

DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS
FOR MAGNOLIA SHORES

KNOW ALL MEN BY THESE PRESENTS, THAT:

JACKSONVILLE FEDERAL SAVINGS BANK, a corporation existing under the laws of the United States of America ("Declarant"), hereby subjects all of the land and all improvements now existing thereon (herein sometimes referred to as the "Property" or "Development Property"), located in Duval County, Florida, and shown on the plat of Magnolia Shores, according to plat thereof recorded in Plat Book 46, pages 67 and 67A, of the current public records of Duval County, Florida, to the provisions, restrictions, reservations, covenants, conditions and easements hereinafter set forth (this "Declaration"), all of which shall constitute covenants running with the land, binding upon owners and lessees of any part of the Property, and their heirs, successors, personal representatives and assigns.

ARTICLE I

DEFINITIONS

1. Lot(s). Lot means a lot shown on the Plat.
2. Owner. Owner means the person or entity owning a Lot in fee simple, together with an undivided one-sixth (1/6) interest in that portion of the Common Elements identified as "Common Area" on the Plat, as more particularly described in Article II, Section 3 hereof.
3. Development Property. Development Property means all of the property subjected to this Declaration.
4. Building Plot. Building Plot means one of the following sets of Lots: Lots A, B and C or Lots D, E and F.
5. Multi-Family Residential Building. Multi-Family Residential Building means a building constructed on a Building Plot containing three (3) Units.
6. Unit(s). Unit means a single-family residence which has been constructed upon each Owner's respective Lot.
7. Party Wall. Party Wall means the common wall separating one Unit from an adjacent Unit.
8. Common Roof(s). Common Roof means the exterior roof covering a Multi-Family Residential Building including all components of said exterior cover and the supporting structure.
9. (a) Common Elements. Common Elements means all of the Development Property not dedicated to others on the Plat except the Lots and shall include but not be limited to:

(i) Perimeter berms, drainage easements, easements hereby granted in favor of the Association, and each Owner for retention ponds and ditches; and parts of the Development Property not included within any Lot or which do not serve a particular Lot;

(ii) Easements on, across and under each Lot for water, sewer and electrical utilities, storm water drainage, and other facilities for furnishing utility services to the various Lots and to the Common Elements;

(iii) All parking areas not within a Lot, and all sidewalks, driveways and entranceways and all other means of egress and ingress to the Development Property;

RECORD AND RETURN TO:
SMITH & HANSEN
1800 FIRST UNION NATIONAL BANK TOWER
225 WATER STREET
JACKSONVILLE, FLORIDA 32202

THIS INSTRUMENT PREPARED BY:
G. PRESTON KEYES
1800 FIRST UNION NATIONAL BANK TOWER
225 WATER STREET
JACKSONVILLE, FLORIDA 32202

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(iv) All recreational facilities, including, but not limited to, the swimming pool and dock facilities; and

(v) All tangible personal property, if any, required for the maintenance and operation of the Development Property and for the common use and enjoyment of the Owners.

10. Common Expenses. Common expenses are:

(a) Expenses of administration, insurance, maintenance, operation, repair and replacement of the Common Elements, and costs of carrying out the powers and duties of the Association, including professional fees and expenses.

(b) Expenses declared Common Expenses by provisions of this Declaration or by the By-Laws of the Association.

(c) Any valid charge against the Development Property as a whole.

11. Conservation Area. Conservation Area means those lands within and lying adjacent to the Development Property that are below the jurisdictional lines of the U.S. Corp of Army Engineers shown on the Plat.

12. Common Surplus. Common Surplus means all amounts held by the Association in excess of estimated current operating expenses and common reserve funds.

13. Association. The Association means Magnolia Shores Homeowner's Association, Inc., a Florida non-profit corporation organized to manage the Development.

14. Board of Directors. The Board of Directors means the Board of Directors of the Association.

15. Plat. The Plat means the recorded plat of Magnolia Shores recorded in Plat Book 46, pages 67 and 67A, public records of Duval County, Florida.

16. Unit Parcel. Unit Parcel means a Lot, the Unit thereon, and the undivided interest in the Common Elements appurtenant to such Lot and Unit.

ARTICLE II

LOTS AND APPURTENANCES

Each Lot shall include the following as appurtenances, whether or not separately described, which shall pass with the title to that Lot whenever it is conveyed:

1. Membership in the Association. Ownership of a Lot shall automatically make the Owner a member of the Association and an owner of an undivided 1/6 interest in the funds and assets of that corporation.

