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**DECLARATION OF COVENANTS AND RESTRICTIONS
FOR
GRAND CAY**

THIS DOCUMENT PREPARED BY:

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FOR
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DECLARATION
OF
COVENANTS, RESTRICTIONS, AND EASEMENTS
FOR
GRAND CAY

THIS DECLARATION is made this 27th day of January, 2006, by KB Home Jacksonville, LLC, a limited liability company (the "Developer"), which declares that the real property described on Exhibit A attached hereto and made a part hereof (the "Property"), which is owned by the Developer, shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges, liens and all other matters set forth in this Declaration which shall be deemed to be covenants running with the title to the Property and shall be binding upon the Developer and all parties having or acquiring any right, title or interest in the Property or any part thereof.

ARTICLE I
MUTUALITY OF BENEFIT AND OBLIGATION

Section 1.1 **Mutuality**. The covenants, restrictions, and agreements set forth in this Declaration are made for the mutual and reciprocal benefit of every parcel within the Property, and are intended to create mutual equitable servitudes upon each such parcel in favor of the other parcels, to create reciprocal rights among the respective Owners, and to create privity of contract and an estate between the grantees of each and every parcel within the Property, their heirs, successors and assigns.

Section 1.2 **Benefits and Burdens**. Every person who is an Owner does by reason of taking title to land located within the Property agree to all the terms and provisions of this Declaration and shall be entitled to its benefits and subject to its burdens.

ARTICLE II
DEFINITIONS

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

Section 2.1 **Association**. Grand Cay of St. Augustine Association, Inc., a Florida corporation not-for-profit. This is the Declaration to which the Articles of Incorporation (the "Articles") and Bylaws (the "Bylaws") of the Association make reference. Copies of the Articles and Bylaws are attached as Exhibits B and C, respectively.

Section 2.2 **Board**. The Board of Directors of the Association.

Section 2.3 **Common Area**. All real property (including easements, licenses and rights to use real property) and personal property located within or adjacent to the Property, if any, which is owned by the Developer, or by the Association, and which the Developer has designated for the common use of the Owners by reference thereto in this Section 2.3, or by recording a Supplementary Declaration, pursuant to the terms of Section 5.3 hereof. The Common Area initially designated by

the Developer shall consist of the real property (and interests therein) more particularly described on Exhibit D attached hereto and made a part hereof together with all improvements constructed therein by Developer, but not owned or maintained by a public or private utility company.

Section 2.4 **Developer.** KB Home Jacksonville, LLC and its successors and such of its assigns as to which the rights of the Developer hereunder are specifically assigned. Developer may assign all or only a portion of such rights in connection with portions of the Property. In the event of such a partial assignment, the assignee may exercise such rights of the Developer as are specifically assigned to it. Any such assignment may be made on a non-exclusive basis.

Section 2.5 **Limited Common Area.** The Limited Common Area of a Lot shall consist of the portion of the Property between the front Lot line and the nearest edge of the paved road surface (as it may exist from time to time) and between the rear Lot line and the nearest shore line of any waterbody contiguous to or within twenty (20) feet of the Lot, within the area bounded by the extension of the side Lot lines, together with any portion of the Property contiguous to a Lot which, as a result of the natural configuration of the Property, is primarily of benefit to such Lot. Any question concerning the boundary of a limited common area shall be determined by the Board of Directors of the Association.

Section 2.6 **Lot.** Any platted Lot or any other parcel of real property located within the Property, on which one or more residential dwellings have been or could be constructed.

Section 2.7 **Owner.** The record owner or owners of any Lot.

Section 2.8 **Property or Subdivision.** The real property described on the attached Exhibit A and such additions and deletions thereto as may be made in accordance with the provisions of Sections 3.2 and 3.3 of this Declaration.

ARTICLE III **PROPERTY SUBJECT TO THIS DECLARATION:** **ADDITIONS AND DELETIONS**

Section 3.1 **No Implied Extension of Covenants.** Each Owner and each tenant of any improvements constructed on any Lot, by becoming an Owner or tenant, shall be deemed to have agreed that (a) the Property described on Exhibit A and such additional property as may be annexed pursuant to Section 3.2 hereof shall be the only Property subject to this Declaration, (b) that nothing contained in this Declaration or in any recorded or unrecorded plat, map, picture, drawing, brochure or other representation of a scheme of development, shall be construed as subjecting, or requiring the Developer to subject any other property now or hereafter owned by the Developer to this Declaration, and (c) that the only manner in which additional land may be subjected to this Declaration is by the procedure set forth in Section 3.2 hereof.

