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**AMENDED AND RESTATED DECLARATION
OF EASEMENTS, COVENANTS, CONDITIONS
AND RESTRICTIONS FOR BEACHSIDE**

THIS AMENDMENT and RESTATEMENT of the Declaration of Easements, Covenants, Conditions and Restrictions for Beachside (the "Beachside CCRs"), is made this 26th day of January, 2002, by Beachside Homeowners Association, Inc. (the Association"), a Florida not-for-profit corporation formed and existing pursuant to Chapter 720 Florida Statutes (the "Act").

RECITALS

A. The original Beachside CCRs were adopted on or about March 9, 1995 by Beachside at South Ponte Vedra Beach, Inc. (the "Developer"), which was the original developer of the Beachside subdivision. The Beachside subdivision plat is recorded in Map Book 28, pages 70-73, of the Public Records of St. Johns County, Florida. The Beachside CCRs are recorded in OR Book 1099, Page 1086 of the Public Records of St. Johns County, Florida.

B. The Association is the legally existing entity comprised of and representing the individual lot owners of Beachside. Pursuant to the original Beachside CCRs and subsequent events, the Developer has no continued interest in Beachside, and the Association is the legal successor-in-interest to the rights, privileges and powers of the Developer under the Beachside CCRs and Florida law.

C. Through the passage of time and changed circumstances since the adoption of the Beachside CCRs, various references, conditions and other provisions of the Beachside CCRs have become obsolete or moot. Various other provisions have been modified by operation of law and are therefore inaccurate or unenforceable as written. The Association desires to amend and restate the Beachside CCRs so as to correct any such legal deficiencies, to modify or delete various restrictions and to create a more accurate set of CCRs to reflect the post-development stage of the Beachside subdivision.

DECLARATION

NOW THEREFORE, the Association, by and upon the required vote of the Association members, hereby amends, modifies and restates the Beachside CCRs as follows, with the intent and purpose of substituting this Amended and Restated Declaration for the original Beachside CCRs, in their entirety.

ARTICLE I
DEFINITIONS

Section 1.1 - Defined Terms. The following definitions shall apply wherever these capitalized terms appear in this Declaration:

- (a) "ARB" means the Architectural Review Board of the Association.
- (b) "Articles" means the Articles of Incorporation for the Association, as amended from time to time
- (c) "Assessment" means and includes all types of charges to which a Lot is subject, and for which the Owner of a Lot is responsible, including, without limitation, Annual Assessments, Special Assessments, Emergency Assessments, and Lot Assessments (as hereinafter defined).
- (d) "Association" means Beachside Homeowners Association, Inc., a Florida on-profit corporation, its successors and assigns, which is responsible for the management and operation of the Property.
- (e) "Board of Directors" means the Board of Directors of the Association.
- (f) "Bylaws" means the Bylaws of the Association as amended from time to time.
- (g) "Common Property" means all of the Property, except the Lots, together with any improvements thereon, and all personal property intended for the common use and enjoyment of the Owners, and any area within the Property which the Association is obligated to maintain, notwithstanding that it may not own the underlying fee simple title to such areas. The Common Property is not dedicated for use by the general public. The Common Property shall specifically include, without limitation, sign and landscape easements (including, but not limited to, those shown on the plat of the Property), common roads, traffic control signs, entry features (including easement, sign, landscaping, lighting, and entry wall), any perimeter fencing or walls, all landscaping not located within a Lot, the Stormwater Management System (defined below), Tracts A, B, C and D as shown on the Plat of the Property, and the Pedestrian Access Easements as shown on the Plat of the Property.
- (h) "Common Roads" means the roads depicted on any plat of the Property which provide ingress and egress to any Lot, Residence, or any part of the Property. The Common Roads shall be conveyed to the Association and shall not be dedicated to the public except as herein provided. References to Common Property include the Common Roads unless specifically set forth to the contrary.
- (i) "County" means St. Johns County, Florida.

(j) "Declaration" means this Amended and Restated Declaration of Easements, Covenants, Conditions and Restrictions, as it may- hereafter be amended and supplemented from time to time.

(k) "Initial Improvements" means the original construction of Residences and related structural improvements upon the lots and the original landscaping installed on the Lots.

(l) "Lot" means any plot of land intended as a site for a Residence and shown upon any duly recorded subdivision plat of the Property. References herein to "Lot" shall also include the Residence and all improvements thereon, unless specifically set forth to the contrary. In the event that any Lot has been or is hereafter conveyed together with all or part of an adjacent Lot (such combination of Lots being hereafter referred to as "Reconfigured Lot") to one Owner who constructs only one single family dwelling unit thereon, such reconfigured Lot shall be deemed to be a "Lot" and subject to one Assessment and entitled to one vote and except as specifically set forth herein all references to "Lots" means and include "Reconfigured Lots". Provided, however, if such a combined Reconfigured Lot is subsequently developed with an additional Residence it shall be deemed to constitute two Lots and be entitled to two (2) votes and be liable for payment of two Assessments.

(m) "Member" means a person entitled to membership in the Association, as provided in this Declaration.

(n) "Mortgage" means any bona fide first mortgage encumbering a Lot as security for the repayment of a debt obligation.

(o) "Mortgagee" means any bank, savings and loan association or other recognized institutional lender, any insurer or guarantor of Mortgages (including without limitation, the Veteran's Administration or the Federal Housing Administration) or holder of Mortgages in the secondary market holding a Mortgage now or hereafter placed upon the Lot.

(p) "Owner" means the record owner, whether one or more persons or entities, of the fee simple title to any Lot, including the buyer under a contract for deed. Owners shall not include those having such interest merely as security for the payment or repayment of a debt obligation.

(q) "Property" means the Beachside Subdivision as platted and recorded in the public records of St. Johns County, Florida.

(r) "Reconfigured Lot" means a Lot which has been or is hereafter conveyed together with all or part of an adjacent Lot to one Owner who constructs only one single family dwelling unit thereon. Such reconfigured Lot shall be deemed to be a single "Lot" as previously defined herein, and all references in this Declaration to "Lots" include "Reconfigured Lots".

- (s) "Residences" means any single-family residential dwelling constructed or to be constructed on or within any Lot.
- (t) "Rules and Regulations" means the rules and regulations of the Association and of the ARB which have been or may be adopted by the Board of Directors, and as amended from time to time, for the purpose of implementing and supplementing the covenants, conditions and restrictions set forth in this Declaration.
- (t) "Stormwater Management System" means a system designed, constructed, or implemented to control discharges necessitated by rainfall, incorporating methods to collect, convey, store, absorb, inhibit, treat, use, or reuse water to prevent or reduce flooding, over drainage, environmental degradation, or water pollution, or otherwise affect the quality and quantity of discharge from the system as permitted pursuant to Florida Administrative Code.

ARTICLE II ASSOCIATION

Section 2.1 Members. Every Owner shall be a mandatory Member of the Association. Membership shall be appurtenant to and may not be separated from title to each Lot, and shall be transferred automatically by conveyance of the title to any Lot, whereupon the membership of the previous Owner shall automatically terminate. Persons or entities which have an interest in any Lot merely as security for the performance of an obligation shall not be Members of the Association, and in such case the beneficial Owner shall retain the membership in the Association.

Section 2.2 Voting Rights. The Association shall have one class of voting membership, and the Members of that class shall include and be comprised of all Owners. Unless an Owner's voting rights are suspended in accordance with the provisions of this Declaration, Members shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members; however, the vote for such Lot shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast with respect to any Lot. Notwithstanding the foregoing, if title to any lot is held by a husband and wife, either spouse may cast the vote for such Lot unless and until a written voting authorization is filed with the Association. When title to a Lot is in a corporation, partnership, association, trust or other entity such entity shall be subject to the applicable rules and regulations for such entities contained in the Articles and Bylaws. Provided however, if an Owner owns a Reconfigured Lot, for so long as such Reconfigured Lot contains only one single family Residence, the Owners thereof shall have only one vote in Association matters.

ARTICLE III OWNER'S RIGHTS AND RESPONSIBILITIES

Section 3.1 Easement of Enjoyment. Subject to the limitations provided in this Declaration, every Owner is hereby granted a nonexclusive right and perpetual easement of enjoyment in and to the Common Property which easements are appurtenant and shall pass with the title to every

Lot, subject to the following:

- (1) The right of the Association to take such steps as are reasonably necessary to protect the Common Property against foreclosure.
- (2) The right of the Association to grant easements and rights of way, as may be deemed appropriate for the proper development and maintenance of the Property, including, without limitation, an easement for itself, its successors and assigns for ingress, egress, maintenance and utilities over all Common Property and including but not limited to an easement seven and one-half feet wide around all Lot borders: front, rear and sides.
- (3) All provisions of this Declaration, any plat of any part of the Property, and the Articles and Bylaws of the Association.
- (4) The rules and regulations governing the use and enjoyment of the Common Property adopted by the Association.
- (5) All easements and restrictions of record affecting any part of the Common Property.

Section 3.2 Delegation of Use. Each Owner may delegate, subject to the Articles, Bylaws, and this Declaration, his right of enjoyment of the Common Property and facilities to the members of his family, tenants, guests, invitees, licensees, domestic servants, or contract purchasers who occupy the Lot.

