES") SHALL BE LIABLE OR RESPONSIBLE FOR MAINTAINING OR ASSURING THE SAFETY, WATER QUALITY OR WATER LEVEL OF/IN ANY LAKE, POND, CANAL, CREEK, STREAM OR OTHER WATER BODY WITHIN THE COMMUNITY, EXCEPT AS SUCH RESPONSIBILITY MAY BE SPECIFICALLY IMPOSED BY, OR CONTRACTED FOR WITH, AN APPLICABLE GOVERNMENTAL OR QUASI- GOVERNMENTAL AGENCY OR AUTHORITY. THERE IS NO GUARANTY BY THE LISTED PARTIES THAT WATER LEVELS WILL BE CONSTANT OR AESTHETICALLY PLEASING AT ANY PARTICULAR TIME. FURTHER, ALL OWNERS AND USERS OF ANY PORTION OF THE PROPERTY LOCATED ADJACENT TO OR HAVING A VIEW OF ANY OF THE AFORESAID WATER BODIES SHALL BE DEEMED, BY VIRTUE OF THEIR ACCEPTANCE OF THE DEED TO OR USE OF SUCH PROPERTY, TO HAVE AGREED TO HOLD HARMLESS THE LISTED PARTIES FOR ANY AND ALL CHANGES IN THE QUALITY AND LEVEL OF THE WATER IN SUCH BODIES. CONTRACTORS,

SUBCONTRACTORS, LICENSEES AND OTHER DESIGNEES SHALL, FROM TIME TO TIME, EXCAVATE, CONSTRUCT AND MAINTAIN WATER BODIES WITHIN PROXIMITY TO THE PROPERTY. NOTWITHSTANDING THE FOREGOING, EXCAVATION OR CONSTRUCTION OF WATER BODIES SHALL BE PROHIBITED UNLESS OTHERWISE AUTHORIZED BY THE PERMITS. IN THE EVENT THAT THE EXCAVATION OR CONSTRUCTION OF WATER BODIES IS NOT AUTHORIZED BY SAID PERMITS, SUCH EXCAVATION OR CONSTRUCTION MAY ONLY TAKE PLACE IF A PERMIT MODIFICATION IS OBTAINED. BY THE ACCEPTANCE OF HIS OR HER DEED OR OTHER CONVEYANCE OR MORTGAGE, LEASEHOLD, LICENSE OR OTHER INTEREST, AND BY USING ANY PORTION OF THE PROPERTY, EACH SUCH OWNER, OCCUPANT OR USER AUTOMATICALLY ACKNOWLEDGES, STIPULATES AND AGREES: (i) THAT NONE OF THE AFORESAID ACTIVITIES SHALL BE DEEMED NUISANCES OR NOXIOUS OR OFFENSIVE ACTIVITIES HEREUNDER OR AT LAW GENERALLY; (ii) NOT TO ENTER UPON, OR ALLOW CHILDREN, GUESTS OR OTHER PERSONS UNDER THEIR CONTROL OR DIRECTION TO ENTER UPON (REGARDLESS OF WHETHER SUCH ENTRY IS A TRESPASS OR OTHERWISE) ANY WATER BODY WITHIN THE PROPERTY EXCEPT AS SPECIFICALLY PERMITTED BY THIS DECLARATION OR THE RULES AND REGULATIONS ADOPTED BY THE ASSOCIATION; (iii) DECLARANT, THE ASSOCIATION, AND THE OTHER LISTED PARTIES SHALL NOT BE LIABLE BUT, RATHER, SHALL BE HELD HARMLESS FROM ANY AND ALL LOSSES, DAMAGES (COMPENSATORY, CONSEQUENTIAL, PUNITIVE OR OTHERWISE), INJURIES OR DEATHS ARISING FROM OR RELATING TO THE AFORESAID ACTIVITIES; (iv) ANY PURCHASE OR USE OF ANY PORTION OF THE PROPERTY HAS BEEN AND WILL BE MADE WITH FULL KNOWLEDGE OF THE FOREGOING; AND (v) THIS ACKNOWLEDGEMENT AND AGREEMENT IS A MATERIAL INDUCEMENT TO DECLARANT TO SELL, CONVEY AND/OR ALLOW THE USE OF THE APPLICABLE PORTION OF THE PROPERTY.

FURTHER, NONE OF THE LISTED PARTIES SHALL BE LIABLE FOR ANY PROPERTY DAMAGE, PERSONAL INJURY OR DEATH OCCURRING IN, OR OTHERWISE RELATED TO, ANY WATER BODY, ALL PERSONS USING SAME DOING SO AT THEIR OWN RISK.

ALL PERSONS ARE HEREBY NOTIFIED THAT FROM TIME TO TIME ALLIGATORS AND OTHER WILDLIFE MAY HABITAT OR ENTER INTO WATER BODIES WITHIN OR NEARBY THE COMMUNITY 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 OR INSURE AGAINST, ANY DEATH, INJURY OR DAMAGE CAUSED BY SUCH WILDLIFE.

NEITHER DECLARANT NOR THE ASSOCIATION SHALL BE OBLIGATED TO ERECT FENCES, GATES OR WALLS AROUND OR ADJACENT TO ANY WATER BODY WITHIN THE COMMUNITY.

MODIFICATION OF THE SHORELINE BY AN OWNER IS STRICTLY PROHIBITED.

ARTICLE XIX GENERAL PROVISIONS

Section 1. Duration. The covenants, conditions and restrictions contained in this Declaration or any amendment thereto shall run with and bind the Property and any Owner or lessee thereof, and shall inure to the benefit of and be enforceable by the Declarant, the Association, or the Owner of any Property subject to this Declaration or any Supplemental Declaration, their respective legal representatives, heirs, successors and assigns, for a term of thirty (30) years from the date this Declaration is recorded in the public records of

the County, after which time all of said provisions shall be extended automatically for successive periods of ten (10) years each unless an instrument signed by seventy-five percent (75%) of the Lots is recorded which terminates the covenants, conditions and restrictions in whole or in part. However, no instrument which terminates the covenants, conditions or restrictions shall be effective unless executed and recorded at least ninety (90) days in advance of the end of the initial or any extension period hereof, and unless written notice of the proposed instrument is sent to every Owner at least ninety (90) days in advance of any action taken. Unless this Declaration is terminated as provided above, the Association shall preserve this Declaration or other notice of its terms at intervals necessary under Florida law to preserve its effect, including without limitation, pursuant to Chapters 712 and 720 of the Florida Statutes.

Section 2. Amendment.

(a) Prior to Turnover Date. Prior to the Turnover Date, Declarant may unilaterally amend this Declaration for any purpose; provided, however, any such amendment shall not adversely affect title to any Lot unless the Owner of such Lot shall consent thereto in writing and so long as said amendment is not unequivocally contrary to the overall, uniform scheme of development for the Community. The Association shall, forthwith upon the request of Declarant, join in any such amendments or modifications and execute such instruments to evidence such joinder and consent as Declarant shall, from time to time, request. Declarant's right to amend under this provision is to be construed as broadly as possible.

(b) After the Turnover Date. After the Turnover Date, the Declarant with the consent of the majority of the Board of Directors, may amend this Declaration, if such amendment is (i) necessary to bring any provision into compliance with any applicable governmental statutes, rule, regulation or judicial determination; (ii) necessary to enable any reputable title insurance company to issue title insurance coverage on the sale of Lots; (iii) required by an institutional or governmental lender, purchaser, insurer or guarantor of mortgage loans, including, for example, but in no way limited to, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable it to make, purchase, insure or guarantee mortgage loans on the Lots; or (iv) otherwise necessary to satisfy the requirements of any governmental agency; provided, however, any such amendment shall not adversely affect the title to any Lot unless the Owner of such Lot shall consent thereto in writing.

(c) By Owners. Subject to the other terms and conditions of this Declaration, this Declaration may be amended only by the affirmative vote or written consent, or any combination thereof, of Members representing two-thirds (2/3) of the total Class "A" votes in the Association, and the consent of the Declarant, so long as the Declarant owns a Lot in the Community. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

(d) Validity and Effective Date of Amendments. Amendments to this Declaration shall become effective upon recordation in the public records of the County, unless a later effective date is specified therein. Any procedural challenge to an amendment must be made within six months of its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of this Declaration.

If an Owner consents to any amendment to this Declaration, the Articles or the Bylaws, it will be conclusively presumed that such Owner has the authority to so consent, and no contrary provision in any mortgage or contract between the Owner and a third party will affect the validity of such amendment.