Section 3.2 **Additional Lands.** Developer may, but shall not be obligated to, subject additional land to this Declaration (or to the assessment provisions of this Declaration) from time to time provided only that (a) any additional land subjected to this Declaration (or its assessment provisions) shall be contiguous to the Property then subject to this Declaration (for purposes of this

Section 3.2, property separated only by public or private roads, water bodies, golf courses, or open space shall be deemed contiguous), and (b) the Owners of property within additional lands made subject to this Declaration (or its assessment provisions) shall be and become subject to this Declaration (or its assessment provisions), and shall be responsible for their pro rata share of common expenses for which assessments may be levied pursuant to the terms of Article VII of the Declaration. Addition of lands to this Declaration shall be made and evidenced by filing in the public records of St. Johns County, Florida, a Supplementary Declaration executed by the Developer with respect to the lands to be added. Developer reserves the right to supplement this Declaration to add land to the scheme of this Declaration (or its assessment provisions) pursuant to the foregoing provisions without the consent or joinder of any Owner or mortgagee of land within the Property.

Section 3.3 **Withdrawal of Lands.** With the consent and joinder of Owners holding a majority of the votes in the Association, the Developer may, but shall have no obligation to, withdraw at any time, or from time to time, portions of the Property from the terms and effect of this Declaration. Upon the Developer's request, the consent and joinder of each and every Owner to such withdrawal shall not be unreasonably withheld. The withdrawal of lands as aforesaid shall be made and evidenced by filing in the public records of St. Johns County, Florida, a Supplementary Declaration executed by the Developer with respect to the lands to be withdrawn.

ARTICLE IV THE ASSOCIATION

Section 4.1 **Membership.** Each Owner, including the Developer (at all times so long as it owns any part of the Property), shall be a member of the Association, provided that any such person or entity who holds such interest only as security for the performance of an obligation shall not be a member. Membership shall be appurtenant to, and may not be separated from, ownership of any Lot.

Section 4.2 **Classes and Voting.** The Association shall have two classes of membership:

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

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

(i) When the total votes outstanding in the Class A Membership equals the total votes outstanding in the Class B Membership;

(ii) Three (3) months after ninety percent (90%) of the Lots have been conveyed to members of the Association other than the Developer; or

(iii) December 31, 2012; or

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

ARTICLE V COMMON AREA RIGHTS

Section 5.1 **Conveyance of Common Area.** Developer agrees that all of the Common Area owned by Developer shall be conveyed or assigned to the Association, subject to covenants, easements, restrictions and other matters of record, before the date which is ninety (90) days following the conveyance of the last Lot owned by the Developer to any party. Upon the recordation of any deed or deeds conveying Common Area to the Association, the Association shall be conclusively deemed to have accepted the conveyance evidenced by such deed or deeds.

Section 5.2 **Owners' Easement of Enjoyment.** Each Owner shall have a right and easement of enjoyment in and to the Common Area for its intended purpose, which shall be appurtenant to, and shall pass with, the title to the land of such Owner, subject to the following:

(a) The right of the owner of the Common Area, with the consent of the Developer (if different from such owner) to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility; provided however, the Common Area may not be mortgaged or conveyed free and clear of the provisions of this Declaration without the approval of Members holding two-thirds (2/3) of the total votes that are allocated to the Association's members;

(b) All provisions of this Declaration, any plat of all or any parts of the Property, governmental restrictions, including the provisions of the PUD;

(c) Reasonable rules and regulations governing use and enjoyment of the Common Area adopted by the Developer or the Association;

(d) The rights of the Developer under Section 5.3 to add to or withdraw land from the Common Area;

(e) Easements, restrictions, agreements and other matters of record.

The foregoing easement of enjoyment in favor of the Owners shall not be construed to create or imply any other easements or rights not expressly created by this Declaration, it being the intent hereof to limit the Owners' rights of use of specific portions of the Common Area to only the intended purposes of such portions of the Common Area. For example, the creation of each Owner's right to drain such Owner's Lot into the portions of the Common Area included within the Surface Water or Stormwater Management System, does not create any right of access by any Owner to such portions of the Common Area over any other Owner's Lot or other privately owned portions of the Subdivision.