Section 3.3 Damage or Destruction. In the event any Common Property, facilities or property of the Association are damaged or destroyed by an Owner or any of his guests, tenants, invitees, agents, employees or members of his family as a result of negligence or misuse, the Owner shall immediately, at Owner's expense, repair the damaged area or property in a good and workmanlike manner, in accordance with the original plans and specifications of the area involved, or as the area may have been modified or altered subsequently by the Association. The cost of such repairs shall be the responsibility of that Owner. Should the Owner fail to immediately repair such damage, the Association may, but shall not be obligated to, repair the damaged area or property in a good and workmanlike manner in accordance with the proceeding provisions of this Section and the cost of such repairs shall be the responsibility of that Owner, and shall be a Lot Assessment, payable by the responsible Owner immediately upon receipt of a written invoice or statement.

Section 3.4 Maintenance. Each Owner shall keep all parts of his Lot, including the Residence, in good order and clean and free of debris, and is responsible for the repair or replacement of roofing, repair or replacement of windows and doors (including repair or replacement of glass or screens), repair or replacement of building materials on the exterior of the Residence, and otherwise to keep the Residence and Lot in good repair. Each Owner shall also maintain any portion of the Property lying between their Lot lines and the edge of the paved portion of the right-of-ways. If an Owner fails to maintain the Lot and exterior Residence in

good repair and in a neat and orderly manner, the Association, after ten (10) days written notice to the Owner and approval by the majority of the Members of the Board of Directors, shall have the right to enter upon such Lot to correct, repair, restore, paint and maintain any part of such Lot or exterior Residence. All costs related to such correction, repair or restoration shall become a Lot Assessment (as hereinafter defined), payable by the responsible Owner immediately upon receipt of a written invoice or statement therefore.

Section 3.5 Rules and Regulations. All Owners shall comply with the rules and regulations adopted and amended from time to time by the Board of Directors and the ARB. Such rules and regulations shall be for the purpose of implementing, supplementing, elaborating and administering of the provisions of this Declaration, the Bylaws and the ARB Policies and Procedures, and they shall not in any way diminish the Association's powers as provided by this Declaration and by law.

ARTICLE IV COMMON PROPERTY AND EASEMENTS

Section 4.1 Common Property

(a) Title. The Common Property shall be held by the Association for the benefit of the Association and its members. No transfer of the title to any Lot, and no provision in any deed or other instrument of conveyance of any interest in any Lot, shall pass any rights in and to the Common Property, except as expressly enumerated in this Declaration.

(b) Maintenance. It shall be the duty of the Association to manage and maintain the Common Property in a clean, attractive, sanitary and serviceable condition, and in good order and repair for the benefit of all Owners. The Association's duties shall include the management, operation, maintenance, repair, servicing, replacement, and renewal of all improvements, equipment, and tangible personal property installed as a part of the Common Property. Without limiting the foregoing, the Association assumes and agrees to be responsible for the maintenance and operation of the Stormwater Management System and shall be obligated to accept an assignment of any and all Stormwater Management System permits. The Association shall keep the improvements located on the Common Property, including fixtures and personal property of the Association, insured for a reasonable replacement value, excluding foundation and excavation costs, as determined by the Board of Directors. The Association shall also maintain all landscaping on the Common Property, provided that the Association shall not be deemed to be a guarantor of such landscaping. The cost of landscaping shall be a part of the Annual Assessments.

Section 4.2 Common Roads.

(a) Title. The Common Roads shall be owned by the Association unless and until such time, if ever, that the Common Roads are conveyed to the County. Unless so conveyed, the Association shall be responsible for the maintenance of Common Roads in accordance with the requirements of the Declaration.

(b) Access Easement The Association and Owners, , the lawful occupants of any

Residence, the family members, guests, invitees, licensees, domestic servants, employees, contractors, and agents of any of the foregoing, all lawful delivery and pickup personnel, all emergency medical and fire protection personnel, all police and other authorities of the law, all mail and parcel carriers, all representatives of utilities authorized to serve the Property, all Mortgagees of any Lot or Residence, and such other persons as the Association may from time to time designate, shall have and enjoy the nonexclusive, perpetual right of ingress and egress to, from, in, and across the Common Roads, subject to the right of the Association to install, erect, construct and maintain electric, water, sewer, other utility, and drainage lines and facilities in the Common Roads.

(c) Rules and Regulations. The Association shall have: (a) the absolute and unrestricted right, but not the obligation, to limit, restrict or deny the ingress of any person, except Owners and Mortgagees, who, in the sole determination of the Association, does not belong or have business on the Property, or who may create or participate in a disturbance or nuisance on any part of the Property, or who is otherwise undesirable, through use of a controlled or guarded entranceway, or through such other means and upon such terms and conditions as the Association may reasonably determine; (b) the right to control and regulate all types of vehicular traffic and parking on all or any part of the Common Roads; (c) the right to require the removal of any shrub, bush, fence, wall, tree or other item of any sort which might, in the sole opinion of the Association impair or obstruct a motorist's vision on any of Common Road or public road adjacent to the Property; (d) the right to enforce claims against any Owner responsible for damages to any Common Road; and (e) the right to assign in whole or in part the rights reserved herein to the County or to any person. Such rights shall be permissive and the Association shall have no obligation to exercise such rights.

Section 4.3 Utility Easements

(a) Blanket Easement. The Association shall have a nonexclusive, perpetual, alienable blanket easement for the benefit of the Property upon, across, over, through, and under the Property for ingress, egress, installation, replacement, repair, use and maintenance of all utility and service lines and service systems, public and private, including, but not limited to, water, sewer, drainage, irrigation systems, telephones, electricity, television cable or communication lines and systems, and police powers and services supplied by the local, state and federal governments. This easement shall in no way affect any other recorded easements on the Property. Upon construction of a Residence on a Lot, the blanket easement reserved herein shall be vacated with respect to the portion of the Lot on which the Residence and other approved improvements are located.

(b) Lot Easements. The Association shall have a perpetual, nonexclusive easement over, under and across a ten foot (10') strip at the front and rear of each Lot, and a seven and one-half foot (7.5') strip at the side of each Lot for the installation, repair and maintenance of all utilities, including without limitation water, sewer, electrical, cable, telephone, drainage and irrigation lines.

(c) Cable Easement. The Association and its designees shall have a perpetual, exclusive easement for the installation, maintenance, and supply of radio and television cables

over, under and across the rights of way and easement areas on any recorded plat of the Property.

Section 4.4 Stormwater Management System

(a) Blanket Easement. The development of the Property includes the construction of a Stormwater Management System including, without limitation, retention areas, swales, conduits, and berms across the rear of certain Lots. The Association, its designees and agents, shall have a nonexclusive, perpetual, alienable blanket easement over, under and across the ground within the Property, including any platted easements and any easements reserved herein or otherwise, for ingress, egress, installation, replacement, repair, use and maintenance to maintain and correct the drainage of surface water. Such right expressly includes the right to cut any trees, bushes or shrubbery, make any gradings of the soil, construct or modify any berms placed along the rear of lots as part of the Stormwater Management System, or to take any other similar action reasonably necessary, following which the Association shall restore the affected property to its original condition as nearly as practicable; provided, however, the Association shall not be required to replace or repair fences, walks, structures, landscaping, or other improvements which are removed or damaged. The Association shall give reasonable notice of intent to take such action to all affected Owners, unless, in the opinion of the Association, an emergency exists which precludes such notice. The right granted hereunder may be exercised at the sole option of the Association and shall not be construed to obligate the Association to take any affirmative action in connection therewith.

(b) Maintenance Easement. The Association is granted a perpetual, nonexclusive easement for ingress and egress over and across the Stormwater Management System and over a parcel of land extending landward five feet (5') from any water's edge and from the retention areas as shown on the Plat of the Property for the purpose of providing the maintenance required herein. The Association is granted a perpetual non-exclusive easement for ingress and egress over and across the Stormwater Management System for the purpose of providing maintenance and erosion control to the embankments of such retention areas.

(c) Maintenance. Except as specifically set forth herein to the contrary, the Association is responsible for the maintenance, operation, and repair of the Stormwater Management System. Such maintenance shall include the exercise of practices which allow the Stormwater Management System to provide drainage, water storage, conveyance, or other capabilities in accordance with all the permits, statutes, rules, and regulations pertaining to surface water management, drainage, and water quality promulgated by the St. Johns River Water Management District, Florida Department of Environmental Protection, and all other local, state and federal authorities having jurisdiction. The Association shall be responsible for the routine removal and disposal of trash which may accumulate within the Stormwater Management System. The Association shall maintain and control the water level and quality of the Stormwater Management System and the bottoms of any retention lakes or drainage easements which retain or hold stormwater on a regular basis. The Association shall have the power, right, obligation and responsibility, as may be required by any applicable governmental entity, to control and eradicate plants, fowl, reptiles, animals, fish, and fungi in and on any portion of the retention lakes or drainage easements. The Association shall maintain all shoreline vegetation and the grade and contour of all embankments to the water's edge (as it may rise and

fall from time to time), to keep the grass, plantings, and other lateral support of the embankments in a clean and safe manner and to prevent erosion; and to maintain grass at 3" height at all times.

(d) Improvements. In the event the Association shall construct any bridges, docks, bulkheads or other Improvements which may extend over or onto the retention area within the Stormwater Management System or construct any similar Improvements to support or enhance the Stormwater Management System, the Association shall maintain all such Improvements in good repair and condition. No Owner except the Association shall be permitted to construct any Improvements, permanent or temporary, on, over or under any portion of the Stormwater Management System without the written consent of the Association and the approval of the ARB, which consent or approval may be withheld for any reason. Any improvements to the Stormwater Management System permitted by the Association and installed by the Owner shall be maintained by such Owner in accordance with the maintenance provisions of this Declaration.