No amendment may remove, revoke or modify any right or privilege of the Declarant without

the prior written consent of the Declarant or the assignee of such right or privilege, which consent may be withheld for any reason whatsoever.

Section 3. Rules and Regulations. The Association, through its Board of Directors, may make and enforce reasonable rules and regulations governing the use of the property within the Community, which rules and regulations shall be consistent with the rights and duties established by this Declaration and the Architectural Review Requirements. Such rules and regulations shall be binding on all Owners and occupants.

Section 4. Termination. Should the Members terminate or vote not to revitalize (in the event it expires) this Declaration, the Common Area owned by the Association shall be transferred to a trustee appointed by the Circuit Court of the County, which trustee shall sell the Common Area free and clear of the limitations imposed hereby upon terms established by a Circuit Court of the County. In such event, however, and consistent with the County ordinances, adequate provisions shall be made for the maintenance of any private water, sewer, streets or drainage facilities located within the Common Area, and such maintenance responsibility shall not become the responsibility of the County without its consent. The proceeds of a sale of the Common Area first shall be used for the payment of any debts or obligations constituting a lien on the Common Area, then for payment of any obligation incurred by the trustee in the operation, maintenance, repair or upkeep of the Common Area. The excess proceeds, if any, shall be distributed among the Owners in proportion to each Owner's Common Expenses. The consent of Members representing at least seventy five percent (75%) of the Class "A" votes and of the Declarant, so long as it owns any land subject to this Declaration, and the approval of the Eligible Holders of first mortgages on Lots to which at least seventy five percent (75%) of the votes of Lots subject to a mortgage appertain, shall be required to terminate the Declaration.

Section 5. Notices. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postage paid, to the last address provided by the Person who appears as Member or Owner on the records of the Association at the time of such mailing.

Section 6. Controlling Agreement. To the extent any provisions contained herein conflict with the Articles or the Bylaws, the provisions contained herein shall supersede such conflicting provisions contained in the Articles or Bylaws.

Section 7. Severability. Invalidity of any of the provisions of this Declaration by judgment or court order shall in no way affect any other provision, and the remainder of this Declaration shall remain in full force and effect. Further, it is the intent of Declarant that this Declaration be drafted in accordance with the provisions set forth in Chapter 720, Florida Statutes, as in effect on the date this Declaration is recorded, except as otherwise expressly set forth herein.

Section 8. Partition. The Common Area shall remain undivided, and no Person shall bring any action for partition or division of the whole or any part thereof without the written consent of all Owners within the Community and without the written consent of all holders of all mortgages encumbering any portion of the property within the Community.

Section 9. Gender and Grammar. The singular, wherever used herein shall be construed to mean the plural, when applicable, and the use of the masculine pronoun shall include the neuter and feminine.

Section 10. Captions. The captions of each Article and Section hereof are inserted only for convenience and are in no way to be construed as defining, limiting, extending or otherwise modifying or adding to the particular Article or Section to which they refer.

Section 11. Conveyances of Common Area. The Association shall accept conveyances of Common Area as are made from time to time to the Association by Declarant.

Section 12. Mortgagee Provisions. The following provisions are for the benefit of holders, insurers and guarantors of first mortgages on Lots in the Community. The provisions of this Section apply to both this Declaration and to the Bylaws, notwithstanding any other provisions contained therein:

(i) Notices of Action. An institutional holder, insurer or guarantor of a first mortgage who provides written request to the Association (such request to state the name and address of such holder, insurer or guarantor and the street address of the Lot to which its mortgage relates, thereby becoming an "Eligible Holder"), will be entitled to timely written notice of Any condemnation loss or any casualty loss which affects a material portion of the Community or which affects any Lot on which there is a first mortgage held, insured or guaranteed by such Eligible Holder;

(ii) Any delinquency in the payment of assessments or charges owed by a Lot subject to the mortgage of such Eligible Holder, where such delinquency has continued for a period of sixty (60) days, or any other violation of the Declaration or Bylaws relating to such Lot or the Owner or occupant which is not cured within sixty (60) days. Notwithstanding this provision, any holder of a first mortgage is entitled to written notice upon request from the Association of any default in the performance by an Owner of a Lot of any obligation under the Declaration or Bylaws which is not cured within sixty (60) days;

(iii) Any lapse, cancellation or material modification of any insurance policy maintained by the Association; or

(iv) Any proposed action which would require the consent of a specified percentage of Eligible Holders.

(b) Special FHLMC Provision. So long as required by the Federal Home Loan Mortgage Corporation, the following provisions apply in addition to and not in lieu of the foregoing. Unless at least seventy five percent (75%) of the first mortgagees or Members representing at least seventy five percent (75%) of the total Association vote entitled to cast consent, the Association shall not:

(i) By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer all or any portion of the real property comprising the Common Area which the Association owns, directly or indirectly (the granting of easements for public utilities or other similar purposes consistent with the intended use of the Common Area shall not be deemed a transfer within the meaning of this subsection);

(ii) Change the method of determining the obligations, assessments, dues or other charges which may be levied against an Owner of a Lot (a decision, including contracts, by the Board or provisions of any declaration subsequently recorded shall not be subject to this provision where such decision or subsequent declaration is otherwise authorized by this Declaration);

(iii) By act or omission change, waive or abandon any scheme of regulations or enforcement pertaining to architectural design, exterior appearance or maintenance of Lots and the Common Area (the issuance and amendment of architectural standards, procedures, rules and regulations, or use restrictions shall not constitute a change, waiver or abandonment within the meaning of this provision);

(iv) Fail to maintain insurance, as required by this Declaration; or

(v) Use hazard insurance proceeds for any Common Area losses for other than the repair, replacement, or reconstruction of such property.

First mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against the Common Area and may pay overdue premiums on casualty insurance policies or secure new casualty insurance coverage upon the lapse of an Association policy, and first mortgagees making such payments shall be entitled to immediate reimbursement from the Association.

(c) Other Provisions for First Lien Holder. To the extent possible under Florida law:

(i) Any restoration or repair of the Community after a partial condemnation or damage due to an insurable hazard shall be performed substantially in accordance with this Declaration and the original plans and specifications unless the approval is obtained of the Eligible Holders of first mortgages on Lots to which at least fifty one percent (51%) of the votes of Lots subject to mortgages held by such Eligible Holders are allocated.

(ii) Any election to terminate the Association after substantial destruction or a substantial taking in condemnation shall require the approval of the Eligible Holders of first mortgages on Lots to which at least fifty one percent (51%) of the votes of Lots subject to mortgages held by such Eligible Holders are allocated.

(d) Amendments to Documents. The following provisions do not apply to amendments to this Declaration, the Articles or the Bylaws or termination of the Association made as a result of destruction, damage or condemnation pursuant to Article X and Article XI, or to the addition of land in accordance with Article II:

(i) The consent of Members representing at least seventy five percent (75%) of the Class "A" votes and of the Declarant, so long as it owns any land subject to this Declaration, and the approval of the Eligible Holders of first mortgages on Lots to which at least seventy five percent (75%) of the votes of Lots subject to a mortgage appertain, shall be required to terminate the Association.

(ii) The consent of Members representing at least two-thirds (2/3) of the Class "A" votes and of the Declarant, so long as it owns any land subject to this Declaration, and the approval of Eligible Holders of first mortgages on Lots to which at least fifty one percent (51%) of the votes of Lots subject to a mortgage appertain, shall be required materially, to amend any provisions of this Declaration, Bylaws or Articles, or to add any material provisions thereto which establish, provide for, govern or regulate any of the following:

- a) voting ;
- b) assessments, assessment liens or subordination of such liens;
- c) reserves for maintenance, repair, and replacement of the Common Area;
- d) insurance or fidelity bonds; and

- e) any provisions included in the Declaration, Bylaws or Articles, which are for the express benefit of holders, guarantors, or insurers of first mortgages on Lots;

provided that any changes related to the Community's infrastructure(including roads, drainage systems, etc.), must be approved by the County.

(e) No Priority. No provision of this Declaration, the Articles, or the Bylaws gives or shall be construed as giving any Owner or other party priority over any rights of the first mortgagee of any Lot in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Area.

(f) Notice to Association. Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any mortgage encumbering such Owner's Lot.

(g) Amendment by Board. Should the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation subsequently delete any of its respective requirements which necessitate the provisions of this Article or make any such requirements less stringent, the Board, without approval of the Owners, may record an amendment to this Article to reflect such changes.