2. Easements. Each Lot shall have as an appurtenance, the following easements:

(a) A nonexclusive easement for ingress and egress over driveways, walks and other rights-of-way serving all the Lots on the Development Property as part of the Common Elements necessary to provide reasonable access to public ways.

(b) Easements over adjoining Lots to the extent necessary to affect repairs and maintenance to the Lot comprising the dominant estate.

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(c) Easements over adjoining Lots to the extent necessary to accommodate unintentional encroachments, eaves and similar projections of any structure constructed on the dominant estate.

(d) The Association shall have the right to grant permits, licenses and easements over the Common Elements for utilities, roadways, and other purposes reasonably necessary or useful for the proper maintenance or operation of the Development Property.

3. Tenants in Common: Each Lot shall have as an appurtenance an undivided one sixth (1/6) interest, to be held by the respective Owner of such Lot as a tenant in common with other Owners, in that portion of the Common Elements identified as "Common Area" on the Plat.

ARTICLE IIIDECLARANT'S LOTS AND PRIVILEGES

1. Right to Own and Sell. The Declarant or its assigns shall have the right to transact on the Development Property any business necessary to consummate the sale, lease or rental of Lots, including but not limited to the right to maintain models, have signs, maintain an office and employees on the Property and use the Common Elements to show Lots and the improvements thereon. A sales and rental office, signs and all items pertaining to sales and rentals shall not be considered Common Elements and shall remain the property of the Declarant or its assigns.

2. Easement for Access and Utilities. The Declarant expressly reserves a perpetual Easement for ingress and egress and for all utility installation and maintenance over, across and under all of the Common Elements.

3. Prohibited Actions. So long as the Declarant is the owner of record title to any Lot, and holds that Lot for sale in the ordinary course of business, none of the following actions may be taken without approval in writing from the Declarant:

(a) Assessment of the Declarant as a Lot Owner for capital improvements;

(b) Any action that would be detrimental to the sale of Lots by the Declarant; provided, that a uniform increase in assessments for common expenses without discrimination against the Declarant shall not be deemed detrimental.

ARTICLE IVMANAGEMENT OF THE DEVELOPMENT

The administration of the Development Property shall be conducted by Magnolia Shore Homeowner's Association, Inc., a Florida corporation not-for-profit.

The Association shall administer and manage the Development, shall establish a budget for the Development Property, and shall maintain and repair the Common Elements. All persons owning a vested present interest of record in the fee title to any Lot shall automatically be members of the Association and their respective membership shall terminate as their vested interest in the fee title to the Lot terminates. Membership in the Association cannot be transferred, assigned or pledged in any manner except as an appurtenance to the respective Lot. The Association has all of the rights and powers available to a non-profit association under the laws of the State of Florida, and in addition, the rights, powers and duties accorded to it by

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this Declaration. All expenses of the Association shall be assessed as a Common Expense of the Owners as provided in the By-Laws.

Each Owner shall be entitled to one vote in the Association for each Lot owned by him, which shall be exercised only by that owner or his proxy. In the event a Lot is owned by more than one person or by a corporation, trust or other entity, the individual entitled to cast the vote for that Lot shall be designated by a certificate filed with the Secretary of the Association and signed by all joint owners of the Lot.

The Association shall at all times maintain a register setting forth the names of the Owners. In the event of the sale or transfer of any Lot to a third party, the purchaser or transferee shall notify the Association in writing of his interest in the Lot together with the recording information for the instrument by which such purchaser or transferee has acquired his interest. The Owner shall notify the Association of any mortgages encumbering any Lot, stating the name and address of the mortgagee and the amount of such mortgage or mortgages and the recording information pertaining thereto. The holder of any mortgage encumbering any Lot may notify the Association of the existence of any mortgage held by such party and upon receipt of such notice, the Association shall register in its records all pertinent information pertaining to it.

ARTICLE VMAINTENANCE, ALTERATION AND REPAIR

The responsibility for the maintenance and repair of the Development Property shall be as follows:

1. Maintenance by the Association. The Association shall maintain, repair and replace:

(a) All Common Elements except as herein expressly provided to the contrary;

(b) The yard and landscaping of the Development Property, including all shrubs, hedges, lawns, fences and other parts thereof which yard and landscaping shall be maintained in a neat and attractive manner; and

(c) All other items which the Board of Directors of the Association determines shall be maintained, repaired or replaced by the Association, in accordance with uniform policies, consistently applied.