(e) Compliance with Stormwater Management System Permits. Stormwater Management System Permits have been issued authorizing construction and operation of the Stormwater Management System to serve the Property. No alteration to any part of the Stormwater Management System, including but not limited to, lakes, swales and pipes, will be allowed without the written consent of the Association and the governmental body responsible for issuing such permits. All clearing, grading and other construction activities must comply with the terms and conditions of the permits. Specifically, the Owners of Lots requiring rear lot water treatment are required to install rear lot water treatment at the time of residence construction in accordance with the terms and conditions of said permits and said Owners or their heirs, successors or assigns shall be responsible for the continuing compliance with said permit. In the event any Owner fails to comply with the terms of the permit, the Association shall have the right to enter upon the premises to bring any Lot into compliance and levy a special assessment against the Lot for cost incurred as a result thereof.

(f) Use and Access. The Association shall have the right to adopt rules and regulations from time to time in connection with the use of the surface waters of any portion of the Stormwater Management System, and shall have the right to deny such use to any person who, in the opinion of the Association, may create or participate in a disturbance or nuisance on any part of the Stormwater Management System. The use of such surface waters by the Owners shall be subject to and limited by the rules and regulations of the Association, all permits issued by governmental authorities, and any rights granted to other persons pursuant to the rules and regulations of the association. The Owners shall have access to the Stormwater Management System only over that portion of the Common Property designated for such purpose by the Association. Only the Association shall have the right to pump or otherwise remove any water from any part of the Stormwater Management System for purposes of irrigation or any other use. No watercraft shall be operated on any portion of the Stormwater Management System, including the retention lakes, except those used by Association approved persons for lake maintenance. Swimming in the retention lakes shall be prohibited.

(g) Enforcement and Liability. In addition to the provisions of Section 12.4, the St. Johns River Water Management District shall have the right to seek enforcement of any of the provisions of this Declaration relating to the Stormwater Management System. The Association

shall have no liability whatsoever to Owners, guests, tenants, or invitees in connection with the Lakes and each Owner, for itself and its guests, tenants or invitees, hereby releases the Association from any liability in connection therewith.

(h) Warnings And Disclaimers:

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

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

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

Section 4.5 Wetlands and Jurisdictional Land. This Declaration is subject to the rights of the State of Florida over portions of the Property which may be considered wetlands, marshes, or sovereignty lands, and every Owner shall obtain any permit necessary prior to undertaking any dredging, filling, improving, landscaping or removal of plant life existing on his Lot.

Section 4.6 Conservation Easement. There exists a Conservation Easement over, under and across that portion of the Property lying westerly of the Corps of Engineers, St. Johns River Water Management District and Department of Environmental Regulations Wetlands Jurisdictional Lines, as shown on the Plat of the Property and as may be modified from time to

time by these governing authorities. The Association shall have a perpetual nonexclusive easement over, under and across the rights of way and easement areas shown on any recorded plat of the Property as to those Lots adjacent to or comprising a part of the Conservation Easement located along the westerly boundary of the Property, as described above, for ingress, egress, installation, replacement, and maintenance of the vegetation and the maintenance and correction of surface water drainage within such Conservation Easement. This easement shall in no way affect any other recorded easements on the Property. Those portions of the Conservation Easement located outside the Lots shall be conveyed to and maintained by the Association. The Association also shall have the right, but not the obligation, to maintain those portions of the Conservation Easement lying within Lots owned by Owners, and the Association shall have the right to access those portions of the Conservation Easement at reasonable times and in a reasonable manner for that purpose.

Section 4.7 Owners' Rights. The Owners of Lots subject to easements shown on any plat of the Property shall acquire no right, title, or interest in any of the cables, conduits, pipes, mains, lines, or other equipment or facilities placed on, over, or under the easement area. The Owners of Lots subject to any easements shall not construct any improvements on the easement areas, alter the flow or drainage, or landscape such areas with hedges, trees, or other landscape items that might interfere with the exercise of the easement rights. Any Owner who constructs any improvements or landscaping on such easement areas shall remove the improvements or landscape items upon written request of the Association or the grantee of the easement.

Section 4.8 Vegetation Buffer and Perimeter Fence. The Association shall have a twenty foot (20') perpetual nonexclusive easement over, under and across the rear of those Lots facing State Route A-1-A along the easterly boundary of the Property, as shown in the Plat, for ingress, egress, installation, repair, replacement, and maintenance of a Vegetation Buffer or perimeter fencing, or both, which shall screen the view of the Property from State Route A-1-A. The Association shall maintain the perimeter fencing and the landscaping and vegetation lying eastward of the perimeter fencing. Each Owner of Lots adjoining the vegetation buffer shall maintain the landscaping and vegetation within that portion of the Vegetation Buffer lying westward of the perimeter fencing in a clean and aesthetically attractive manner. If an Owner fails to maintain the landscaping and vegetation as provided herein, the Association, after ten (10) days written notice to the Lot Owner and approval by the majority of the Members of the Board of Directors, shall have the right to enter upon such Lot to replant, restore, replace and maintain any part of such Vegetation Buffer. All costs related to such restoration or maintenance shall become a Lot Assessment (as hereinafter defined), payable by the responsible Owner immediately upon receipt of a written invoice or statement therefore.

Section 4.9 Auburn University Foundation. Auburn University Foundation, an Alabama non-profit corporation, and its successors or assigns have or may claim to have certain rights of ingress and egress over and across the road right-of-ways. The ingress and egress affecting portions of Lot 34, as shown on the Plat of the Property, have been dedicated to Auburn University Foundation, its successors or assigns. Auburn University Foundation shall only have those rights as set out in the adoption and dedication of the Plat of the Property. Auburn University Foundation shall not be a member of the Association.

ARTICLE V
UTILITIES

Section 5.1 Water System. The central water supply system for the Property shall be provided by a licensed private or public water utility company (the "Water Utility"), as determined by the County. The water supply system provided by the Water Utility shall be used as the sole source of potable water for all water spigots and outlets located within or on all buildings and improvements located on each Lot. Each Owner shall pay water meter charges established or approved by the Water Utility and shall maintain and repair all portions of such water lines located within the boundaries of his Lot. No individual water supply system or well for consumptive purposes shall be permitted on any Lot.

Section 5.2 Sewage System. The Water Utility also provides service for the sewage system serving the Property, which shall be used as the sole sewage system for each Lot. Each Owner shall maintain and repair all portions of such sewer improvements and lines located within the boundaries of his Lot and shall pay when due the periodic charges or rates for the furnishing of such sewage collection and disposal service made by the Water Utility. No sewage shall be discharged onto the open ground or into any marsh, lake, pond, park, ravine, drainage ditch, canal or roadway.

Section 5.3 Utility Guaranteed Minimum Revenue. The Water Utility has been guaranteed certain minimum revenues due to the reservation of water and wastewater treatment plant capacity for the Property. Upon conveyance of a Lot, the Owner may be responsible to pay the Water Utility any and all amounts billed by the Water Utility pursuant to its Guaranteed Minimum Revenue Agreement. Guaranteed Minimum Revenue is in effect until each Lot has been developed with a Residence or for a period not to exceed seven (7) years from the date of the Minimum Revenue Agreement, whichever first occurs.

ARTICLE VI
COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 6.1 Annual Assessments. For each Lot within the Property, the Owner, by acceptance of a deed or other conveyance, agrees to pay Annual Assessments levied by the Association for the improvement, maintenance and operation of the Common Property, including, without limitation, the maintenance and operation of the Stormwater Management System, the management and administration of the Association, and the furnishing of services as set forth in this Declaration, at a level sufficient to meet the Association's obligations, including contingencies and reserves. At the beginning of each fiscal year of the Association, the Board of Directors shall set the amount of the annual assessment and the date or dates such Annual Assessments shall become due. The Association may provide for collection of Assessments to be payable annually or in monthly, quarterly or semi-annual installments; provided, however, that upon default in the payment of any one or more installments, the entire balance of such Annual Assessment may be accelerated, at the option of the Board of Directors, and be declared due and payable in full. Reconfigured Lots for so long as only one single family Residence is located thereon, shall be subject to a single Annual Assessment.

Section 6.2 Special Assessments. In addition to the Annual Assessments, the Association may levy in any fiscal year a Special Assessment applicable to that year and not more than the next four (4) succeeding years for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Property, including fixtures and personal property related thereto; provided, however, any such Special Assessment shall have the consent of Owners holding two-thirds of the votes, voting in person or by proxy at a regular meeting or special meeting called for that purpose at which a membership quorum is present.

Section 6.3 Emergency Assessments. The Association may also levy an Emergency Assessment at any time by a majority vote of the Board of Directors, for the purpose of defraying, in whole or in part, the cost of any extraordinary or emergency matters, as determined by the Board of Directors in its sole discretion, that affect all the Common Property or Members of the Association, including, after depletion of any applicable reserves, any unexpected expenditures not provided by the Budget or unanticipated increases in the amounts budgeted. Any such Emergency Assessment shall be due and payable at the time and in the manner specified by the Board of Directors.

Section 6.4 Lot Assessments. In addition to the other Assessments authorized above, the Board of Directors, by majority vote, may from time to time levy a Lot Assessment against a particular Lot and the Owner thereof for the purpose of defraying, in whole or in part, the cost of any repair, maintenance or restoration as provided in this Declaration; any construction, reconstruction, repair or replacement of a capital improvement upon or serving the specific Lot, (including any additional special services provided to such Lot) the cost of which is not included in the Annual Assessment; or to reimburse the Association for any damage to the Common Property or any costs it incurs as a result of the Owner's failure to comply with this Declaration, the ARB Policies and Procedures or the Beachside Rules and Regulations.