(h) Applicability of this Section. Nothing contained in this Section shall be construed to reduce the percentage vote that must otherwise be obtained under the Declaration, Bylaws or Florida law, for any of the acts set out in this Section.

(i) Failure of Mortgagee to Respond. Any mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the mortgagee within sixty (60) days of the date of the Association's request, provided such request is delivered to the mortgagee by certified or registered mail, return receipt requested.

Section 13. Rights Reserved for Declarant with Respect to Community Systems. Without limiting the generality of any other applicable provisions of this Declaration, and without such provisions limiting the generality hereof, Declarant hereby reserves and retains to itself:

(a) the title to any Community Systems and a perpetual easement for the placement and location thereof;

(b) the right to connect, from time to time, the Community Systems to such receiving or intermediary transmission source(s) as Declarant may in its sole discretion deem appropriate including, without limitation, companies licensed to provide CATV service in the County, for which service Declarant shall have the right to charge any users a reasonable fee (which shall not exceed any maximum allowable charge provided for in the ordinances of the County);

(c) the right to offer monitoring/alarm services through the Community Systems;
and

(d) the right to offer internet, telephone, and other telecommunications services.

Neither the Association nor any officer, directors, employee, committee member or agent (including any management company) thereof shall be liable for any damage to property, personal injury or death arising from or connected with any act or omission of any of the foregoing during the course of performing any duty or exercising any right, privilege (including, without limitation,

performing maintenance work which is the duty of the Association or exercising any remedial maintenance or alteration rights under this Declaration) required or authorized to be done by the Association, or any of the other aforesaid parties, under this Declaration or otherwise as required or permitted by law.

Section 14. Legal Actions By Associations. No judicial or administrative proceedings shall be commenced or prosecuted by the Association involving amounts in controversy in excess of \$100,000.00 unless approved by a majority of the voting interests at a meeting of the membership at which a quorum has been obtained. Prior to any action brought by the Association against one of its Lot Owners or against the Declarant, the Association agrees to attempt to resolve disputes by submitting the Claim to alternative dispute resolution procedures described in section 720.311, Florida Statutes; provided such Claim is governed by section 720.311, Florida Statutes. Notwithstanding anything herein to the contrary, this section is not meant to limit the rights of the Association, any Member of the Association, and any owner of land in the Community to bring action against the Association or the Developer.

Section 15. Legal Actions By Lot Owners. To the extent permitted by any applicable laws, no Lot Owner shall have the right to object, to challenge, and/or to commence any legal proceeding under any act, power, or authority now in force or hereafter to be enacted except after following such procedures as may be established by the Board of Directors by rule or regulation consistent with the provisions of this Declaration. The Board of Directors, an executive board, or a committee as may be appointed by the Board, shall hear claims from Lot Owners regarding alleged violations of the Declaration, Articles, Bylaws, and any rules and regulations (except for violations with respect to assessment obligations) of the Association. The Board of Directors or such executive board or committee shall hold a hearing on any such claim within forty-five (45) days after receipt by the executive board or committee of a written notice of claim and request for a hearing from a Lot Owner. A decision shall be issued in writing by the Board, executive board or such committee (which decision may at the executive board or committee's discretion, but shall not be required, to include the rationale supporting the decision) within thirty (30) days after the conclusion of the hearing, unless the parties involved agree to extend the timeframe for the decision.

Unless the internal remedies provided by this section and any rules and regulations as may be promulgated by the Board, executive board, or committee, shall be expressly waived by the Association, or the Association fails or refuses to act, no legal proceeding shall be commenced by any Lot Owner until such internal remedy is pursued to exhaustion. Once all Association procedures are exhausted, any and all disputes arising out of the Declaration, Articles, Bylaws, and any rules and regulations (except for violations with respect to assessment obligations) of the Association and all other torts and statutory causes of action ("Claims") shall be resolved by presuit mediation or binding arbitration in accordance with section 720.311, Florida Statutes.

Notwithstanding anything herein to the contrary, this section is not meant to limit the rights of the Association, any Member of the Association, and any owner of land in the Community to bring action against the Association or the Developer.

Section 16. Indemnification. The Association and Owners, each, jointly and severally, covenant and agree to indemnify, defend and hold harmless Declarant, its officers, directors, shareholders, employees and any related persons or corporations and its successors and assigns, from and against any and all claims, suits, actions, causes of action or damages arising from any personal injury, loss of life or damages to property sustained on or about the Property, including, without limitation, breaches or defaults under the Permits or resulting from or arising out of activities or operations of the Association or Owners; from and against all costs, expenses and liabilities incurred in relation to or arising from any such claim, the investigation thereof, or the defense of any action or proceedings brought thereon, including without limitation, legal fees; and from and against any orders, judgments or decrees which may be entered relating to the foregoing. The costs

and expense of fulfilling this covenant of indemnification shall be an Association expense to the extent such matters are not covered by insurance maintained by the Association.

Section 17. Reliance. Before accepting a deed to a Lot, each Owner has a right to retain an attorney in order to confirm the validity of this Declaration. By acceptance of a deed to a Lot, each Owner acknowledges that he or she has sought and received such an opinion or has made an affirmative decision not to seek such an opinion. Declarant is relying upon each Owner to confirm in advance of acquiring a Lot that this Declaration is valid, fair, and enforceable. Because such reliance is detrimental to Declarant, an estoppel and waiver shall, by and upon acceptance of a deed to a Lot, exist prohibiting each Owner from taking the position that any provision in this Declaration is invalid in any respect. As a further inducement for Declarant to subject the Community to this Declaration, each Owner does hereby release, waive, discharge, covenant not to sue, acquit, satisfy and forever discharge Declarant, its officers, directors, employees, agents and affiliates and assigns from any and all liability, claims, counterclaims, defenses, actions, causes of action, suits, controversies, agreements, promises and demands whatsoever, in law or in equity, which an Owner has or may have in the future, or which any personal representative, successor, heir or assign of such Owner can, shall or may now or hereafter have against Declarant, its officers, directors, employees and/or agents, and/or its affiliates and assigns for, upon or by reason of any matter, cause or thing whatsoever with respect to or in relation to this Declaration or the exhibits attached hereto. This release and waiver is intended, and shall be interpreted and construed to be as broad and inclusive as permitted by the laws of the State of Florida.

ARTICLE XX COMMON STRUCTURAL ELEMENTS

Section 1. Definition. Each Building contains or shall contain certain elements, features or parts, which are structural elements of the Building or of more than one Home (such elements, features, or parts being hereinafter referred to as "Common Structural Elements"). The Common Structural Elements of each Building shall include the following:

(a) Party Walls. All division walls between two townhomes beginning at the unfinished surface of each side of such wall (hereinafter referred to as "Party Walls") located upon a Property Line between two Homes, provided that the mere fact such a division wall between two Homes is found not to be on a Property Line shall not preclude such division wall from being a Party Wall.

(b) Roofing. The entire roof of the Building, any and all roof support structures, and any and all appurtenances to such roof and roof support structures, including, without limitation, the roof covering, roof trim and roof drainage fixtures, all of which are collectively referred to herein as the "Roofing." Should the Roofing or part thereof extend beyond the Home, same shall not be deemed to violate the provisions of this Declaration and such easements as may be necessary to accommodate and permit the Roofing as same shall be constructed or hereby imposed.

(c) Foundation. The entire concrete floor slab, or wood floor system if used in lieu thereof and all foundational and support structures and appurtenances thereto, all of which are collectively referred to as the "Foundation." Should the Foundation or part thereof extend beyond the Home, the same shall not be deemed to violate the provisions of this Declaration and such easements as may be necessary to accommodate and permit the Foundation as it shall be constructed or thereby imposed.

(d) Exterior Building Surfaces. The exterior walls, roofing, (including any chimney

or existing roof structures), but excluding all doors and windows of Lot, all of which are collectively herein referred to as the "Townhome Exterior Building Surfaces."

Section 2. General. Each Owner shall own that portion of the Party Wall which stands on his own Lot. To the extent not inconsistent with the provisions of this Article, the general rule of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply to each Party Wall (or party fence, if applicable) which is built by Declarant as part of the original construction of the Homes upon the Lots and any replacement thereof.

If any portion of any structure, as originally constructed by Declarant or its designee, including any Party Wall or fence, shall protrude over two adjoining Lots, it shall be deemed that said Owners have granted perpetual easements to the adjoining Owner or Owners for continuing maintenance and use of the projection, Party Wall or fence. The foregoing shall also apply to any replacements of any structures, Party Walls or fences, if same are constructed in conformance with the original structure, party wall or fence. The foregoing conditions shall be perpetual in duration and shall not be subject to amendment of these covenants and restrictions.