The Association shall have an easement over, across and under and access to each Lot during reasonable hours as may be necessary for repair or maintenance of any Common Elements located therein or accessible therefrom and shall have such rights of access in emergencies as are reasonably necessary to prevent damage to a Lot, the Party Walls, the Common Roof or the Common Elements.

2. Maintenance by Owner. The Owner shall:

(a) Maintain, repair and replace, when necessary, the exterior of its Unit and all other structures and improvements located on its Lot, and, subject to Article VI of this Declaration, repair and maintain the Party Walls and Common Roof. The areas to be maintained by the Owners for which the Association shall have right to undertake said maintenance in the event of an Owner's failure to do so shall be limited to the exterior appearance of the Unit located on the Lot, which exterior shall be maintained in a neat and attractive manner, the Party Walls and the Common Roof; and

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(b) Not install any mechanical equipment which causes annoyance to the occupants of other Lots.

(c) Promptly report to the Association any defects or need for repairs for which the Association is responsible.

3. Maintenance of Lot by Association. If the Owner shall fail to commence and diligently pursue the maintenance and repair required by this Article within fifteen (15) days after written notice, by certified mail, return receipt requested, to do so has been deposited by the Association in the U.S. mail, postage paid, addressed to the last known address of Owner, the Association shall have the right to make such repairs, maintenance or replacement at the expense of the Owner. If the Owner fails to reimburse the Association for such expenses within five (5) days of the date demand therefore is placed in the U.S. mail, postage paid addressed to the last known address of the Owner, the Association shall have a lien against that Owner's Lot for such expenses as set forth below. Each Owner hereby irrevocably appoints the Association as its agent and attorney-in-fact to contract for and make any such repairs or maintenance on behalf of Owner, it being agreed that such appointment is coupled with an interest. The Association, upon effecting any such repairs, maintenance or replacement shall be entitled to place a lien against the Lot under Florida's Mechanic's lien laws or otherwise. The Association shall also be entitled to collect from such Owner the costs and attorneys' fees incurred by the Association in collecting any amounts hereunder and said lien shall also secure payment of such costs and attorneys' fees.

4. Material Alteration and Improvements to Common Elements. No material alterations or additions to the Common Elements shall be made except upon the approval of 5/6 of the votes of the Lot Owners.

5. Reconstruction or Repair After Casualty.

(a) Damage to Common Elements. In the event of any damage to the Common Elements, the Association shall promptly reconstruct the same substantially as they existed prior to the casualty. To the extent that the cost of reconstruction exceeds any insurance proceeds and other funds on hand, the Association may assess Owners for such cost in the manner set forth herein, provided, however, that such assessment shall not affect any right of the Association to seek damages against any Lot Owner responsible for such casualty.

(b) Damage to Units. If any part of any Unit shall be damaged by casualty, such Unit shall be restored by the Lot Owner thereof in accordance with the plans and specifications of such Unit as originally constructed utilizing the same materials, exterior surfaces and color of paint as near to the original as possible. The Owner of such damaged Unit shall commence repairs thereto within sixty (60) days from the date of such damage and complete such repairs within six (6) months from the date of such damage. In the event the Lot Owner fails or refuses to reconstruct the improvements, the Association may, at its sole and absolute option, either reconstruct or raze the improvements after notice to the Lot Owner, as set forth in Subparagraph 3 above, and shall have a lien as set forth therein.

(c) Eminent Domain.

i. If part of the Common Elements are taken, all awards attributable to such taking shall be distributed to the Association which shall use such awards to repair or replace the Common Elements to the extent possible. If the award exceeds the cost of repair or replacement, the excess shall be retained by the Association and become a part of the Common Surplus.

ii. The Owners hereby appoint the Association as their attorney-in-fact for purposes of any proceedings,

negotiations, settlements, or agreements relating to or arising from condemnation, destruction, or liquidation of the Development Property.

ARTICLE VI

PARTY WALL AND COMMON ROOF

1. Party Wall.

(a) General Rules of Law to Apply. To the extent not inconsistent with this Section, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply concerning a Party Wall.

(b) Sharing of Repairs, Maintenance and Replacement. The cost of reasonable repair, maintenance and replacement of a Party Wall shall be shared equally by the Owners who make use of such wall.