Section 6.5 Commencement of Annual Assessments.

(a) Date of Commencement. The Annual Assessments provided for herein shall commence with respect to each Lot and Owner on the date of conveyance of the Lot to the Owner. The initial Annual Assessment on any Lot subject to Assessment shall be collected at the time title to such Lot is conveyed to a new Owner. During the initial year of ownership, each Owner shall be responsible for the pro rata share of the Annual Assessments charged to each Lot prorated to the day of closing on a per diem basis. Any other Assessments shall be paid in full without proration.

(b) Capital Contribution. In addition, at the closing and transfer of title of each Lot to a new Owner, including each and every future conveyance from Owner to Owner, the new Owner shall make a non-refundable capital contribution to the Association in the sum of Three Hundred and 00/100 Dollars (\$300.00) per Lot. These contributions to the Association shall be used for the purpose of defraying the capital expenses of the Association, and to provide additional working capital for the Association. Such contribution shall not be considered as a prepayment of Annual Assessments, nor shall they be refundable to the Owner upon that Owner's subsequent resale or other conveyance of the Lot.

Section 6.6 Nonpayment of Assessments and Remedies

(a) Creation of Lien Each Assessment, together with any late fees, interest and costs of collection when delinquent (including reasonable attorney's fees) shall collectively constitute an "Assessment Charge". The Assessment Charge, when due, shall become a charge and continuing lien upon each Lot subject to this Declaration. The lien provided for in this Section shall be perfected by the filing of a notice of lien in the public records of the County, in favor of the Association.

(b) Owner's Acceptance. The Assessment Charge is also the personal obligation of the person or entity which is or was the Owner of such Lot at the time when the Assessment was levied and of each subsequent Owner thereof. Each Owner of a Lot, by acceptance of a deed or other transfer document therefore, whether or not it shall be so expressed in such deed or transfer document, is deemed to covenant and agree to pay to the Association the Assessment Charge established or described in this Article. Each Owner, by his acceptance of title to a Lot, hereby expressly vests in the Association the right and power to bring all actions against such Owner personally for the collection of such Assessment Charge as a debt and to enforce the aforesaid by all methods available for the enforcement of such liens, including foreclosures by an action brought in the name of the Association in a like manner as a mortgage lien on real property, and such Owner is deemed to have granted to the Association a power of sale in connection with such lien. No Owner may waive or otherwise escape liability for the Assessment Charge by abandonment of his Lot.

(c) Late Fees. Interest. Any Assessments not paid within ten (10) days after the due date shall be subject to a late fee as determine from time to time by the Board of Directors and may, upon resolution of the Board of Directors, bear interest at a percentage rate determined by such Directors, which rate shall not exceed the maximum rate allowed by law.

(d) Remedies. The Association may bring an action at law against the Owner or Owners personally obligated to pay such Assessment Charge, or foreclose the lien against the Lot upon which the Assessment Charge is made in the manner provided below. In any such foreclosure action, the Association, acting on behalf of the Owners, shall have the power to bid for an interest in any Lot at such foreclosure sale and to acquire and hold, lease, mortgage and convey the same. The Board of Directors, by majority vote, also shall have the right to assess fines and to suspend the voting rights and the right to use the Common Property by an Owner as follows:

- (i) The Association may suspend the voting rights of an Owner and suspend the Owner's right to use the Common Property for any period during which an Assessment against the Owner's Lot remains unpaid more than ninety (90) days past its due date;
- (ii) Notwithstanding anything in this sub-section 6.6 (d) to the contrary, the Association may not prevent or limit any Owner or his family members, tenants, guests and invitees from using the Common Roads for the purpose of ingress and egress to and from the Owner's Residence.

(e) Subordination of Lien to Mortgages. The lien of the Assessment Charge shall be inferior and subordinate to the lien of any Mortgagee, but only to the extent of the Mortgage balance outstanding as of the date the notice of an Assessment Charge is first recorded against the Lot, plus interest and reasonable costs of collection accruing thereafter. The sale or transfer of any Lot shall not affect the Assessment Charge; however, the sale or transfer of any Lot pursuant to foreclosure of a Mortgage or deed in lieu of foreclosure shall extinguish the lien of an Assessment Charge as to payments which became due prior to such foreclosure sale or transfer. No sale or transfer shall relieve the transferee of such Lot from liability for any Assessments thereafter becoming due or from the lien thereof, nor the Owner responsible for such payments from such Owner's personal liability as provided herein.

Section 6.7 Certificate of Payment. The Treasurer of the Association or the management company authorized by the Board of Directors, upon demand of any Owner liable for an Assessment, shall furnish to such Owner a certificate in writing setting forth whether such Assessment has been paid. Such certificate shall be conclusive evidence of payment of any Assessment therein stated to have been paid. A reasonable charge for the services involved in preparing such certificate may be assessed by the Association or management company as applicable.

Section 6.8 Budget.

(a) Fiscal Year. The fiscal year of the Association shall consist of the twelve (12) month period commencing on January 1 of each year.

(b) Preparation and Approval of Annual Budget. On or before December 1 of each year, the Board of Directors shall adopt a budget for the coming year containing an estimate of the total amount which it considers necessary to pay the cost of all expenses to be incurred by the Association, including, without limitation, the cost of wages, materials, insurance premiums, services, supplies and other expenses for the rendering to the Owners of all services required or permitted hereunder. Such budget shall also include such reasonable amounts as the Board of Directors considers necessary to provide working capital for the Association and to provide for a general operating reserve and reserves for contingencies and replacements. The Board of Directors shall send to each Owner a copy of the budget, in a reasonably itemized form which sets forth the amount of the Annual Assessments payable by each Owner, on or before December 15 preceding the fiscal year to which the budget applies. Such budget shall constitute the basis for determining each Owner's Annual Assessment as provided above. The Assessments shall be determined by dividing the amount of the Budget by the number of Lots subject to the Declaration.

(d) Reserves. The Association may, in its discretion, maintain reserves for (i) working capital, (ii) contingencies, (iii) replacements, and (iv) the performance of such other coordinating or discretionary functions not contrary to the terms of this Declaration which the Board of Directors may from time to time approve, which shall be collected as part of the Annual Assessment as provided above. The amount and manner of collection of reserves shall be as determined by the Board of Directors, in its sole discretion. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year shall be

charged first against such reserves. Except in the event of an emergency, reserves accumulated for one purpose may not be expended for any other purpose unless approved by the Members of the Association holding the majority of the votes. If the reserves are inadequate for any reason, including nonpayment of any Owner's Assessment, the Board of Directors may, at any time, levy a Special Assessment in accordance with the provisions of this article, which may be payable in a lump sum or in installments as the Board of Directors may determine. In the event there is a balance of reserves at the end of any fiscal year and the Board of Directors so determines, any excess reserves may be taken into account in establishing the next year's budget and may be applied to defray general expenses incurred thereunder.

(e) Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Board of Directors to prepare or adopt an annual budget or adjusted budget for any fiscal year shall not constitute a waiver or release in any manner of an Owner's obligation to pay his Annual Assessment, as herein provided whenever the same shall be determined. In the absence of any annual Association budget or adjusted budget, each Owner shall continue to pay the Annual Assessment at the rate established for the previous fiscal period in the manner such payment was previously due, until notified otherwise.

(f) Accounts. Except as otherwise provided herein, all sums collected by the Board of Directors with respect to Assessments against the Owners may be commingled in a single fund.

Section 6.9. Exempt Property. In the event the Common Property is taxed separately from the Lots, the Association shall include such taxes as part of the Annual Assessment. In the event the Common Property is taxed as a component of the value of the Lot owned by each Owner, it shall be the obligation of such Owner to promptly pay such taxes prior to their becoming a lien on the Property.

ARTICLE VII ARCHITECTURAL CONTROL

Section 7.1 Purpose. The Association through the ARB shall have the right to exercise architectural control over all improvements constructed, erected, or placed upon any part of the Property, to assist in making the Property a community of high standards and aesthetic beauty, and to promote and support the highest achievable property values for the Lots and the Beachside Community. Such architectural control may include all architectural aspects of any such improvement including, without limitation, size, height, site planning, setbacks, exterior design, materials, colors, open space, landscaping, waterscape, and other aesthetic criteria. The members of the ARB shall be appointed by the Board of Directors as designated in the Bylaws, or, if the Board of Directors fails to so appoint the ARB, then the Board of Directors shall constitute the ARB.

Section 7.2 Construction Subject to Architectural Control.

(a) ARB Approval. No construction, modification, alteration or improvement of any nature whatsoever shall be undertaken on any Lot, unless and until the ARB has approved in writing the written Plans and Specifications pertaining to such improvements; provided,

however, after completion of the Initial Improvements to a Lot, including completion of a Residence, interior alterations not affecting the external structure or appearance of any Residence shall be permitted without approval by the ARB.

(b) Improvements Subject to Approval. Construction, modifications and improvements subject to approval by the ARB specifically include, but are not limited to, painting or other alteration of the exterior appearance of a Residence (including doors, windows and roof); installation of antennae, satellite dishes or receivers, solar panels or other devices; construction of decks, fountains, swimming pools, whirlpools, or other pools; construction of privacy walls or other fences; addition of awnings, signs (whether located on the Lot or in windows of the Residence) gates, shelves, statues, or other outdoor ornamentation; patterned or brightly colored window coverings; any alteration of the landscaping or topography of the Property including, without limitation, any creation or alteration of lakes, ponds or similar features of the Property; and all other modifications, alterations or improvements visible from any road or from other Lots. All of the foregoing are jointly referred to herein as "Proposed Improvements".