Section 3. Sharing Maintenance or Repair. The costs of reasonable repair and maintenance of Common Structural Elements shall be shared equally by the Owners who make use of the wall or Common Structural Element in proportion to such use, except as otherwise provided herein. Such costs shall not be an Operating Expense.

Section 4. Destruction by Fire or Other Casualty. In the event of damage or destruction of Common Structural Elements from any cause whatsoever, other than the negligence or willful misconduct of either Owner thereto, the Owners shall, at their joint expense, repair or rebuild said Common Structural Elements in accordance with the requirements of this Declaration, and each Owner, his successors and assigns, shall have the right to full use as herein contained of said Common Structural Elements so repaired or rebuilt. If damage or destruction is a result of one Owner's negligence or willful misconduct, that party shall be responsible for the total repair and replacement in a timely fashion. If either Owner fails to pay his share of repair or replacement, as aforesaid, then the other Owner shall have such Common Structural Elements repaired or reconstructed and shall be entitled to file in the Public Records of the County, a claim of lien on the premises of the Owner failing to pay for the amount of such defaulting Owner's share of the repair or replacement costs. Owner shall have the right to foreclose said claim of lien in accordance with the same procedural requirements as now provided for in Florida Statutes for foreclosure of a mechanic's lien; provided, however, said claim of lien shall be filed within ninety (90) days from date repairs or replacements were made to the party wall, and suit thereon shall be commenced one (1) year from date such lien is filed. If either or both Owners shall give or shall have given a mortgage or mortgages upon his property to an Institutional Lender, then such Institutional Lender shall have the full right, at its option, to exercise the rights of its mortgagor as an Owner hereunder and, in addition, the right to add to the outstanding balance of such mortgage any amounts paid by the Institutional Lender for repairs hereunder and not reimbursed to said Institutional Lender by the Owners.

Section 5. Easement for Repairs. If repairs or reconstruction to the Common Structural Elements shall be necessary, all necessary entries on or into the adjacent Home upon the adjacent Lot shall not be deemed a trespass so long as the repairs and reconstruction shall be done in a timely and workmanlike manner. Consent is hereby given to enter on or into adjacent Home to effect necessary repairs and reconstruction.

Section 6. Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in

title.

Section 7. Weather Proofing. Notwithstanding other provisions of this Article, an Owner who by his negligent or willful act causes a Party Wall to be exposed to the elements, shall bear the whole cost of furnishing the necessary repair and protection against such elements.

Section 8. Alterations. The Owner of a Home sharing a Party Wall with an adjoining Home shall not cut windows or other openings in the party wall, nor make any alterations, additions or structural changes to the Party Wall.

Section 9. Structural Cross Easements. Cross easements of support and use over, upon, across, under, through and into the Common Structural Elements shall exist in favor of the Association, the Owners or their designees for the continued use, benefit and enjoyment and continued support, service, maintenance, repair and design of all Homes and Common Structural Elements within any of the Buildings.

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IN WITNESS WHEREOF, the Declarant has executed this Declaration the day and year first above written.

WITNESSES:

“Declarant”

TOLL SOUTHEAST LP COMPANY, INC., a Delaware corporation

Ka Dietz
Signature
Kristen Dietzman
Print Name

By: GA
Name: Greg Netro
Title: Group President

Lisa Burns
Signature
LISA BURNS
Print Name

STATE OF FLORIDA)
COUNTY OF St. Johns)

The foregoing instrument was acknowledged before me by means of ___ physical presence of ___ online notarization this 28th day of April, 2023, by Greg Netro, as Group President of TOLL SOUTHEAST LP COMPANY, INC., a Delaware corporation, on behalf of the corporation. Said person is (check appropriate box) [] personally known to me or [] have produced their State of _____ driver's licenses as identification.



Brianna Walker
Notary Public
Print Name: Brianna Walker
Commission No. HH 189936
My Commission Expires: 10/21/25

- Exhibit “A” – Legal Description of property in the Community
- Exhibit “B” – Articles of Incorporation
- Exhibit “C” – Bylaws

CONSENT AND JOINDER

SAN MARCO TERRACE HOME OWNERS ASSOCIATION, INC., does hereby join in the document to which this joinder is attached, and the terms are and shall be binding upon the undersigned and its successors in title. This Consent and Joinder is for convenience only, and not a requirement of any document, or a condition precedent to the effectiveness of the document to which it is attached.

IN WITNESS WHEREOF, this Consent is executed this 1st day of May, 2023.

WITNESSES: Kay Dayton
Print Name: Kristen Dietzman
Constance Harford
Print Name: Constance Harford

SAN MARCO TERRACE HOME OWNERS ASSOCIATION, INC.,
A Florida not for profit corporation
By: [Signature]
Print Name: Christine Stubbs
Its: President

STATE OF FLORIDA
COUNTY OF St. Johns

The foregoing instrument was acknowledged before me by manes of physical presence or _____ online notarization, this 28th day of April, 2023, by _____ as _____ of SAN MARCO TERRACE HOME OWNERS ASSOCIATION, INC., a Florida not for profit corporation, on behalf of said corporation. Said persons are (check appropriate box) personally known to me or have produced their State of _____ driver's licenses as identification.

[Notary Stamp or Seal]



Brianna Walker
Notary Public
Print Name: Brianna Walker
Serial #: HH189936
My Commission Expires: 10/21/25

EXHIBIT "A"

LEGAL DESCRIPTION OF THE COMMUNITY

SAN MARCO EAST, recorded in Plat Book 79, Pages 45 through 47, inclusive, of the Public Records of Duval County, Florida.

That certain real property described as:

SAN MARCO EAST

A REPLAT OF LOTS 1, 2, 3, 4, 5, 6, 7, 8 AND 9, BLOCK 17, FLETCHER PARK, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 7, PAGE 14, OF THE CURRENT PUBLIC RECORDS OF DUVAL COUNTY, FLORIDA AS MORE PARTICULARLY DESCRIBED WITHIN THE CAPTION, SHEET 1 OF 3 OF THIS PLAT.

LOTS 1, 2, 3, 4, 5, 6, 7, 8 AND 9, BLOCK 17, FLETCHER PARK, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 7, PAGE 14, OF THE CURRENT PUBLIC RECORDS OF DUVAL COUNTY, FLORIDA AS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTHERLY RIGHT-OF-WAY LINE OF ATLANTIC BOULEVARD, AN 60 FOOT RIGHT-OF-WAY, AND THE EASTERLY RIGHT-OF-WAY LINE OF MINERVA AVENUE, A 60 FOOT RIGHT-OF-WAY, BOTH AS RECORDED IN PLAT BOOK 7, PAGE 14, OF THE CURRENT PUBLIC RECORDS OF DUVAL COUNTY, THENCE WITH THE SAID SOUTHERLY LINE OF ATLANTIC BOULEVARD, N 62° 00' 14" E FOR A DISTANCE OF 160.07 FEET TO ITS INTERSECTION WITH THE WESTERLY RIGHT-OF-WAY LINE OF ARCADIA PLACE, A 60 FOOT RIGHT-OF-WAY, THENCE WITH THE WESTERLY LINE OF ARCADIA PLACE, S 27° 58' 52" E FOR A DISTANCE OF 279.66 FEET TO THE NORTHERLY MOST CORNER OF LOT 10, BLOCK 17 OF THE AFOREMENTIONED PLAT; THENCE WITH THE NORTHERLY LINE OF SAID LOT 10, S 61° 59' 16" W FOR A DISTANCE OF 75.06 FEET TO THE NORTHWESTERLY CORNER OF SAID LOT 10, THENCE WITH THE WESTERLY LINE OF SAID LOT 10, S 27° 56' 15" E FOR A DISTANCE OF 69.65 FEET TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF ALFORD PLACE, A 60 FOOT RIGHT-OF-WAY; THENCE WITH THE NORTHERLY LINE OF ALFORD PLACE, S 62° 08' 16" W FOR A DISTANCE OF 74.97 FEET TO ITS INTERSECTION WITH THE EASTERLY LINE OF MINERVA AVENUE; THENCE WITH SAID EASTERLY LINE OF MINERVA AVENUE, N 27° 56' 15" W A DISTANCE OF 849.62 FEET TO THE POINT OF BEGINNING.