Section 5.3 **Right of the Developer to Designate Property as Common Area or to Withdraw Property from the Common Area.** Notwithstanding anything to the contrary contained in this Declaration, the Developer shall have the right, in its sole discretion, to designate land, easements, use rights and personal property owned by the Developer as Common Area, provided only that such land shall be located within the Property or contiguous to the Property (for purposes of this Section 5.3, property separated only by public or private roads, water bodies, golf courses, or open space shall be deemed contiguous). For so long as the Developer shall own any Lot, the Developer may, at any time, withdraw, or cause to be withdrawn, land from the Common Area in the Developer's sole discretion. The prior sentence notwithstanding, in the event such withdrawal of Common Area shall materially and adversely affect any Lot, or materially and adversely affect access, visibility, or drainage to or from any Lot, the Developer shall not have the right to withdraw such Common Area without the consent and joinder of the Owner of the Lot which is so affected. Addition of land to and withdrawal of land from the Common Area shall be evidenced by recording a Supplementary Declaration in the public records of St. Johns County, Florida, which shall specifically reference such addition or withdrawal. Withdrawal of land from the Common Area by the Developer shall terminate any and all easements and rights of use of the Owners in such land. No land owned by the Developer shall be deemed to be Common Area unless such land is expressly referenced as such under Section 2.3 hereof, or subsequently designated as such by the Developer pursuant to Section 2.3 hereof and this Section 5.3, even if the Developer consents or acquiesces to the use of such land by the Owners. In the event any land, easements, use rights, or personal property owned by the Association shall be withdrawn from the Common Area pursuant to this Section 5.3, upon the Developer's written request, the Association shall promptly execute and deliver to the Developer any and all deeds, bills of sale, assignments or other conveyance documents as may be necessary or appropriate to effectuate the withdrawal of such Common Area.

Section 5.4 **Maintenance of Common Area and Compliance with Applicable Permits.** The Association shall at all times maintain in good repair and manage, operate and insure, and shall replace as often as necessary, the Common Area and any improvements and landscaping (except utilities owned and maintained by public or private utility companies providing water, sewer, electrical, fire protection, cable television, telephone, or similar utilities to the Property, or any portion thereof) situated on the Common Area, if any. All maintenance obligations of the Association shall be performed as ordered by the Board of Directors of the Association, and all or any portion of the cost of such maintenance incurred by the Association pursuant to this Section 5.4, shall be a common expense of the Association to be collected and paid in the manner prescribed by this Declaration.

Section 5.5 **Easement for Maintenance Purposes.** The Developer hereby grants to the Association and its successors, assigns, agents, and contractors, a perpetual easement in, on, over and upon those portions of the Property as may be reasonably necessary for the purpose of maintaining the Common Area, including the Surface Water or Storm Water Management System, or other portions of Property to be maintained by Association, in accordance with the requirements of this Declaration.

The easement granted hereby shall not be exercised by any party in a manner which unreasonably interferes with the use, occupancy, or enjoyment of any improved portion of the

Property. Further, in the event that any portion of the Property shall be damaged or altered in any way as the result of the exercise of the easement rights granted hereby, such portions of the Property shall be immediately restored to the condition that existed immediately prior to such damage or alteration by the party exercising such rights.

ARTICLE VI

ARCHITECTURAL CONTROL

Section 6.1 **Architectural Review and Approval**. Except for the initial construction of residential dwellings and related structures, landscaping, and other improvements ("Initial Construction"), no landscaping, improvement or structure of any kind, including without limitation, any building, fence, wall, screen enclosure, sewer, drain, disposal system, landscape device or object, driveway or other improvement shall be commenced, erected, placed or maintained upon any Lot, nor shall any addition, change or alteration therein or thereof be made, unless and until the plans, specifications and location of the same have been submitted to, and approved in writing by the Association. All plans and specifications shall be evaluated as to visual and acoustical privacy and as to the harmony of external design and location in relation to surrounding structures, topography, existing trees and other natural vegetation and as to specific conformance with architectural criteria which may be imposed from time to time by the Developer or the Association. It shall be the burden of each Owner to supply two (2) sets of completed plans and specifications to the Architectural Review Board ("ARB") and no plan or specification shall be deemed approved unless a written approval is granted by the ARB to the Owner submitting same. The ARB shall approve or disapprove plans and specifications properly submitted within thirty (30) days of each submission. Any change or modification to an approved plan shall not be deemed approved unless a written approval is granted by the ARB to the Owner submitting same.