Section 7.3 Procedures.

(a) Application. It shall be the responsibility of each Owner to supply two (2) sets of the documents described herein to the ARB. The ARB shall approve or disapprove the documents properly submitted to it in writing within thirty (30) days of such submission. Any requests shall be deemed approved if the ARB fails to issue a written approval or disapproval within thirty (30) days of their proper submission. The documents, materials and items to be submitted for approval shall include two (2) sets of the following: (i) the construction plans and specifications, if any, including all proposed landscaping; (ii) an elevation or rendering of all Proposed Improvements; (iii) samples of materials or paint colors to be used; and (iv) such additional items as the ARB may reasonably require. The application for review of the Plans and Specifications for the Initial Improvements shall be accompanied by a review fee payable to the Association in the set amount established by the board of Directors, as amended from time to time. The review fee for Initial Improvements may be adjusted from time to time, in the sole discretion of the Board of Directors. The review fee shall be nonrefundable in any event, whether or not the application submitted by an Owner is approved. With respect to all Plans and Specifications, other than for the Initial Improvements, a review fee may be established and charged on a case-by-case basis, in the sole discretion of the ARB and in a reasonable amount set by the ARB; provided, however, such review fees shall be subject at all times to review and adjustment by the Board of Directors. If a review fee is charged, it shall be nonrefundable in any event, whether or not the application submitted by an Owner is approved.

(b) Basis for Decision. Approval shall be granted or denied by the ARB based upon compliance with the provisions of this Declaration and any guidelines established pursuant thereto, including the ARB Policies and Procedures, and with due consideration for the quality of workmanship and materials, the harmony of external design with its surrounds, the effect of the construction on the appearance from surrounding Lots, and all other factors, guidelines and standards promulgated or adopted by the ARB from time to time, including purely aesthetic considerations which, in the sole opinion of the ARB, will affect the desirability or suitability of

the construction. In connection with its approval or disapproval of an application, the ARB shall evaluate each application for total effect. The evaluation relates to matters of judgment and taste which cannot be reduced to a simple list of measurable criteria. It is possible, therefore, that an application may meet individual criteria and still not receive approval, if in the sole judgment of the ARB, its overall aesthetic impact is unacceptable. The approval of an application shall not be construed as creating any obligation on the part of the ARB to approve applications involving similar designs for different Lots.

(c) Uniform Procedures. The ARB may establish uniform procedures for the review of applications, including the assessment of review fees as established from time to time, the requirement of a security deposit, the time and place of meetings, and the requirement of compliance bonds to ensure the full and timely compliance by applicants with the conditions imposed by the ARB. No submission for approval shall be considered by the ARB unless and until such submission, in compliance with the provisions of this Article, have been accepted and approved by the ARB.

(d) Notification. Approval or disapproval of applications to the ARB shall be given to the applicant in writing within thirty (30) days of receipt thereof by the ARB in accordance with the procedures adopted by the ARB. The ARB shall indicate its approval by notating such on the plans with the word "APPROVED", accompanied by the signature of the Chairman of the ARB and the date of approval. If the ARB disapproves the requested Proposed Improvement, it shall provide written notice of such disapproval to the Owner. Disapproval by the ARB may be appealed to the Board of Directors of the Association, and the determinations of the Board of Directors shall be dispositive. If the ARB does not act within the thirty (30) day period (unless an extension is agreed to) from receipt of the plans and specifications in the acceptable form, the plans and specifications for the Proposed Improvements shall be deemed to have been approved. No improvement of any Lot and no construction or improvement of any Residence within the Property shall be commenced except in accordance with such approved plans and specifications.

(e) Landscaping. A landscaping plan for each Lot must be submitted to and approved by the ARB together with the plans for the Initial Improvements. Sodding shall be provided per the approved landscape plan. No seeding or sprigging shall be permitted. All Landscaping shall be installed and maintained so as to not restrict the view of others. Subsequent to approval by the ARB of the landscaping plans submitted to hereto, the Owner shall be obligated to complete the landscaping of the Lot in accordance with such plans prior to occupancy of the Residence by the Owner or other occupant. In the event the landscaping is not completed as provided herein, the Association shall have the right to enter upon the Lot and complete the landscaping in accordance with the approved plans, in the same manner as exterior maintenance may be performed by the Association pursuant to Section 3.4 of this Declaration. The Association shall be entitled to a lien against the Lot in an amount equal to one hundred and twenty percent (120%) of the cost to complete the landscaping which shall be collected as provided in Section 6.4 hereof.

(f) Variance. The ARB may authorize variances from compliance with any of the architectural provisions of this Declaration when circumstances such as topography, natural obstructions, hardships or aesthetic or environmental consideration require doing so. Such a

variance, if granted, shall be evidenced by a document signed by at least a majority of the members of the ARB for a Proposed Improvement, including Initial Improvements. If such a variance is granted, no violation of the covenants, conditions and restrictions contained in this Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not, however, operate to waive any of the terms and provisions of this Declaration for any purpose except as to the particular Lot and the particular provisions of this Declaration covered by the variance, nor shall it affect in any way the Owners' obligation to comply with all governmental laws and regulations, including but not limited to, zoning ordinances and set back lines and similar requirements imposed by any governmental or municipal authority. Any variance given pursuant to this paragraph shall be given in recordable fashion and recorded in the public records of the County.

(g) Enforcement. The Board of Directors shall have the authority and standing on behalf of the Association to enforce, in courts of competent jurisdiction, the decisions of the ARB.

Section 7.4 Architectural Guidelines. The ARB shall consider the following provisions in connection with their review, together with any architectural guidelines issued by the from time to time. Specific references to the ARB in these provisions shall not be construed as a limitation on the general review power of the ARB as set forth in this Article.

(a) Building Type. No building shall be erected, altered, placed or permitted to remain on any Lot or Reconfigured Lot, other than one detached single family Residence which shall not exceed thirty five feet (35') in height as measured from the highest subgrade elevation, located within the air conditioned limits of the Residence, and each Residence shall have a private enclosed attached garage for not less than two (2) nor more than four (4) cars.

(b) Roofs. Flat roofs and protrusions through roofs for power ventilators or other apparatus shall not be permitted unless approved by the ARB. Roofing and shingle material shall be approved by ARB as to color and material. Any re-roofing or re-shingling of the Residence other than with the same materials and same color must be approved by the ARB.

(c) Garages. All garages must have either a single overhead door with a minimum door width of sixteen (16) feet for a two car garage, or two (2) sixteen-foot doors for a four car garage, or two (2), three (3) or four (4) individual doors, each a minimum of width of eight (8) feet with a two-foot separation between them. No carports will be permitted unless approved by the ARB. All garages shall be side entry or courtyard entry unless otherwise approved by the ARB.

(d) Driveway Construction. All Residences shall have a paved driveway of stable and permanent construction. All driveways must be constructed with materials approved by the ARB.

(e) Fences. The use of fences, walls and other forms of visual screens throughout the Property shall be subject to prior ARB approval, and shall be limited to those portions of the Lots closely surrounding the Residences, so as not to unnecessarily or unduly restrict the view of

others. The ARB, in its discretion, may specify acceptable sizes, materials and styles of fences and walls in order to promote the overall aesthetic appearance of the Property and to minimize the impact of any such structure on neighboring Lots; provided, however, the top of any such approved fence must be no higher than six (6) feet above the approved grade level and no fence may be constructed forward of the exterior front wall of the Residence.

(f) Ancillary Structures. Unless approved by the ARB as to use, location and architectural design, no garage, tool shed, guest quarters or storage buildings can be constructed separate and apart from the Residence nor can any such structures be constructed prior to construction of the main Residence. Any such permitted ancillary structures shall be subject to the same restrictions and approvals as are applicable to the Residence itself. For the purposes of this paragraph (f), an ancillary structure shall be considered separate and apart from the Residence unless it shares at least one common structural wall with the Residence.

(g) Minimum Residence Area. Each Residence constructed upon the Property must contain at least fifteen hundred (1,500) square feet of heated and air-conditioned living area under roof, excluding garage space.

(h) Lot Coverage. The total ground area to be occupied by a Residence to be constructed within the Property shall not exceed fifty percent (50%) of the ground area of the Lot or Reconfigured Lot upon which the Residence is located.

(i) Setbacks. No Residence shall be erected within twenty-five feet (25') of any front Lot line, within eight feet (8') of any side Lot line, within ten feet (10') of any rear-lot line or in the case of a corner Lot, the second front set back shall be no less than twenty feet (20'), or within any easement area shown on the plat of the Property or reserved in this Declaration. In no case shall the combined side Lot setbacks on any Lot be less than twenty (20) feet. Provided, such requirements may be waived by the ARB if approved by the Board of Directors. All setbacks shall be measured from the eaves or any portion of the structure thirty (30) inches above ground level to the applicable boundary. Except as may be reasonably required in a given instance by the ARB, the rear setback shall not apply to approved pools, pool decks, fences or walls.

(j) Antennae and Other Devices. Exterior radio and television antennae, satellite dishes, solar panels and similar common residential solar-power or wind-power devices may be erected and maintained on a Lot with the prior approval of the ARB. The ARB shall not unreasonably withhold such approval, but may consider and require changes regarding the size, shape, design and proposed location of the proposed device, with due consideration of the extent to which it will be visible from other Lots or from the Common Road.