CONTAINING 1.06 ACRES MORE OR LESS

EXHIBIT "B"
ARTICLES OF INCORPORATION

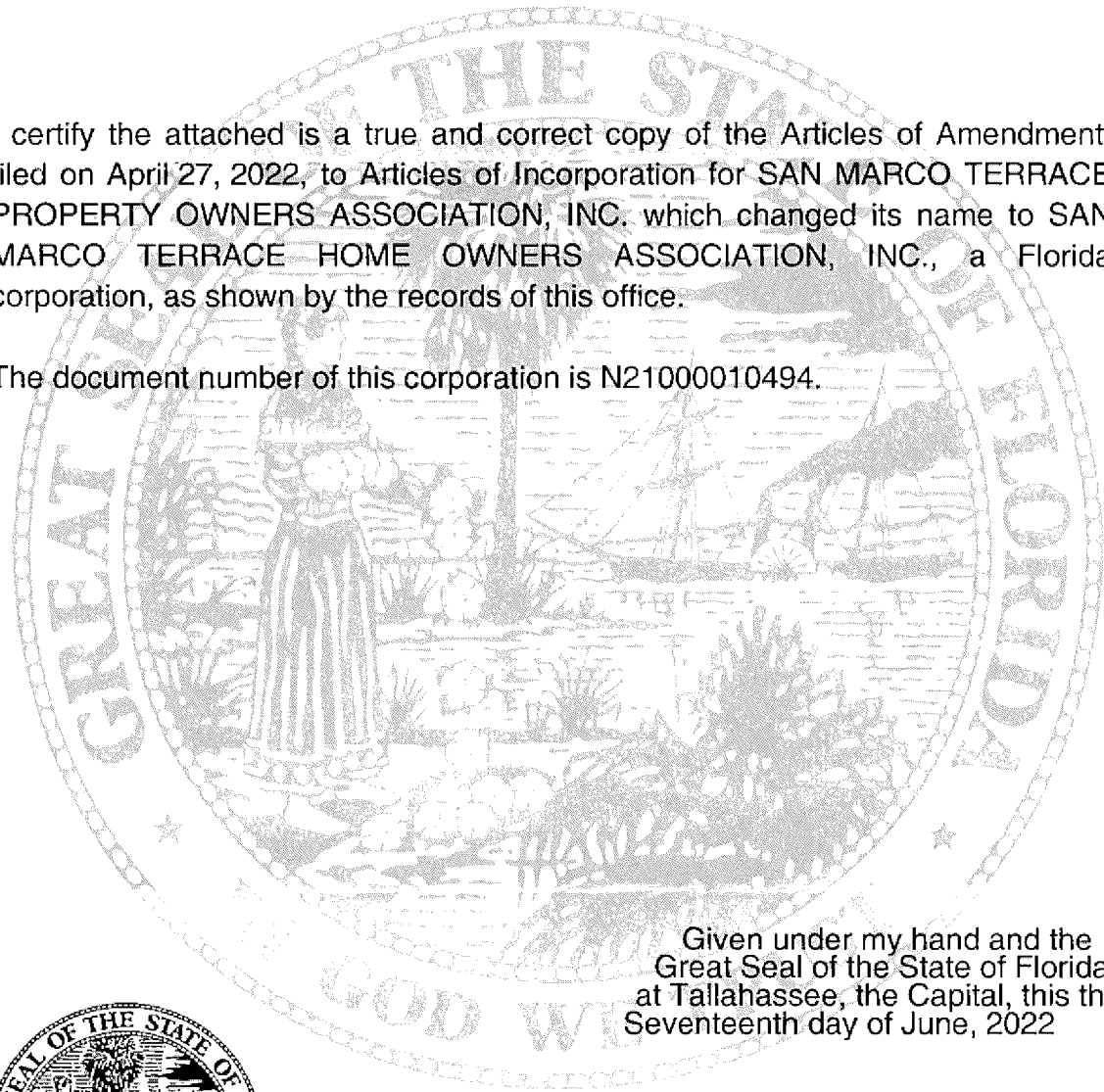
State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Amendment, filed on April 27, 2022, to Articles of Incorporation for SAN MARCO TERRACE PROPERTY OWNERS ASSOCIATION, INC. which changed its name to SAN MARCO TERRACE HOME OWNERS ASSOCIATION, INC., a Florida corporation, as shown by the records of this office.

The document number of this corporation is N21000010494.



Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capital, this the
Seventeenth day of June, 2022




Cord Byrd
Secretary of State

Articles of Amendment
to
Articles of Incorporation
of

SAN MARCO TERRACE PROPERTY OWNERS ASSOCIATION, INC.

(Name of Corporation as currently filed with the Florida Dept. of State)

N21000010494

(Document Number of Corporation (if known))

FILED
2022 APR 28 PM 4:51
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Pursuant to the provisions of section 617.1006, Florida Statutes, this *Florida Not For Profit Corporation* adopts the following amendment(s) to its Articles of Incorporation:

A. If amending name, enter the new name of the corporation:

SAN MARCO TERRACE HOME OWNERS ASSOCIATION, INC.

The new name must be distinguishable and contain the word "corporation" or "incorporated" or the abbreviation "Corp." or "Inc." "Company" or "Co." may not be used in the name.

B. Enter new principal office address, if applicable:

(Principal office address MUST BE A STREET ADDRESS)

C. Enter new mailing address, if applicable:

(Mailing address MAY BE A POST OFFICE BOX)

D. If amending the registered agent and/or registered office address in Florida, enter the name of the new registered agent and/or the new registered office address:

Name of New Registered Agent:

(Florida street address)

New Registered Office Address:

_____, Florida
(City) (Zip Code)

New Registered Agent's Signature, if changing Registered Agent:

I hereby accept the appointment as registered agent. I am familiar with and accept the obligations of the position.

Signature of New Registered Agent, if changing

If amending the Officers and/or Directors, enter the title and name of each officer/director being removed and title, name, and address of each Officer and/or Director being added:

(Attach additional sheets, if necessary)

Please note the officer/director title by the first letter of the office title:

P = President; V= Vice President; T= Treasurer; S= Secretary; D= Director; TR= Trustee; C = Chairman or Clerk; CEO = Chief Executive Officer; CFO = Chief Financial Officer. If an officer/director holds more than one title, list the first letter of each office held. President, Treasurer, Director would be PTD.

Changes should be noted in the following manner. Currently John Doe is listed as the PST and Mike Jones is listed as the V. There is a change, Mike Jones leaves the corporation, Sally Smith is named the V and S. These should be noted as John Doe, PT as a Change, Mike Jones, V as Remove, and Sally Smith, SV as an Add.

Example:

<input checked="" type="checkbox"/> Change	<u>PT</u>	<u>John Doe</u>
<input checked="" type="checkbox"/> Remove	<u>V</u>	<u>Mike Jones</u>
<input checked="" type="checkbox"/> Add	<u>SV</u>	<u>Sally Smith</u>

<u>Type of Action</u> (Check One)	<u>Title</u>	<u>Name</u>	<u>Address</u>
1) <input type="checkbox"/> Change <input type="checkbox"/> Add <input type="checkbox"/> Remove	_____	_____	_____
2) <input type="checkbox"/> Change <input type="checkbox"/> Add <input type="checkbox"/> Remove	_____	_____	_____
3) <input type="checkbox"/> Change <input type="checkbox"/> Add <input type="checkbox"/> Remove	_____	_____	_____
4) <input type="checkbox"/> Change <input type="checkbox"/> Add <input type="checkbox"/> Remove	_____	_____	_____
5) <input type="checkbox"/> Change <input type="checkbox"/> Add <input type="checkbox"/> Remove	_____	_____	_____
6) <input type="checkbox"/> Change <input type="checkbox"/> Add <input type="checkbox"/> Remove	_____	_____	_____


E. If amending or adding additional Articles, enter change(s) here:

(attach additional sheets, if necessary). (Be specific)

N/A

There are no members or members entitled to vote on the amendment(s). The amendment(s) was/were adopted by the board of directors.

Dated 4/18/22

Signature 
(By the chairman or vice chairman of the board, president or other officer-if directors have not been selected, by an incorporator - if in the hands of a receiver, trustee, or other court appointed fiduciary by that fiduciary)

NATE BEIDLE
(Typed or printed name of person signing)

PRESIDENT
(Title of person signing)

FILED
2022 APR 20 PM 4: 51
COUNTY OF STATE
FALLAHASSEE, FLORIDA

To: -18506176381

Page: 2 of 8

2021-09-02 13:12:42 CST

19542080845

From: Ranae McGra

9/2/2021

N21000010494

Florida Department of State
Division of Corporations
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Note: Please print this page and use it as a cover sheet. Type the fax audit number (shown below) on the top and bottom of all pages of the document.