(c) Destruction by Fire or Other Casualty. If a Party Wall is destroyed or damaged by fire or other casualty, any Owner sharing the Party Wall may restore it, and the other Owner sharing said wall shall contribute to the restoration thereof without prejudice, however, to the right of any such Owner to call for a larger contribution from the other Owner under any rule of law regarding liability for negligent or willful acts or omissions. Subject to repair or reconstruction, the Owners may seek reimbursement from any insurance proceeds paid to the Association. Any Owner shall have the right to enter on the property of another Owner sharing a Party Wall during normal working hours and after reasonable notice to make any repairs necessary to maintain the Party Wall, including the right to rebuild the Party Wall.

(d) Weatherproofing. Notwithstanding any other provision of this Section, any Owner who by his negligent or willful act causes the Party Wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

(e) Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Section shall be appurtenant to the Land and shall pass to such owner's successors in title.

(f) Arbitration. In the event of any dispute concerning a Party Wall, or under the provisions of this Section, each Owner shall choose one arbitrator, and the decision by a majority of all the arbitrators shall be binding and conclusive on each of the Owners.

2. Common Roof.

(a) General Rules of Law to Apply. To the extent not inconsistent with this Section, the general rules of law regarding liability for property damage due to negligence or willful acts or omissions shall apply concerning a Common Roof.

(b) Sharing of Repairs, Maintenance and Replacement. The cost of reasonable repair, maintenance and replacement of a Common Roof shall be shared equally by the Owners who make use of the Common Roof.

(c) Destruction by Fire or Other Casualty. If a Common Roof is destroyed or damaged by fire or other casualty, any Owner sharing the Common Roof may restore it, and the other Owners sharing said roof shall contribute to the restoration thereof without prejudice, however, to the right of any such Owner to call for a larger contribution from the other Owners

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under any rule of law regarding liability for negligent or willful acts or omissions. Subject to repair or reconstruction, the Owners may seek reimbursement from any insurance proceeds paid to the Association. Any Owner shall have the right to enter on the property of another Owner sharing a Common Roof during normal working hours and after reasonable notice to make any repairs necessary to maintain the Common Roof, including the right to rebuild the Common Roof, if necessary; PROVIDED, HOWEVER, in the event of an emergency, any Owner of a Unit sharing a Common Roof shall have the right to enter the Living Unit of another Owner sharing that Common Roof, without notice, to make emergency repairs and thereafter demand contribution as herein provided.

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

(e) Easement for Repair, Maintenance and Replacement of Common Roof. Declarants hereby grant to each Owner a nonexclusive easement and right of ingress and egress under, over and across the Common Roof for the purpose of repairing, maintaining and replacing the Common Roof.

3. Easements for Encroachments. Declarant hereby subjects each Lot to an easement for encroachments created by construction and/or settling of Units and declares that a valid easement shall exist for said encroachments and the maintenance thereof. In the event that any Unit is partially or totally destroyed, and then rebuilt, the Owner of a Unit so affected covenants and agrees that minor encroachments on parts of the adjacent Lot within the said Building Plot due to construction shall be permitted and that a valid easement for said encroachments and maintenance thereof shall exist.

ARTICLE VII

INSURANCE

The insurance other than title insurance which shall be carried on the Common Elements, the Party Walls and the Common Roof shall be governed by the following provisions:

1. Authority to Purchase. Insurance policies upon the Common Elements, the Party Walls and the Common Roofs shall be purchased by the Association. The master policies and copies of all endorsements shall be held by the Association.

2. Coverage. The Association shall obtain casualty insurance on all Units, the Party Walls, the Common Roofs, buildings and other improvements on the Lots and on all personal property included in the Common Elements in an amount equal to its maximum insurable replacement value, excluding foundation and excavation costs, as determined annually by the Board of Directors, but subject to such deductible clauses as are required in order to obtain coverage at reasonable costs. Such coverage shall afford protection against loss or damage by fire and other hazards covered by a standard extended coverage endorsement and such other risks including, but not limited to, vandalism and malicious mischief as from time to time shall be customarily covered with respect to buildings similar in construction, location and use. The Board of Directors shall obtain such other insurance coverage for the Association as it deems desirable or as required by law including but not limited to workmen's compensation and public liability insurance.

3. Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a Common Expense. If requested to do so, the Association shall furnish evidence of payment of premiums to each mortgagee listed in the register of mortgagees.

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4. Proceeds. All proceeds of insurance policies purchased by the Association shall be payable to the Association. The Association shall hold such proceeds in trust, to be distributed as provided herein.

5. Association as Agent. The Association is irrevocably appointed agent for each Owner and for each mortgagee or other lien holder and for each Owner of any other interest in the Development Property to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims.