Section 6.2 **Architectural Review Board**. The architectural review and control functions of the Association shall be administered and performed by the ARB, which shall consist of three (3) or five (5) members who need not be members of the Association. The Board of Directors of the Association shall have the right to appoint all of the members of the ARB. A majority of the ARB shall constitute a quorum to transact business at any meeting of the ARB, and the action of a majority present at a meeting at which a quorum is present shall constitute the action of the ARB. Any vacancy occurring on the ARB because of death, resignation, or other termination of service of any member thereof shall be filled by the Board of Directors.

Section 6.3 **Powers and Duties of the ARB**. The ARB shall have the following powers and duties:

(a) To recommend amendments to the architectural criteria to the Board at such time as the Board shall have the right to adopt or amend architectural criteria for the Property. For so long as the Developer shall be entitled to elect or appoint a majority of the members of the Board, only the Developer shall have the right to promulgate, amend, eliminate, or replace architectural criteria applicable to architectural review to be conducted by the Association. At such time as members of the Association shall elect a majority of the members of the Board, such architectural criteria shall be promulgated, amended, eliminated, or replaced by the Board. Any amendment of the architectural criteria shall be consistent with the provisions of this Declaration. Notice of any

amendment to the architectural criteria, which shall include a verbatim copy of such amendment, shall be delivered to each member of the Association. The delivery to each member of the Association of notice and a copy of any amendment to the architectural criteria shall not, however, constitute a condition precedent to the effectiveness or validity of such amendment. It shall not be necessary for the architectural criteria, or any amendment thereto, to be recorded.

(b) To require submission to the ARB of two (2) complete sets of all plans and specifications for any improvement or structure of any kind requiring review and approval of the ARB pursuant to this Article VI. The ARB may also require submission of samples of building materials proposed for use on any Lot, and may require tree surveys to show the effect of the proposed improvements on existing tree cover, and such additional information as reasonably may be necessary for the ARB to completely evaluate the proposed structure or improvement in accordance with this Declaration and applicable architectural criteria.

(c) To approve or disapprove in accordance with the provisions of this Article VI, any improvements or structures of any kind (other than Initial Construction), or any change or modification thereto, the construction, erection, performance or placement of which is proposed upon any Lot, and to approve or disapprove any exterior additions, changes, modifications or alterations therein or thereon. All decisions of the ARB may, but need not be evidenced by a certificate in recordable form executed under seal by the President or any Vice President of the Association. Any party aggrieved by a decision of the ARB shall have the right to make a written request to the Board, within thirty (30) days of such decision, for a review thereof. The determination of the Board upon review of any such decision shall be dispositive.

(d) To adopt a schedule of reasonable fees for processing requests for ARB approval of proposed improvements. Such fees, if any, shall be payable to the Association, in cash, at the time that plans and specifications are submitted to the ARB.

Section 6.4 **Compensation of ARB.** The Board may, at its option, pay reasonable compensation to any or all members of the ARB.

Section 6.5 **Variance.** The Developer and the ARB may authorize variances from compliance with any architectural provisions this Declaration or applicable architectural criteria when circumstances such as topography, natural obstructions, hardships, or aesthetic or environmental considerations require same. Such a variance must be evidenced by a document signed by an authorized representative of the Developer or ARB, as applicable. If such a variance was granted, no violation of the covenants, conditions and restrictions contained in this Declaration shall be deemed to have occurred with respect to the matters 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 particular provisions of this Declaration or applicable architectural criteria covered by the variance, nor shall it effect in any way an Owner's obligation to comply with all governmental laws and regulations, including but not limited to, zoning ordinances and setback lines or requirements imposed by any governmental or municipal authority.

Section 6.6 **Limited Liability.** In connection with all reviews, acceptances, inspections, permissions, consents or required approvals by or from the Developer, the ARB, or the Association as contemplated by this Article VI, neither the Developer, the ARB, nor the Association shall be liable to an Owner or to any other person on account of any claim, liability, damage or expense suffered or incurred by or threatened against an Owner or such other person and arising out of or in any way related to the subject matter of any such reviews, acceptances, inspections, permissions, consents or required approvals, whether given, granted or withheld by the Developer, the ARB, or the Association.

ARTICLE VII

COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 7.1 **Creation of the Lien and Personal Obligation of Assessments.** Each Owner of a Lot within the Property hereby covenants, and by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, including any purchaser at a judicial sale, shall hereafter be deemed to covenant and agree to pay to the Association any annual assessments, and any special assessments established and collected as hereinafter provided. All such assessments, together with interest thereon from the due date at the highest lawful rate and costs of collection thereof (including reasonable attorneys' fees), shall be a charge and continuing lien upon each Lot against which each such assessment is made, and shall also be the personal obligation of each Owner. No Owner may avoid liability for the assessments by waiver of rights to use, or by non-use of, the Common Areas or by abandonment.