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To:
Division of Corporations
Fax Number : (850)617-6381

From:
Account Name : C T CORPORATION SYSTEM
Account Number : FCA000000023
Phone : (614)280-3338
Fax Number : (954)208-0845

****Enter the email address for this business entity to be used for future annual report mailings. Enter only one email address please.****

Email Address: _____

FLORIDA PROFIT/NON PROFIT CORPORATION
San Marco Terrace Property Owners Association, Inc.

Certificate of Status	0
Certified Copy	1
Page Count	07
Estimated Charge	\$78.75

2021 SEP -2 11 4:54
2021 SEP -2 11 4:27

JH

ARTICLES OF INCORPORATION OF
SAN MARCO TERRACE PROPERTY OWNERS ASSOCIATION, INC.
 In compliance with Chapter 617, F.S., (Not-for-Profit)

2021 SEP - 2 PM 11:54
 FILE

The undersigned incorporator, for the purpose of forming a Florida not-for-profit corporation, hereby adopts the following Articles of Incorporation:

ARTICLE I
 NAME

The name of the corporation is San Marco Terrace Property Owners Association, Inc., hereafter called the "Association."

ARTICLE II
 PRINCIPAL OFFICE

The principal office of the Association is located at 40 Everest Lane, Suite 5, St. Johns, Florida 32259.

ARTICLE III
 REGISTERED AGENT

CT CORPORATION SYSTEM whose address is 1200 SOUTH PINE ISLAND ROAD, PLANTATION, FLORIDA 33324 is hereby appointed to initial registered agent of the Association.

ARTICLE IV
 PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purpose for which it is formed are to provide for maintenance, preservation and architectural control of the residence Lots and Common Areas within that certain property described in the Declaration of Covenants and Restrictions for San Marco Terrace, ("Declaration") and to promote the health, safety and welfare of the residents within the above-described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association for this purpose to:

(a) exercise all of the powers and privileged and to perform all of the duties and obligations of the Association as set forth in that certain Declaration and Bylaws applicable to the property, as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;

(b) fix, levy, collect, and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; 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;

(c) 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 in connection with the affairs of the Association;

(d) borrow money, and with the assent of two-thirds (2/3) of each class of members mortgage, pledge, deed in trust, or hypothecate any and all of its real or personal property as security for money borrowed or debts incurred;

(e) dedicate, sell, or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless approved by the affirmative vote or by written consent of two-thirds (2/3) of each class of members agreeing to such dedication, sale, or transfer;

(f) participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and Common Area, provided that any such merger, consolidation, or annexation shall have the assent of two-thirds (2/3) of each class of members;

(g) have and to exercise any and all powers, rights, and privileges which a corporation organized under the Non-profit Corporation Law of the State of Florida by law may not or hereafter have or exercise.

ARTICLE V MEMBERSHIP

Every person or entity who is an Owner, as defined in the Declaration, 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 or any Lot which is subject to assessment by the Association and there shall be no other qualifications for membership in the Association.

ARTICLE VI VOTING RIGHTS

The Association shall have two classes of voting membership:

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

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

(i) Three (3) months after ninety percent (90%) of the Lots or other parcels located within all phases of the Subdivision that will ultimately be subject to administration by the Association have been conveyed to members of the Association other than builders, contractors, or others who purchased a Lot or parcel for the purpose of constructing improvements thereon for resale; or

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

ARTICLE VII BOARD OF DIRECTORS

The Board of Directors of the Association shall be composed of not less than three (3) Directors, who shall be members of the Association. The number of directors may be changed by in accordance with the provision of the Bylaws of the Association.

ARTICLE VIII MANNER OF ELECTION

The manner in which the directors are elected and appointed shall be as set forth in the Bylaws.

ARTICLE IX OFFICERS

The affairs of the corporations shall be managed by a president and vice-president, which shall be members of the Board of Directors, a secretary and treasurer. Officers shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following the annual meeting of the members. The officers of the corporation who shall serve until the first election are as follows:

Nate Beidle -- President
40 Everest Lane, Suite 5
St. Johns, FL 32259

Killian Heth -- Vice President
40 Everest Lane, Suite 5
St. Johns, FL 32259

Quincy Hardy -- Secretary
40 Everest Lane, Suite 5
St. Johns, FL 32259

ARTICLE X
DURATION

Existence of the Association shall commence with the filing of these Articles with the Secretary of State, Tallahassee, Florida. The Association shall exist perpetually.

ARTICLE XI
AMENDMENTS

Amendment to these Articles may be proposed by the Board of Directors or by not less than thirty percent (30%) of the entire membership and adoption of any such amendment shall require the assent of a majority of each class of members.

ARTICLE XII
BYLAWS

The initial Bylaws of the corporation shall be adopted by the Board of Directors. Thereafter, bylaws may be adopted, altered, or rescinded in accordance with the terms set forth in the Bylaws.

ARTICLE XIII
INCORPORATOR

Name: Steve R. Merten
Division President

Address: 40 Everest Lane, Suite 5
St. Johns, Florida 32259

ARTICLE XIV
EFFECTIVE DATE

The effective date for this corporation shall be the date these Articles are filed with the Secretary of State.

**CERTIFICATE DESIGNATING PLACE OF BUSINESS
FOR THE SERVICE OF PROCESS WITHIN THE STATE,
NAMING AGENT UPON WHOM PROCESS MAY BE SERVED**

In pursuance of Chapter 48.091, Florida Statutes, the following is submitted, in compliance with said Act.

San Marco Terrace Property Owners Association, Inc., desiring to organize under the laws of the State of Florida with its principal office, as indicated in the Articles of Incorporation, County of St. Johns, State of Florida, has named C T Corporation System, as its agent to accept service of process within the State.

I submit this document and affirm that the facts stated herein are true. I am aware that any false information submitted in a document to the Department of State constitutes a third degree felony as provided for in s.817.155, F.S.

Required Signature of Incorporator

9/2/21

Date

Printed Name: Steve R. Merten
Division President

ACCEPTANCE OF APPOINTMENT BY REGISTERED AGENT

I hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relative to the proper and complete performance of my duties, and I am familiar with and accept the obligation of my position as registered agent.

Sherry McGinnes

Required Signature of Registered Agent

9/2/2021

Date

Sherry McGinnes, Assistant Secretary

Print Name

EXHIBIT "C"
BYLAWS
OF
SAN MARCO TERRACE HOME OWNERS ASSOCIATION, INC.

ARTICLE I
IDENTITY AND LOCATION

These are the Bylaws of SAN MARCO TERRACE HOME OWNERS ASSOCIATION, INC., herein called the Association, a corporation not for profit organized and existing under Chapter 617, Florida Statutes, for the purpose of administering the Property, as defined in and in accordance with the terms and conditions of that certain Declaration of Covenants, Conditions and Restrictions of SAN MARCO TERRACE (the "Declaration"). The principal office of the Association shall be located at 40 Everest Lane Suite 5 St. Johns, FL 32259, but meetings of the Board of Directors may be held at such places within the State of Florida as may be designated by the Board of Directors.

ARTICLE II
GENERAL

Section 1. Incorporation of Declaration. As supplemented herein, the regulation of the business and affairs of the Association shall be governed by certain provisions of the Declaration, as amended from time to time, which are incorporated herein by reference as if set forth verbatim.

Section 2. Definitions. The definitions set out in the Declaration are incorporated herein by reference.

ARTICLE III
ASSOCIATION PURPOSES AND POWERS

Section 1. Association's Purposes. The Association has been organized for the purposes set forth in the Declaration and Articles, including, without limitation, the following:

- (a) to own, operate, maintain and convey the Common Areas, including but not limited to the Surface Water Management System and any personal property owned by the Association;
- (b) to clean, clear, trim, remove weeds, limbs, and debris from, and to provide general grounds maintenance for both the Common Areas;
- (c) to fix assessments to be levied against the Lots in the Property;
- (d) to enforce any and all covenants and agreements contained in the Declaration; and
- (e) to pay taxes and insurance, if any, on the Common Areas.