6. Notice of Actions. If any action shall be brought against the Association which might result in a judgment for an amount greater than the insurance coverage carried by the Association, then the Lot Owners shall be given prompt notice of the action shall have the right to intervene and defend their interest.

ARTICLE VIIIASSESSMENTS AND LIENS

The Board of Directors of the Association shall approve annual budgets of projected expenses for each fiscal year and assess each Lot Owner for one-sixth (1/6) of such expenses. Each Lot Owner's share of common expenses shall be based on his proportionate ownership interest in the Common Elements.

Each Owner's assessment for his Lot shall be due and payable to the Association annually in advance in the second day of January unless some other payment schedule is adopted by the Board of Directors. If necessary to cover unanticipated expenditures which may be incurred during the fiscal year, the Board of Directors may levy special assessments against Owners in proportion to their share of the Common Expenses. In addition, the Board of Directors may assess Owners for certain expenses attributable solely to their Lot. Such special levies may be for costs specifically provided herein (such as reconstruction or repair after casualty) or may be solely in the discretion of the Board of Directors.

Any assessments, including special assessments, provided for in this Declaration which are not paid when due shall bear interest from the due date until paid at the rate of eighteen (18) percent per annum or such lower rate as the Board of Directors shall determine, shall be subject to a late charge as may be set and uniformly applied by the Board of Directors and shall entitle the Association to reimbursement of attorneys' fees incurred by the Association incident to the collection of any such delinquent assessment. The Association shall have a lien on each Lot for any unpaid assessment, including special assessments, together with interest thereon, and for reasonable attorney's fees incurred by the Association incident to the collection of the assessment or enforcement of the lien. Such liens shall not attach until a claim of lien is recorded in the public records of the County in which the Property is located and shall be subordinate to the lien of an institutional mortgage recorded prior to the time of recording of the claim of lien. In addition, the Association shall have all other remedies provided by applicable laws for the collection of the above, or the enforcement of its lien. The liability for assessments may not be avoided by waiver of the use or enjoyment of any common elements or by abandonment of the Lot for which the assessment is made.

ARTICLE IXUSE RESTRICTIONS AND EASEMENTS

The use of the Development Property shall be in accordance with the following provisions:

1. Use of Common Elements. The Common Elements shall be used only for the purposes for which they are intended and for the exclusive benefit of the Owners, occupants of the Lots, and their guests.

2. Association Regulations. Reasonable regulations concerning the use of the Development Property may be made and amended from time to time by the Board of Directors of the Association.

3. Single Family Residence Only; Two Story Limit. No structure shall be erected, altered or permitted to remain on any Lot other than single family residential dwellings. Lots shall be used for residential purposes only, and businesses or commercial uses, including, but not limited to, doctors, dentists, accountants, hair-dressers, etc., are specifically prohibited. No structure shall be erected which is greater than two stories in height.

4. Fences, Hedges and Walls. Fences, hedges and walls may not be built or maintained on any portion of a Lot without the prior written consent of the Association.

5. Other Structures. Without the prior written consent of the Association, no buildings, structures, pens, yards and houses for pets, above-ground storage, clothes racks and lines, washing and drying equipment, laundry rooms, tools and workshops, garbage and trash cans, detached garages, hothouses, greenhouses, guest houses, bathhouses, summerhouses, outdoor fireplaces, barbecue pits, or any other structure or objects of any unsightly nature or appearance may be constructed or permitted to remain upon a Lot. Air conditioning units may be installed at the side of the residence provided the noise from same will not disturb their neighbors. Each such unit must be adequately and ornamentally screened.

6. Architectural Review. For the purpose of further insuring the development of the Development Property as a residential area of highest quality and standards, and in order that all improvements on each Lot shall present an attractive and pleasing appearance from all sides of view, the Association reserves the exclusive power and discretion to control and approve all of the buildings, structures and other improvements on each Lot in the manner and to the extent set forth herein. No residence or other building, and no building, fence, wall, driveway, swimming pool or other structure or improvement, regardless of size or purpose, whether attached to or detached from the Unit shall be commenced, placed, erected or allowed to remain on any Lot, nor shall any additions to or exterior change or alteration thereto be made, unless and until building plans and specifications covering same, showing the nature, kind, shape, height, size, materials, exterior color schemes, location and orientation on the Lot, together with the approximate square footage, construction schedule and such other information as the Association shall require, (including, if so required, plans for the grading and landscaping of the Lot showing any changes proposed to be made in the elevation or surface contours of the land) have been submitted to and approved by the Association in writing. The Association shall have the absolute and exclusive right to refuse to approve any such building plans and specifications and Lot-grading and landscaping plans which are not suitable or desirable in its opinion for any reason, including purely aesthetic reasons. In passing upon such building plans and specifications and Lot-grading and landscaping plans, the Association may take into consideration the

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suitability and desirability of proposed constructions and the materials of which the same are proposed to be constructed and the quality of the proposed workmanship as the Association shall specify or require. In the event Association fails to approve or disapprove the plans, specifications and other items required under the terms of this paragraph within thirty (30) days after the same have been submitted to Association in writing, such approval shall not be required and the provisions of this paragraph shall be deemed to have been complied with.