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

(l) Lighting. No external lighting shall be installed without the prior approval of the ARB. No lighting will be permitted which alters the residential character of the Property. Any lighting of a pool, deck, gazebo or other outdoor recreation area must be designed so as to buffer

the surrounding Residences from the lighting. Tennis court lighting is specifically prohibited.

(m) Recreational Structures. All basketball backboards and tennis courts shall be located at the rear of the Residence or on the inside portion of corner Lots within the setback lines; provided however, basketball backboards shall be located so as to minimize noise to adjoining Residences. Additionally, no platform, doghouse, playhouse, or similar structure shall be constructed on any part of the Lot other than behind the rear construction line of the Residence, and within the side construction lines of the Residence, so as to minimize the view of those structures from other Lots and from the Common Roads; provided, however, the ARB may grant a variance from the foregoing restrictions with respect to the construction of a Recreational Structure on a Reconfigured Lot of adequate size and shape. Any portion of a Reconfigured Lot used for recreational purposes must be adequately screened on the front and sides by landscaping, fencing, or walls, as approved by the ARB, so that such uses shall not be visible from any Common Road. All Recreational Structures shall have the prior approval of the ARB.

(n) Swimming Pools. All swimming pools shall be subject to the requirements of the ARB, including but not limited to the following: (i) the composition of each component of the pool shall be of materials thoroughly tested and generally accepted within the industry for such use; (ii) the outside edge of any pool wall may not be closer than four feet (4') from any exterior wall of a Residence; (iii) all pool area screening must be architecturally consistent in design and material with the Residence; and (iv) no pool area screening may extend beyond a line extended and aligned with the side walls of the residence.

(o) Utility Connections. Building connections for all utilities, including, but not limited to, water, electricity, telephone and television shall be run underground from the connecting points to the Residence in such a manner to be acceptable to the governing utility authority.

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

(q) Mailboxes. No mailbox, paper box or other receptacle of any kind for any use in the delivery of mail, newspapers, magazines, packages, or similar materials shall be erected on any Lot without the approval of the ARB as to style and location.

(r) Energy Conservation. Solar energy and other energy conservation devices are not prohibited or discouraged, but the design and appearance of such devices are subject to ARB approval to assure consistency with the aesthetic standards of the Property.

(s) Interference with Roads or Easements. Without limiting or qualifying the other provisions of this Declaration, nothing shall be erected, constructed, planted, or otherwise placed in such a position so as to create a hazard or block the vision of motorists upon any Common Roads or any public roads within or adjacent to the Property. No modification, alteration, or improvement shall interfere with the easements or other rights set forth in this Declaration.

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

7.6 Reservation of Rights to Release Restrictions. In any instance where a structure has been erected, or construction thereof has substantially advanced, in such manner that some portion of the structure encroaches on any Lot line, setback line, or easement area, the Association shall have the right but not the obligation to release such Lot from the encroachment and to grant an exception to permit the encroachment; provided, however, the Association may not do so without the consent and joinder of any Owner of adjacent Lots which reasonably may be affected by the encroachment or by the release or exception, if granted. Upon granting of an exception to an Owner, the exception shall be binding upon all subsequent Owners of the affected Lots and shall be recorded in the public records of the County.

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

ARTICLE VIII USE OF PROPERTY

Section 8.1 Protective Covenants. In order to keep the Property a desirable place to live for all Owners, the following protective covenants are made a part of this Declaration. Without limiting any of the provisions or requirements of Article VII, the specific references to the ARB approval set forth in this article or elsewhere in this Declaration shall not be construed as a limitation of the requirements of this article.

(a) Lot Resubdivision. No Lot shall be further subdivided, replatted or separated into

smaller Lots by any Owner. Provided however, this restriction shall not prohibit corrective deeds or similar corrective instruments.

(b) Residential Use. Each Lot shall be used, improved and devoted exclusively to single family residential use. No time-share ownership of Lots is permitted. Nothing herein shall be deemed to prevent the Owner from leasing a Residence, subject to all of the provisions of this Declaration, the Articles, and Bylaws. No business or commercial use may be made of any Lot or any other part of the Property other than as follows: occupants of Residences shall be permitted to maintain a personal or business library, keep personal or business books or accounts, make and receive business telephone calls, send and receive business correspondence and personal deliveries, or conduct a permitted home-based business. For purposes of this Article, a permitted home-based business shall mean lawful business activities confined to the interior of a Residence, with no business signage permitted anywhere on the Property or visible from anywhere within the Property, and which does not involve regular or frequent visits by customers, clients, employees, agents, licensees or invitees. No such permitted home-based business shall degrade, damage or interfere with the residential character of the community or with the use and enjoyment of the Property or any other Residence.

(c) Leasing of a Residence. An Owner may lease his or her Residence to another Occupant for a lease term of not less than ninety (90) consecutive days. Any such lease shall be in writing and shall provide that the lease of the Residence is subject in all respects to the Declaration, Articles, Bylaws, Rules and Regulations of the Association, and any failure by the Tenant occupant to comply fully with the terms, requirements and limitations thereof shall constitute a default under the Lease. No Residence may be leased to more than one family unit, nor to more than two unrelated Tenant Occupants.

(d) Nuisances; Other Improper Use. No nuisance shall be permitted to exist on any Lot or Common Property so as to be detrimental to any other Lot in the vicinity thereof or to its occupants, or to the Common Property. Any activity on a Lot which interferes with television, cable or radio reception on another Lot shall be deemed a nuisance and a prohibited activity. No immoral, offensive, or unlawful use shall be made of the Property or any part thereof. If a dispute or question arises as to what may be or become a nuisance, the issue shall be determined by the Board of Directors.

(e) Insurance. Nothing shall be done or kept in any Residence, Lot or in the Common Property which will or reasonably may result in the cancellation of insurance or increase the premium rate of insurance for the Property or any other Lot, or the contents thereof, without the prior written consent of the Association.

(f) Access. Owners shall allow the Board of Directors or the agents and employees of the Association to enter upon any Lot for the purpose of providing exterior maintenance, inspection, repair or replacement of the improvements within the Lot which may be visible from the Common Property, or to determine compliance with this Declaration. Except in the case of bona fide emergencies requiring prompt action by the Association, the Association shall provide reasonable advance notice to the Owner prior to entering upon the Owner's Lot for such purposes.

(g) Pets. No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot, except that dogs, cats, birds or other common household pets in reasonable numbers may be kept provided they are not kept, bred or maintained for any commercial use and do not create safety, health or nuisance problems. Owners of pets shall comply with all applicable city, county and State laws regulating such pet ownership and care.

(h) Signs. No sign, advertisement or notice of any type or nature whatsoever including, without limitation, "For Sale" and "For Lease" signs shall be erected or displayed upon any Lot, Residence, Common Property or from any window, unless express prior written approval of the size, shape, content, appearance and location has been obtained from the ARB, which approval may be arbitrarily withheld; provided, however, without prior approval an Owner of a Residence being offered for sale or lease shall be permitted to display one "country club style" real estate sign, no larger than 8" by 10" and professionally constructed and painted, and mounted on a painted wood or metal post located on the Lot abutting the curb in front of the Residence.

(i) Parking. All vehicles owned by Occupants shall be parked and stored within the garages or in the driveway as close as reasonably practicable to the garage entrance. No boats, trailers or recreational vehicles may be stored or parked within the Property unless surrounded from view. Only automobiles bearing current license and registration tags, as required pursuant to state law, and in good repair and working condition, shall be permitted to be parked on any of the Property except wholly within a garage. Guests of Owners are allowed to park their automobiles, boats, trailers or RV vehicles in the Owner's driveway or on the street in front of the Owner's Lot, but for no longer than 72 hours without the approval of at least one member of the Board of Directors; provided further that no such vehicle may be parked in any Common Road under circumstances or in a manner so as to create a safety hazard or to block or interfere with vehicular traffic along the Common Road. All parking within the Property shall be in accordance with rules and regulations adopted by the Association.

(j) Visibility at Street Intersections. No obstruction to visibility at street intersections shall be permitted. The ARB shall have the right to adopt additional restrictions, concerning the height and type of trees and shrubs within any of the Lots.

(k) Clotheslines. No clotheslines or other clothes-drying facility shall be permitted on any Lot or other portions of the Property which would be visible from any other Lot or from Common Roads or other portions of the Property.

(l) Garbage and Trash Containers. All garbage, trash and recycle containers must be kept in the garage or within an approved exterior walled or fenced area adjoining the Residence and out of view from any Common Roadway; provided, however, that such containers may be placed on the curbside in front of the Residence on the scheduled days of garbage and trash collection or after dark on the evening prior, and must be removed as soon as practicable thereafter. Such containers shall be kept and maintained in accordance with rules and regulations adopted by the Board of Directors. No garbage or trash shall be placed elsewhere and no portion of the Property shall be used for dumping refuse.

(m) Window Air Conditioners. No window air conditioning unit shall be installed in any of the Residences without the prior approval of the ARB, which approval may be arbitrarily withheld other than in cases of medical necessity.

(n) Temporary Structures. No structure of a temporary character, including, without limitation, any trailer, tent, shack, barn, shed, or other outbuilding, shall be permitted on any Lot at any time, except normal and customary temporary structures maintained for the purpose of construction of Residences.