Section 2. Records of the Association. The Association shall maintain each of the following items, when applicable, which constitute the official records of the Association:

- (a) Copies of any plans, specifications, permits, and warranties related to improvements constructed on the Common Areas;
- (b) A copy of these Bylaws and of each amendment thereto;
- (c) A copy of the Articles of Incorporation of the Association and of each amendment thereto;
- (d) A copy of the Declaration and each amendment thereto;
- (e) A copy of the current rules of the Association;
- (f) The minutes of all meetings of the Board of Directors;
- (g) A current roster of all members and their mailing addresses and parcel identifications.
- (h) All of the Association's insurance policies or copies thereof;
- (i) A current copy of all contracts to which the Association is a party, including, without limitation, any management agreement, lease, or other contract under which the Association has any obligation or responsibility; and
- (j) The financial and accounting records of the Association, kept according to good accounting practices, which financial and accounting records shall be maintained for a period of at least seven (7) years. The financial and accounting records shall include: (1) accurate, itemized, and detailed records of all receipts and expenditures, (2) a current account and a periodic statement of assessments or other charges, the due date and amount of each assessment or other charge, the date and amount of each payment on the account, and the balance due, (3) all tax returns, financial statements, and financial reports of the Association, and (4) any other records that identify, measure, record, or communicate financial information.
- (k) A copy of the disclosure summary described in s. 720.401(1), Florida Statutes
- (l) All other written records of the Association not specifically included in the foregoing which are related to the operation of the Association.

Section 3. Inspection of Records. The official records of the Association 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 written request for access. This Section may be complied with by having a copy of the records available for inspection or copying in the community.

ARTICLE IV MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Association shall be held within one year from the date of incorporation of the Association and each subsequent regular annual

meeting of the Members shall be held on the same day of the same month of each year thereafter, or as set by the Board of Directors from time to time. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday. Business transacted at the Annual Meeting shall include the election of directors of the Association.

Section 2. Special Meeting. Special meetings of the Members may be called at any time by the president or by the Board of Directors, and shall be called upon written request of Members entitled to vote one-fourth (1/4) of all votes in the Association.

Section 3. Notice of Meeting. 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 mailing a copy of such notice, postage prepaid, hand-delivery, or electronically transmitting (to Owners consenting in writing to electronic transmission) at least fourteen (14) days before such meeting to each Member entitled to vote there at, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting. An assessment may not be levied at a board meeting unless the notice of the meeting includes a statement that assessments will be considered and the nature thereof.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, thirty percent (30%) of the total voting interest shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If such quorum is not present or represented at any meeting, the Members entitled to vote there at shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present or represented.

Section 5. 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. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of title to that Member's Lot.

Section 6. Electronic Voting. The association may conduct elections and other membership votes through an Internet-based online voting system if a member consents, in writing, to online voting and if the requirements of Section 720.317, Florida Statutes, (as amended from time to time) are met.

ARTICLE V

BOARD OF DIRECTORS

Section 1. Board of Directors; Selection; Terms of Office. The affairs of the Association shall be managed by a Board of Directors consisting of three (3), five (5), or seven (7) members, as determined from time to time by the members. All directors, except those designated by the Declarant, shall be members of the Association. Initially the Board of Directors shall consist of three (3) Directors who shall be selected by the Declarant. The Declarant shall have the right to appoint and remove any member or members of the Board of Directors of the Association pursuant to Article III of the Declaration. Within three (3) months after the earlier of (i) ninety percent (90%) of the Lots in all phases of the Community that will ultimately be operated by the Association have been conveyed by Declarant to third parties, or (ii) on written notification to the Association from Declarant, the members of the Board shall be determined as set forth in Article VI herein, at which point each member shall serve for three (3) years. The terms shall be staggered. For the purpose of implementing this provision, at the first annual meeting at which members other than the Declarant may be elected, the term of one (1) director shall expire at the following annual meeting, the term of one (1) director shall expire at the annual meeting of the second year following, and the term of one (1) shall expire at the annual meeting

of the third year following. For the purpose of implementing the staggered terms at the first annual meeting at which members other than the Declarant may be elected, the persons receiving the largest number of votes shall be elected for a term of three (3) years; the person receiving the second largest number of votes shall be elected for a term of two (2) years; and the person receiving the third largest number of votes shall be elected for a term of one (1) year. All successive directors shall serve a term of three (3) years each. In the event the number persons comprising the Board of Directors is changed, such change in number shall be implemented in such a manner as to have as nearly equal in number as possible the number of Directors whose terms expire in any given year.

Declarant shall be entitled to elect at least one member of the Board of Directors as long as Declarant holds for sale in the ordinary course of business at least one (1) of the Lots in any phase of the Community.

Section 2. Vacancies in the Board of Directors. Vacancies in the Board of Directors shall be filled by Declarant until Declarant has no authority to appoint Directors and thereafter by the majority of the remaining Directors, or by a sole remaining Director, and any such appointed Director shall serve for the remaining term of his predecessor.

ARTICLE VI

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. At such time as the Declarant owns less than 10% of the Lots in the Property (and with the exception of the one (1) Director Declarant is entitled to elect as set forth in Article V, Section 1 above), Owners may nominate themselves as candidates for the Board of Directors. Any person desiring to be a candidate for the Board of Directors shall give written notice to the Association no fewer than forty (40) days before the scheduled election. In the event the Association does not receive any nominations by the deadline for Owners to submit written notice, the Association may, but is not obligated to, accept nominations from the floor at the annual meeting.

Section 2. Election. Not fewer than sixty (60) days before a scheduled election, the Association shall mail or deliver a first notice of the date of election to each Member entitled to vote. The Association shall thereafter mail or deliver a second notice of the election to all Members entitled to vote, together with a written notice, agenda, and a ballot which shall list all eligible candidates in alphabetical order, at least fourteen (14) days before the scheduled election.

a) Candidate Information Sheet. Upon request of a candidate, the Association shall include an information sheet, no larger than 8 ½ inches by 11 inches, which must be furnished by the candidate not fewer than forty (40) days before the election to be included with the mailing of the ballot. The costs associated with the copying, mailing, and delivery shall be borne by the Association.

b) Assistance for Disability. Any Member who needs assistance in casting a ballot for reasons related to a blindness, an inability to read or write, or other disability may obtain assistance in casting his or her ballot.

c) Election Not Required. An election and balloting are not required unless more candidates file notices of intent to run than vacancies exist on the Board. If an election is not required per this Section, the candidates shall take office upon the adjournment of the meeting at which the election was scheduled to be conducted regardless of whether a quorum was attained.

Election to the Board of Directors shall be by secret written ballot and/or by electronic voting. Ballots may be submitted by mail in advance of the meeting at which the election is scheduled to occur and may also be personally cast at the election until last call for ballots. At such election the Members may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Ballots cast in advance by Members who are not in attendance at the meeting must be placed in an inner envelope with no identifying markings and mailed or delivered to the Association in an outer envelope bearing identifying information reflecting the name of the member, the Lot or parcel for which the vote is being cast, and the signature of the lot or parcel Owner casting that ballot. If the eligibility of the Member to vote is confirmed and no other ballot has been submitted for that Lot or parcel, the inner envelope shall be removed from the outer envelope bearing the identification information, placed with the ballots which were personally cast, and opened when the ballots are counted. If more than one ballot is submitted for a Lot or parcel, the ballots for that Lot or parcel shall be disqualified. Any vote by ballot received after the closing of the balloting may not be considered.

Section 3. Quorum. There is no quorum requirement for an election; however, at least twenty percent (20%) of the eligible voters must cast a ballot in order to have a valid election.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Board of Directors' Powers. The Board of Directors shall have power:

- (a) to call special meetings of the Board;
- (b) subject to Article IX herein, to appoint and remove at its pleasure all officers, agents and employees of the Association, prescribe their duties, fix their compensation and require of them such security or fidelity bond as it may deem expedient. Nothing contained in these Bylaws shall be construed to prohibit the employment of any Officer or Director of the Association in any capacity whatsoever;
- (c) to establish, levy and assess, and collect assessments or charges in accordance with the Declaration;
- (d) to adopt and publish rules and regulations governing the use of the Lots and Common Areas;
- (e) to exercise for the Association all powers, duties and authority vested in or delegated to the Association;
- (f) to fill vacancies on the Board of Directors pursuant to Article V above;
- (g) to appoint an Executive Committee of three (3) Directors and delegate all or any portion of the powers of the Board of Directors to this Executive Committee, subject to the limitations on the authority of the Executive Committee imposed by law;
- (h) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties; and
- (i) to take such other action as provided in the Declaration.