7. No Overhead Wires; Utility Maintenance. All telephone, cable television, electric and other utility lines and connections between the main utilities lines and the residential dwelling located on each Lot shall be concealed and located underground so as not to be visible.

8. No Sheds, Shacks or Trailers. No shed, shack, trailer, tent or other temporary or movable building or structure of any kind shall be erected or permitted to remain on any Lot.

9. Residing Only in Residence. No trailer, basement, garage or any outbuilding of any kind even if otherwise permitted hereunder to be or remain on a Lot, shall be at any time used as a residence either temporarily or permanently.

10. Signs; Mailboxes. No sign of any character shall be displayed upon or permitted to remain on any Lot except "FOR SALE" signs, which signs may refer only to the particular premises on which displayed, and shall be of materials, size, height, and design specified by the Association.

Nothing contained herein shall prevent the Declarant, or its assigns, from erecting or maintaining such commercial and display signs and such temporary dwellings, model dwellings and other structures as the Declarant may deem advisable for development or sales purposes. The Declarant or its assigns shall approve of mailbox locations, size and design in conjunction with the Architectural Review provisions set forth above.

11. Aerials and Antennas. No radio or television aerial, antenna or dish antenna nor any other exterior electronic or electrical equipment or devices of any kind shall be installed or maintained on a Lot or on the exterior of any structure located on a Lot unless and until the location, size and design thereof shall have been approved by the Association.

12. No Offensive Activities. No illegal, noxious or offensive activity shall be permitted or carried on upon any part of the Development Property, nor shall anything be permitted or done thereon which is or may become a nuisance to the neighborhood. Declarant and the Association shall have the unrestricted and absolute right to deny ingress to any person who, in their sole opinion, may create or participate in a disturbance or a nuisance on any of the Development Property. No trash, garbage, rubbish, debris, waste materials or other refuse shall be deposited or allowed to accumulate or remain on any part of any Lot. No fires for burning trash, leaves, clippings or other debris or refuse shall be permitted to be on any part of any Lot or road rights-of-way. No commercial uses, including home occupations, shall be allowed without the approval of the Association. No mechanical repairs of any wheeled vehicle shall be permitted on any Lot.

13. Pets. No animals other than two dogs weighing a total of no more than 90 pounds, or two cats, or four birds, may be kept on any Lot for the pleasure and use of the occupants of the residential dwelling thereon, but not for any commercial or breeding use or purpose. If, in the sole opinion of the Association, the animal or animals become dangerous or an annoyance or nuisance in the neighborhood or nearby property or destructive of wildlife, they may not thereafter be kept on the Lot. Birds shall be kept in indoor cages at all times. All pets shall be kept on a leash at all times and shall be curbed.

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14. Trash. Burning of trash, rubbish, garbage, leaves, or other materials in the open, by an incinerator or otherwise, is prohibited. All garbage and trash must be stored in closed containers and be hidden from any adjacent Lot or roadway.

15. Grading. No changes in elevation of any portion of a Lot shall be made which would adversely affect any adjacent Lot or the Development Property.

16. No Parking of Wheeled Vehicles, Boats, etc. No wheeled vehicles, (excluding one automobile) of any kind, including but not limited to, travel trailers, camper trailers, motor homes, mobile homes, boats, boat trailers, or any other offensive objects shall be kept or parked on or upon the Development Property. However, they may be so kept if completely inside a garage, provided, the garage door is closed except for entry and exit. Private automobiles of the occupants of a residential dwelling on a Lot and their guests and invitees may be parked in such driveways and parking areas located within the Development Property, however, other service and delivery vehicles may be parked in such driveways located within the Development Property during the times necessary for pick-up and delivery service, and solely for the purpose of such services. No wheeled vehicles of any kind, trailers, boats or any other offensive objects shall be kept or parked on the grassed areas of the Development Property.

17. Garages. Each residential dwelling on a Lot shall have an attached and enclosed two car garage. All garage doors must be kept closed when not in use. No carports are allowed on Lots.