(o) Hazardous Materials. No hazardous or toxic materials or pollutants shall be maintained, stored, discharged, released, or disposed of in or under the Property except in strict compliance with applicable statutes, rules and regulations. Fuel or gas storage tanks or other flammable, combustible, or explosive fluids, materials, or substances for ordinary household use may be stored or used in the Property only in strict compliance with manufacturers' directions and applicable safety laws and codes, and shall be stored in containers specifically designed for such purposes and located out of view from common Roadways and reasonably shielded from view from adjoining Lots.

(p) Removal of Trees. In order to preserve the environment and migratory bird populations, no trees which remain on a Lot at the time of completion of the Initial Construction thereon shall be felled, removed, or cut down unless such tree represents a hazard to the Residence or other improvements on the Lot, or to persons occupying a Residence or their guests, without the prior consent and approval of the ARB and obtaining all governmental permits and approvals as may be required by governmental agencies and authorities having jurisdiction over the Property. Any requested approval which is neither approved nor denied within thirty (30) days of written request to the ARB shall be deemed approved.

(q) Garages. Garage doors normally shall be kept closed except when in use. No garage shall at any time be used as a Residence or converted to become part of a Residence, except if another attached garage is constructed in compliance with the provisions hereof.

(r) Soliciting. No soliciting will be allowed at any time within the Property; provided, however, the Board may approve special requests for lawful solicitation and sponsorship programs related to and sponsored by any primary or secondary school, charity or similar organization. Such special approvals, if any, shall be in the total discretion of the Board.

Section 8.2 Amendments and Modifications. The Board of Directors may from time to time adopt and amend rules and regulations governing the details of the operation, use, maintenance and control of the Residences, Lots, Common Property, and any facilities or services made available to the Owners; provided, however, such rules and regulations shall not expand or diminish the rights or limitations of the Association, the Board of Directors, or any Lot Owner which are set forth in this Declaration. A copy of the rules and regulations adopted from time to time as herein provided shall be available to each Owner.

Section 8.3 Compliance.

(a) Owner's Responsibility. It shall be the responsibility of all Owners, family members of Owners, and their authorized guests, tenants, workers, contractors and other visitors to conform with and abide by the rules and regulations which may be adopted in writing from time to time by the Board of Directors or the ARB in regard to the use of the Residences, Lots and Common Property.

(b) Violation. Upon violation of any of the rules or regulations adopted as herein provided, or upon violations of any of the provisions of this Declaration by an Owner or his family, tenants, contractors, workers or guests, the Association may levy fines as determined by the Board of Directors in accordance with the procedure set forth in this Declaration. To enforce the rules and regulations and the provisions of this Declaration, the Association or any Owner may bring an action for specific performance, declaratory decree or injunction, and for actual damages sustained by reason thereof. In any such legal proceeding the prevailing party may recover its costs incurred in connection with such proceedings, including that party's reasonable attorneys fees.

Section 8.4 Personal Services. Employees, agents and contractors of the Association shall not be required or, during the hours of their employment on behalf of the Association, permitted to attend to any personal matters or business of Owners. Nor shall such persons be permitted, during the hours of their employment on behalf of the Association, to leave the Property on any private business of Owners. In the event personal services are provided to Owners by any of the employees, agents or contractors of the Association before or after the hours of their employment on behalf of the Association, the Association will not assume any responsibility nor shall it warrant or be liable in any other manner for the quality of such personal services or work provided. In addition, the Association shall not be liable for any injury to persons or damage to property resulting from any act or omission by those persons performing such personal work or services for Owners, and each Owner agrees to release, indemnify and hold the Association harmless from any and all such claims by the Owner, his family, guests, invitees, or other persons who suffer such losses as a result of such acts or omissions by such employees, agents or contractors who are engaged by the Owner to render such personal services.

ARTICLE IX INSURANCE

Section 9.1 Types of Coverage.

(a) Insurance of Common Property. The Board of Directors shall maintain liability insurance with respect to the ownership and use of the Common Areas, including the Common Roads, in such amounts and subject to such terms and conditions as the Board shall reasonably determine from time to time to be prudent and consistent with normal practice for other associations of similar size and risk. In addition, the Board of Directors shall maintain casualty and risk insurance in such coverage amounts and on such terms as are prudent and adequate, in its judgment, to cover and protect the Association from common perils, including accidental damage, fire, flood, windstorm, vandalism, malicious mischief, and other common perils. The

Board of Directors shall review such policy terms, limits and cost once each year.

(b) Insurance on Lots. It shall be the responsibility of each Owner to obtain, at his own expense, liability insurance with respect to the ownership and use of his Lot, including his Residence, and the Association shall not be responsible for obtaining such insurance or have any liability whatsoever in connection therewith. It shall be the responsibility of each Owner to obtain and maintain fire insurance and insurance against the perils customarily covered by an extended coverage endorsement in an amount equal to not less than the full replacement cost of the Residence.

(c) Director and Officer Liability Insurance. The Board of Directors may obtain, as a matter of common expense payable from the Annual Assessments, liability insurance against personal loss for actions taken or omissions made by members of the Board of Directors and officers of the Association in the performance of their duties. Such insurance shall be of customary type and coverage amounts as determined by the Board of Directors, in its discretion.

(d) Other Coverage. The Board of Directors shall obtain and maintain worker's compensation insurance, if and to the extent necessary to meet the requirements of law, and such other insurance as the Board of Directors may determine or as may be requested from time to time by a majority of the Owners. The Board of Directors may from time to time increase or decrease the types and amounts of insurance coverage as may be necessary or convenient to comply with the requirements of Mortgagees or based upon the cost and availability of such coverage.

Section 9 2 Repair and Reconstruction After Fire or Other Casualty

(a) Common Property. In of damage to or destruction of all or any of the improvements on the Common Property as a result of fire or other casualty, the Board of Directors shall arrange for and supervise the prompt repair and restoration of such property substantially in accordance with the plans and specifications under which the improvements were originally constructed, or any modification thereof approved by the Board of Directors and the ARB. The Board of Directors shall proceed towards reconstruction of such improvements as quickly as practicable under the circumstances and shall obtain funds for such reconstruction from the insurance proceeds and any Special Assessments that may be necessary after exhaustion of reserves for the repair and replacement of such improvements.

(b) Residences. Any Owner whose Residence is destroyed or damaged by fire or other casualty shall:

(1) Immediately remove all debris and shall take such other measures as necessary to protect against the creation or continuance of any condition which poses a safety hazard to others; and

(2) As soon as reasonably practicable, but in no event later than sixty (60) days after settlement of the Owner's property insurance claim relative to such loss, proceed to build and restore his Residence to the conditions existing immediately prior to such damage or destruction, unless other plans are approved in accordance with the provisions of Article VIII

above: provided, however, if the damage is so extensive that the Owner determines not to rebuild the Residence, the Owner shall, within such time remove all remaining improvements and debris and sod the Lot. In such event, all landscaping obligations on the part of Owner shall remain in effect.

ARTICLE X ASSOCIATION LIABILITY

Section 10.1 Disclaimer of Liability. Notwithstanding anything contained herein, in the Articles, Bylaws, or in any other document governing or binding the Association (jointly referred to herein as "Association Documents"), the provisions hereof shall not be construed to mean that the Association shall in any manner be liable or responsible for, or to guarantee or insure, the health, safety, welfare or property of any Owner, occupant or other user of any portion of the Property, including, without limitation, Owners, residents, their families, guests, invitees, agents, servants, contractors or subcontractors.

Section 10.2 Specific Provisions. Without limiting the generality of the foregoing:

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

(b) The Association is not empowered nor has it been created to act as an entity which enforces or insures compliance with the laws of the United States of America, State of Florida, St. Johns County, or any other jurisdiction, nor which prevents tortious or criminal activities.

(c) The provision of the Association Documents setting forth the use of Assessments relating to health, safety, welfare and property shall be attributed and implied only as limitations on the usage of such funds and not as creating an obligation of the Association to protect the health, safety welfare or property of any persons.

Section 10.3 Owner Covenant. Each Owner, his heirs, successors and assigns (by virtue of his acceptance of title of his Lot) and each other person or entity having an interest in or a lien upon or making use of a Lot or any portion of the Property (by virtue of accepting such interest or lien or making use thereof) shall be bound by this Article and shall be deemed to automatically waive all rights, claims, demands, and causes of action against the Association arising from or connected with any matter for which the liability of the Association has been described in this Article.

ARTICLE XI PROPERTY SUBJECT TO DECLARATION AND ANNEXATION

Section 11.1 Existing Property. The Property which initially is and shall be held, transferred, sold, conveyed, encumbered, and occupied subject to this Declaration consists of that land

described in the Recitals above.

ARTICLE XII
GENERAL PROVISIONS

Section 12.1 Duration. This Declaration, as amended and supplemented from time to time shall run with and bind the Property and shall inure to the benefit of and be binding upon the Association, the Owners, and their respective legal representatives, heirs, successors or assigns, for a term of forty (40) 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. Provided, the Owners of seventy-five percent (75%) or more of the Lots subject to this Declaration may agree by written instrument duly recorded in lawful manner, to terminate all of said provisions as of a specified date. Unless this Declaration is terminated as provided above, the Association shall rerecord this Declaration or other legal notice of its terms at intervals necessary under Florida law to preserve its effect.