Section 2. Board of Directors' Duties. It shall be the duty of the Board of Directors:

- (a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by at least one-fourth (1/4) of the Class "A" Members who are entitled to vote;
- (b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- (c) as more fully provided in the Declaration, to:
 - 1. fix the amount of the annual assessment against each Lot;
 - 2. send written notice of each assessment to every Owner subject thereto in advance of each annual assessment period; and
 - 3. foreclose the lien against any Lot for which assessments are not paid or to bring an action at law against the Owner personally obligated to pay same.
- (d) issue, or to cause an appropriate officer or agent to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment as against third parties relying thereon;
- (e) procure and maintain adequate liability, hazard and other insurance on any Common Areas;
- (f) cause all officers or employees having fiscal responsibilities to be bonded, if the Board deems appropriate;
- (g) cause the Common Areas, and the Surface Water Management System for the Property, to be maintained.
- (h) to prepare the annual budget in accordance with the Declaration;
- (i) to prepare a roster of the Owners and Lots and the assessments applicable thereto, which roster shall be kept in the office of the Association; and
- (j) to send written notice of each assessment to each Owner as provided in the Declaration.

Section 3. Resignation. A Director of the Association may resign at any time by giving a written notice to the Board of Directors of the Association. The resignation of any Director shall take effect upon delivery of the notice thereof or at such later time as shall be specified in such notice; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4. Removal. So long as Declarant shall own ten percent (10%) or more of the Lots in the Property, any Director may only be removed, with or without cause, by the Declarant. Thereafter, except as otherwise provided in the Declaration, any Director may be recalled and removed, with or without cause, by a majority of the total voting interests.

Section 5. Directors' Fees. There shall be no Directors fees paid to members of the Board of Directors, except that Directors shall be entitled to reimbursement of out-of-pocket costs authorized by the Board of Directors.

ARTICLE VIII
DIRECTORS' MEETINGS

Section 1. Directors' Annual Meeting. The annual meeting of the Board of Directors shall be held at the discretion of the Board of Directors with ample notice given to each member.

Section 2. Notice. Not less than seven (7) days written notice of such annual meeting shall be given to each Director.

Section 3. Regular Meetings. Regular meetings of the Board of Directors shall be held at such time and at such place and hour as may be fixed from time to time by a majority of the Board. 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 4. Special Meetings. Special meetings of the Board of Directors shall be held when called by any officer of the Association or by any two (2) Directors after not less than three (3) days notice to each Director.

Section 5. Waiver of Notice. A Director may waive notice of a meeting of the Directors before or after the date and time stated in the notice. Except as otherwise provided in this Section 5, the waiver must be in writing, signed by the Director entitled to the notice and filed with the minutes or corporate records. Attendance of a Director at any meeting shall constitute waiver of notice of such meeting, except where the Director attends for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened and does not thereafter vote for or assent to action taken at the meeting. If a meeting otherwise valid of the Board of Directors is held without notice where such is required, any action taken at such meeting shall be deemed ratified by a Director who did not attend, unless after learning of the action taken and of the impropriety of the meeting, he makes prompt objection thereto. Objection by a Director shall be effective only if written objection to the holding of the meeting or to any specific action so taken is filed with the Secretary of the Association.

Section 6. Action Upon Written Consent Without a Meeting. Action of the Board of Directors may be taken without a meeting upon the written consent signed by all members of the Board. Any such action without a meeting shall be effective on the date the last Board member signs the consent or on such date as is specified in the consent. Any such action by written consent shall have the same effect as a vote taken at a meeting of the Board of Directors.

Section 7. Board Quorum and Voting. The Majority of the Board of Directors shall constitute a quorum thereof. 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. 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 IX
OFFICERS

Section 1. Association Officers. The Officers shall be a President, a Vice-President, and a Secretary and Treasurer. The officers may be, but shall not be required to be, members of the Board of

Directors. However, each officer must be either a Member of the Association or an officer, director or agent either of Declarant or of a general partner of Declarant.

Section 2. Election of Officers. The Declarant shall have the sole right to appoint and remove any officer of the Association so long as Declarant shall own ten percent (10%) or more of the total number of Lots in the Property. Thereafter, all officers shall hold office at the pleasure of the Board of Directors.

Section 3. Removal of Officer. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose.

Section 4. Special Appointment. The Board 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 from time to time determine. When a final decision regarding an expenditure of Association funds is to be made by such special appointment, no vote may be made by proxy or secret ballot.

Section 5. Multiple Offices. The holding of multiple offices shall be permitted.

Section 6. Duties. The duties of the officers are as follows:

(a) President. The president shall be the chief executive officer of the Association. The president shall preside at all meetings of the Members and of the Board of Directors. Except where otherwise provided by law or these Bylaws, the president shall have the general powers and duties of supervision and management of the Association, shall see that orders and resolutions of the Board are carried out, shall sign all leases, mortgages, deeds and other written instruments, shall co-sign all promissory notes, and shall perform all such other duties as are incidental to his or her office or as are required by the Board.

(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 or the president.

(c) Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board 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 sign all checks and promissory notes of the Association; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; keep proper books of account; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members.

ARTICLE X

LIABILITY AND INDEMNIFICATION

Section 1. Liability of Board Member. No Board Member or Officer of the Association shall

be liable to any Owner for any decision, action or omission made or performed by such Board Member or Officer in the course of his duties unless such Board Member or Officer acted in bad faith or in reckless disregard of the rights of any person or of the terms of the Declaration or these Bylaws.

Section 2. Indemnification. To the fullest extent allowed by Section 617.0831, Florida Statutes, as same may be amended, and subject to any limitations set forth in the Declaration or Articles, the Association shall indemnify the Directors, Officers, employees, agents and other persons specifically designated from time to time by the Board of Directors whom it may indemnify pursuant to law. In this connection, the Association is authorized to take out such insurance as it may deem necessary or desirable consistent with such indemnification.

ARTICLE XI
INSURANCE

The Board of Directors or its duly authorized agent shall obtain hazard insurance for improvements to the Common Areas and a broad form public liability policy covering all Common Areas and all damage or injury caused by negligence of the Association or any of its agents as more fully described in the Declaration.

ARTICLE XII
AMENDMENTS

These Bylaws may be amended or repealed and new Bylaws adopted by the Directors so long as Declarant has the authority to appoint the Directors and thereafter by a majority vote of the Board of Directors at a regular or special meeting of the Board; provided that any matter which is in fact governed by the Declaration may not be amended except as provided in the Declaration. Notwithstanding anything herein to the contrary, HUD, FHA and VA shall have the right to veto any amendments to these Bylaws as long as a Class "B" membership exists.

ARTICLE XIII
COMMITTEES

The Board of Directors shall appoint committees as deemed appropriate in carrying out its purpose.

ARTICLE XIV
BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XV
ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual, special and individual assessments which are secured by a lien upon the property against which the assessment is made.

ARTICLE XVI
CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: "San Marco Terrace Home Owners Association, Inc., a Florida not for profit corporation," and the year of incorporation in the center of that circle.

ARTICLE XVII
GENERAL

Section 1. Conflicts. It is intended that the provisions of the Declaration which apply to the governance of the Association, as supplemented by the provisions in these Bylaws which are not contained in the Declaration, shall operate as the Bylaws of the Association. In the case of any conflict between such provisions set forth in the Declaration and these Bylaws, the Declaration shall control.

Section 2. Waiver. No provision of these Bylaws or any regulation promulgated by the Board of Directors pursuant hereto shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches which may have occurred.

Section 3. Severability. The provisions of these Bylaws are severable, and the invalidity of one or more provisions hereof shall not be deemed to impair or affect in any manner the enforceability or effect of the remainder.


Section 4. Captions. Captions are inserted herein only as a matter of convenience and for reference and in no way define, limit, or describe the scope of these Bylaws or the intent of any provision.

Section 5. Gender and Number. All nouns and pronouns used herein shall be deemed to include the masculine, the feminine, and the neuter, and the singular shall include the plural and the plural shall include the singular whenever the context requires or permits.

Section 6. Roberts Rules. All meetings of the membership of the Board of Directors shall be conducted in accordance with Roberts Rules of Orders Revised.

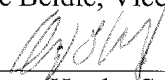
Section 7. Fiscal Year. The fiscal year of the Association shall be the calendar year or such other period as shall subsequently be determined by the Board of Directors.

IN WITNESS WHEREOF, we, being all of the directors of SAN MARCO TERRACE HOME OWNERS ASSOCIATION, INC., have adopted these Bylaws as the Bylaws of the Association this 15th day of May, 2023



Christine Stubbs, President

Nate Beidle, Vice President



Quincy Hardy, Secretary