18. Window Air Conditioners. No window air conditioning units shall be installed in any residential dwelling.

19. Approval of Declarant. Wherever the consent or approval of the Declarant or the Association is required to be obtained, no action requiring such consent or approval shall be commenced or undertaken until after a request in writing seeking the same has been submitted to and approved in writing by the Declarant or the Association. Such request shall be sent by certified mail with return receipt requested. In the event that the Declarant or the Association fails to act on any such written request within thirty (30) days after the same has been submitted as required above, the consent or approval to the particular action sought in such written request shall be presumed; however, no action, except as referred to in paragraph 6 of this Article, shall be taken by or on behalf of the person or persons submitting such written request which violates any of the provisions of this Declaration.

20. Legal Action on Violation. If any person, firm or corporation or other entity shall violate or attempt to violate any of the provisions of this Article it shall be lawful for the Association or any person or persons owning any Lot; (a) to prosecute proceedings at law for recovery of damages against those so violating or attempting to violate any such covenants, restrictions and easements; or (b) to maintain a proceeding in equity against those so violating or attempting to violate any such covenants, restrictions and easements, for the purposes of preventing or enjoining all or any such violations or attempted violations. The remedies contained in this paragraph shall be construed as cumulative of all other remedies now or hereafter provided by law. The failure of the Association, its successors or assigns, to enforce any covenant, restriction or easement or any obligation, right, power, privilege, authority, or reservation herein contained, however long continued, shall in no event be deemed as a waiver of the right to enforce the same thereafter as to the same breach or violation thereof occurring prior to or subsequent thereto. Owners found in violation of any of the provisions of this Article shall pay all costs and attorney's fee to the successful plaintiff in any action seeking to prevent, correct or enjoin such violations or in damage suits thereon. All covenants, restrictions and easements contained in

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this Article shall be deemed several and independent. The invalidity of one or more or any part of one shall in no wise impair the validity of the remaining covenants, restrictions and easements or any part thereof.

ARTICLE XAMENDMENTS TO DECLARATION

Article III and any other article in this Declaration affecting the rights of the Declarant shall not be subject to amendment without the consent of the Declarant. No amendment shall change any Lot or its appurtenant share in the Common Elements unless the Owner and all mortgagees of record shall join in the execution of the amendment.

Subject to the above provisions, this Declaration of Development may be amended as follows:

1. Until the election of a majority of the Board of Directors by the Owners, this Declaration may be amended by vote of all of the Directors provided that the amendment does not increase the number of Lots nor alter the boundaries of the Common Elements. Amendments that cannot be adopted by the Board of Directors must be approved (1) by two-thirds of the votes of the Owners; and (2) by two-thirds of the holders of mortgages encumbering Lots; regardless of whether the Owners have elected a majority of the Board of Directors.

2. After the election of a majority of the Board of Directors by the Owners, this Declaration may be amended at a meeting of the members of the Association. Amendments may be proposed by the Board of Directors or by individual members of the Association. Proposals shall be submitted in writing to the President of the Association who, upon receipt, shall call a meeting of the Association to consider the proposed amendment. The meeting shall be held within thirty (30) days after receipt by the President of the proposed amendment. Notice of the meeting specifying the proposed amendment shall be furnished in accordance with the By-Laws of the Association. At the meeting, the proposed amendment shall be adopted if approved by not less than (1) two-thirds of the votes of the entire membership of the Association; and (2) by two-thirds of the holders of mortgages encumbering the Lots.

After adoption of any amendment pursuant to this Article, the officers of the Association shall execute and record in the public records of the County in which the Property is located, a certificate certifying that the amendment was duly adopted. The amendment shall be effective when the certificate and a copy of the amendment are recorded.

ARTICLE XIFIRST LIEN HOLDERS' RIGHTS

1. Notices of Action. A holder, insurer or guarantor of a first mortgage, upon written request to the Association, (such request to state the name and address of such holder, insurer or guarantor and the Lot number), will be entitled to timely written notice of:

(a) Any proposed amendment of the Declaration affecting a change in (i) the boundaries of any Lot or the exclusive easement rights appertaining thereto, (ii) the interests in the Common Elements appertaining to any Lot or the liability for common expenses appertaining thereto, (iii) the number of votes in the Association appertaining to any Lot or (iv) the purposes to which any Lot or the common elements are restricted;

(b) Any condemnation loss or any casual ^{OFFICIAL RECORDS} which affects a material portion of the Development Property or which affects any Lot on which there is a first mortgage held, insured or guaranteed by such eligible holder;

(c) Any delinquency in the payment of assessments or charges owed by an Owner of a Lot subject to the mortgage of such eligible holder, insurer or guarantor, where such delinquency has continued for a period of 60 days;

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

ARTICLE XII

SEVERABILITY

The invalidity in whole or in part of any covenant or restriction, or any article, paragraph, section, subsection, sentence, clause, phrase or word, or other provision of this Declaration, the Articles of Incorporation, By-Laws or Regulations of the Association, or any other document governing the Development shall not affect the validity of the remaining portions thereof.