Section 12.2 Condemnation. In the event all or part of the Common Property or the Common Roads shall be taken or condemned by any authority having the power of eminent domain, all compensation and damages shall be paid to the Association. The Board of Directors shall have the right to act on behalf of the Association with respect to the negotiation and litigation of the taking or condemnation affecting such Property. The Owners holding seventy-five percent (75%) or more of the votes of the Association may agree to distribute to the Owners the proceeds of any condemnation or taking by eminent domain; if the Owners shall not so agree, such proceeds shall be added to the funds of the Association.

Section 12.3 Notices. Any notice required to be sent to the Owner of any Lot under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postage prepaid, or hand delivered to the Residence, if any, and to the last known address of the person who appears as Owner of such Lot on the records of the Association at the time of such mailing.

Section 12.4 Enforcement. In addition to the enforcement provisions previously set forth in this Declaration, the provisions of this Declaration may be enforced by any Owner or by the Association against any person, firm, corporation, trust, or other entity which violates or attempts to violate any of the covenants or restrictions hereof, by instituting and prosecuting any proper proceeding at law or in equity for one or more of the following forms of relief: the recovery of damages; preventing or enjoining all or any such violations or attempted violations; or enforcement of any lien created by this Declaration. In addition to all other remedies, the Board of Directors shall have the authority, in its sole discretion, to impose a fine or fines upon any Owner for failure of the Owner, his family, guests, invitees, tenants, workers, contractors, or occupants, to comply with any covenant, restriction, rule, or regulation contained in this Declaration, the Articles, or the Bylaws; provided, however, in levying such fines the following procedures must be adhered to:

(a) The Association shall provide at least fourteen (14) days prior written notice to the Owner or occupant of the infraction(s) and an opportunity to be heard before a committee of

at least three Members (the "Grievance Committee") appointed by the Board for that purpose. The Members appointed to the Grievance Committee shall not be officers, directors or employees of the Association, or the spouse, parent, child brother, sister of an officer, director or employee. If the Grievance Committee, by majority vote, does not approve a proposed fine or suspension, such fine may not be imposed by the Board.

(b) At such meeting, the Grievance Committee shall be presented with the infraction(s) and shall give the Owner or occupant the opportunity to present reasons why penalties should not be imposed. A written decision of the Grievance Committee shall be provided to the Owner or occupant and to the Board of Directors within ten (10) days after the date of the meeting.

(c) Upon approval of a proposed fine by the Grievance Committee, The Board of Directors may impose fines against the applicable Lot of up to One Hundred Dollars (\$100.00) per violation. The maximum permitted fine may be increased from time to time by the Board of Directors, but in no event shall such individual fines, nor the aggregate of such fines against the same Owner, exceed the limits imposed by The Act.

(d) Each incident which is grounds for a fine shall be the basis for a separate fine. In case of continuing violations, a fine may be levied on the basis of each day of such continuing violation, with a single notice and opportunity for hearing; provided, however, the maximum aggregate fine for such continuing violation shall be One Thousand Dollars (\$1,000) and in no event shall such aggregate fines against the same Owner exceed the limits imposed by The Act.

(e) Fines shall be paid within thirty (30) days after the receipt of notice of their imposition by the Board following approval by the Grievance Committee.

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

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

(h) The requirements of this subsection do not apply to the imposition of suspensions or fines upon any Member because of the failure of the Member to pay assessments, or other charges by the Association or ARB when due.

(g) The remedies contained in this section shall be construed as cumulative of all other remedies now or hereafter provided by law. The failure the Association or any Owner, or their respective successors or assigns, to enforce any covenant, restriction, obligation, right, power, privilege, authority, or reservation herein contained, however long continued, shall not be deemed a waiver of the right to enforce the same thereafter as to the same breach or violation, or as to any other breach or violation occurring prior or subsequent thereto. The St. Johns River

Water Management District shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in this Declaration which relate to the maintenance, operation, and repair of the Stormwater Management System.

Section 12.5 Interpretation. Unless the context expressly requires otherwise, the use of the singular includes the plural and vice versa; the use of all genders; the use of the terms "including" or "include" is without limitation; and the use of the terms "will", "must", and "should" shall have the same effect as the use of the term "shall". Wherever any time period is expressed in days, if such time period ends on a Saturday, Sunday, or legal holiday, it shall be extended to the next succeeding calendar day that is not a Saturday, Sunday, or legal holiday. The terms "Lot" and "Property" mean all or any portion applicable to the context, and include all improvements, fixtures, trees, vegetation, and other property from time to time situated thereon, and the benefit of all appurtenant easements. The terms of this Declaration shall be liberally construed in favor of the party seeking to enforce its provisions to effectuate their purpose of protecting and enhancing the value, marketability, and desirability of the Property by providing a uniform and consistent plan for the development and enjoyment thereof. Headings and other textual divisions are for convenience only and are not to be used to interpret, construe, apply, or enforce any substantive provisions. The provisions of this subparagraph apply also to the interpretation, construction, application, and enforcement of all the Association Documents.

Section 12.6 Invalidity. The invalidity of any part of this Declaration shall not impair or affect in any manner the validity, enforceability or effect of the balance of the Declaration, which shall remain in full force and effect.

Section 12.7 Litigation. No judicial or administrative proceedings shall be commenced or prosecuted by the Association unless the same is approved by a vote of the Owners holding sixty percent (60%) or more of the votes of the Association, either in person or by proxy at a duly called meeting, or by written consent without meeting in a manner permitted by law by Owners holding sixty percent (60%) or more of votes of the Association. This section shall not apply, however, to (a) actions brought by the Association to enforce the provisions of this Declaration (including, without limitation, foreclosure of liens), (b) imposition of Assessments as provided herein, (c) proceedings involving challenges to any taxation, or (d) counterclaims brought by the Association in proceedings instituted against it. This Section may be amended by vote of sixty percent (60%) or more of the votes of the Association.

Section 12.8 Amendment. This Declaration may be amended at any time by an instrument signed by the President and Secretary of the Association, certifying that such amendment has been adopted by Owners holding seventy-five percent (75%) of the votes in the Association, either in person or by proxy at a duly called meeting, or by written consent without meeting in a manner permitted by law by Owners holding seventy-five percent (75%) of the votes in the Association, which amendment shall become effective upon its filing in the public records of the County. Provided, any amendment to this Declaration which alters the Stormwater Management System, beyond maintenance in its original condition, including the water management portions of the Common Property, must have prior approval of the St. Johns River Water Management District.

Section 12.9 Rights of Mortgagees. All Mortgagees shall have the following rights:

(a) During normal business hours, and upon reasonable notice and in a reasonable manner, to inspect current copies of the Association Documents and the books, records and financial statements of the Association.

(b) Upon written request to the Secretary of the Association, to receive copies of the annual financial statements for the immediately preceding fiscal year of the Association, provided, however, the Association may make a reasonable, uniform charge to defray its costs incurred in providing such copies.

(c) To designate a representative to attend all meetings of the Members of the Association who shall be entitled to a reasonable opportunity to be heard in connection with any business brought before such meeting, but in no event shall be entitled to vote thereon.

(d) By written notice to the Secretary of the Association, and upon payment to the Association of any reasonable, uniform annual fee established from time to time by the Association to defray its costs, to receive: (i) any notice that is required to be given to the Members under any provision of the Association Documents; (ii) written notice of any condemnation or casualty loss affecting a material portion of the Property or any Lot encumbered by its Mortgage; (iii) any delinquency in the payment of Assessment Charges imposed upon any Lot encumbered by its Mortgage; (iv) the lapse, cancellation, or material modification of any insurance coverage or fidelity bond maintained by the Association; and (v) any proposed action requiring the consent of a specified percentage of Mortgagees.

Section 12.10 Legal Fees and Costs. The prevailing party in any dispute arising out of the subject matter of this Declaration or its subsequent performance or enforcement shall be entitled to reimbursement of its costs and reasonable attorney's fees, whether incurred with or without commencement of a lawsuit, before or at trial, on appeal, in bankruptcy, in post-judgment collection, or in any dispute resolution proceeding.

Section 12.11 Action Without Meeting. Any action required to be taken hereunder by vote or assent of the Members may be taken in the absence of a meeting by obtaining the written approval of the requisite percentage of all of the votes in the Association. Any action so approved shall have the same effect as though taken at a meeting of the Members, and such approval shall be duly filed in the minute book of the Association.

Section 12.12 Law to Govern. This Declaration shall be construed in accordance with the laws of the State of Florida, both substantive and remedial.

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IN WITNESS WHEREOF, upon the affirmative vote of at least seventy-five percent (75%) of the Members of the Association approving this Amended and Restated Declaration, which we do hereby certify, the undersigned have caused this Amended and Restated Declaration to be executed as of the day and year first above written.

Signed, sealed and delivered in our presence as witnesses to each of the following two signatures:

Beachside Homeowners Association, Inc.

Carol J. Young
Print name: Carol J. Young

By: *Ed Du Pont*
Its: President

James F. Valenti, Jr.
Print name: James F. Valenti, Jr.

By: *James P. Valenti*
Its: Secretary

STATE OF FLORIDA
COUNTY OF ST. JOHNS

The foregoing instrument was acknowledged before me this 26th day of March, 2002, by *Ed Du Pont*, the President, and *James Valenti*, the Secretary, of Beachside Homeowners Association, Inc., a Florida corporation, on behalf of the corporation. Each of whom is personally known to me or produced the following identification: *James Valenti*

As to _____ (President): _____;

As to *James P. Valenti* (Secretary): _____.

M Jane Sapere
Notary Public

Print Name:

My Commission Number:

My Commission Expires:



M Jane Sapere

My Commission CC787110

Expires August 13, 2002