ARTICLE XIII

RIGHT OF FIRST REFUSAL

In the event an Owner (the "Selling Owner") other than the Declarant shall desire, at any time, to sell such Owner's Unit Parcel, the Selling Owner shall first give the Association at least thirty (30) days prior written notice (the "Sale Notice") of the proposed sale by certified mail, return receipt requested, which Sale Notice shall include a copy of any executed purchase and sale agreement or otherwise set forth the terms and conditions of such sale. The submittal of such Sale Notice to the Association shall constitute and be deemed to grant an offer to sell to the Buying Owners (as hereinafter defined) the Selling Owner's Unit Parcel in accordance with the Sale Notice. Within fifteen (15) days of receipt of the Sale Notice, the Association shall conduct a vote among all of the Owner's, other than the Selling Owner, at a special meeting, with notice as provided in the Bylaws, to determine whether such Owners desire to exercise this right of first refusal. In the event a majority of such Owner's vote to exercise the right of first refusal, then such majority of Owners (the "Buying Owners") shall be obligated, jointly and severally, to purchase the Unit Parcel in accordance with the terms and conditions of the Sale Notice without any counteroffers and modifications thereto, and shall execute an instrument evidencing an acceptance of the Selling Owner's offer to sell its Unit Parcel in accordance with the Sale Notice. Within thirty (30) days of receipt of the Sale Notice, the Association shall deliver written notice to the Selling Owner stating that either (i) the right of first refusal herein provided has not been exercised and Selling Owner may sell its Unit Parcel in accordance with the terms and conditions of the Sale Notice, or (ii) the right of first refusal has been exercised by the Buying Owners, in which case the written evidence of acceptance of such Buying Owners shall be submitted to the Selling Owner with the Association's Notice. In the event the Association fails to notify the Selling Owner within thirty (30) days after receipt of the Sale Notice as provided above, then the Association, and the Owners, shall be deemed to have failed to exercise the right of first refusal, and such right shall expire and the Selling Owner may sell its Unit Parcel upon the terms and conditions contained in the Sale Notice. The Association shall be obligated to execute any documents which may be required to evidence the termination of this right of first refusal and a Selling Owner and parties claiming thereunder shall

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be entitled to rely thereon without further investigation as to the accuracy thereof. In the event the right of first refusal is waived or otherwise not exercised, and the Selling Owner shall desire to proceed with the sale of its Unit Parcel, but on terms and conditions materially different than those set forth in the Sale Notice, then the Selling Owner shall be required to submit a new Sale Notice setting forth the different terms and conditions, and right of first refusal shall be renewed as to such Sale Notice. This right of first refusal shall run with the land and be binding upon the successors and assigns of the Owners, unless earlier terminated by vote of all Owners, which termination shall be executed in recordable form. The exercise of or failure to exercise this right of first refusal shall not constitute a waiver, approval or satisfaction of any terms of such transaction which may be in violation of this Declaration and the Association hereby retains any and all rights which it may have under this Declaration.

IN WITNESS WHEREOF, the undersigned have executed this declaration this 12th day of December, 1990.

Signed, sealed and delivered in the presence of:

JACKSONVILLE FEDERAL SAVINGS BANK

[Signature]
Mary Jane Morgan

By William M. Mason, Jr.
Its President
(Corporate Seal)

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 12th day of December, 1990, by William M. Mason, Jr., President of Jacksonville Federal Savings Bank, a corporation existing under the laws of the United States of America, on behalf of the corporation.

Mary Jane Morgan
Notary Public, State of Florida

My commission expires:

NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXPIRES DEC. 31, 1993
BONDED TO THE GENERAL INS. FUND.

90DEC 14 AM 10:37

RECORD VERIFIED

CLERK OF DISTRICT COURT

90-0135010

FILED AND RECORDED
IN PUBLIC RECORDS
OF DUVAL COUNTY FLA