Section 7.2 **Purpose of Assessments.**

(a) The annual assessments levied by the Association shall be used for the purposes of management and accounting fees, taxes, insurance, and utility charges relating to the Common Area, to fund the obligations of the Association set forth in Section 5.4 hereof, and for all other purposes reasonably contemplated by this Declaration, the Articles, the Bylaws, or any cost sharing or similar agreement to which the Association is or may become a party. Further, such annual assessments may be levied to fund reasonable reserves for deferred maintenance of, or non-recurring expenses related to, the Common Area including, the Surface Water or Stormwater Management System.

(b) The Board of Directors may levy special assessments for any purpose relating to permissible or required activities of the Association pursuant to this Declaration, the Articles, or the Bylaws. Any funds collected pursuant to such a special assessment shall be used solely for the purpose or purposes identified by the Board of Directors at the time such special assessment is levied.

Section 7.3 **Calculation and Collection of Assessments.** Annual assessments shall be established by the Board of Directors based upon an annual budget. Each Owner's pro rata share of the total annual assessment or any special assessment shall be based upon the following calculations:

(a) Owners of Lots shall pay a pro rata share of annual and special assessments which shall be allocated among the Owners as provided in subparagraph (b) of this Section 7.3.

(b) All annual and special assessments shall be established at a uniform rate per Lot.

(c) The assessment obligations of each Owner other than the Developer shall commence upon the recordation of this Declaration in the current public records of St. Johns County, Florida. Annual assessments shall be collectable in advance on a periodic basis established by the Board of Directors from time to time, which periodic basis shall not be less frequent than annually. Special assessments shall be collectable in advance in the manner established by the Board of Directors at the time such special assessments are authorized.

(d) Assessments collected by the Association to fund reserves shall be separately accounted for, it being the requirement of this Declaration that such funds shall be used exclusively for deferred maintenance of, or non-recurring expenses related to, the Common Areas.

(e) Upon the first conveyance of a Lot by the Declarant to a new owner other than a person or entity affiliated with the Developer, an Initial Capital Contribution Assessment of \$400 will be due and payable. No Lot will be subject to more than one (1) Initial Capital Contribution Assessment.

Section 7.4 Effect of Non-Payment of Assessment: Lien, Personal Obligation, and Remedies of Developer. The lien of the Association shall be effective from and after recording in the public records of St. Johns County, Florida, a claim of lien stating the description of the Lot encumbered thereby, the name of the Owner, the amount and the due date. Such claim of lien shall include assessments which are due and payable when the claim of lien is recorded as well as assessments which may accrue thereafter, plus interest, costs, attorneys' fees, advances to pay taxes and prior encumbrances and interest thereon, all as herein provided. Upon full payment of all sums secured by such claim of lien, the same shall be satisfied of record, and the affected Owner shall pay the cost of such satisfaction. If the assessment is not paid within fifteen (15) days after the due date, the assessment shall bear interest from the due date at the highest lawful rate, and the Association may at any time thereafter bring an action to enforce the lien authorized hereby by appropriate foreclosure proceedings and/or a suit on the personal obligation against the Owner. In the event the Association shall fail to bring such an action for collection of a delinquent assessment within thirty (30) days following receipt of written notice from any Owner demanding that such proceedings be commenced, such Owner shall be authorized to institute such proceedings. There shall be added to the amount of such delinquent assessment the costs of collection incurred by the Association, or such Owner, which shall specifically include without limitation reasonable attorneys' fees for trial and appeal.

Section 7.5 Subordination of Lien to Mortgages. The lien of the assessments provided for by this Declaration shall be subordinate to the lien of any bona fide mortgage which is perfected by recording prior to the recording of the claim of lien for any such unpaid assessments. Such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of the affected Lot by deed in lieu of foreclosure, pursuant to a decree of foreclosure, or pursuant to any other proceeding in lieu of foreclosure of such mortgage. No sale or other transfer shall release any Lot from liability for any assessments thereafter becoming due, nor from the lien of

any such subsequent assessments. A written statement of the Association that the lien is subordinate to a mortgage, shall be dispositive of any question of subordination.

Section 7.6 **Developer's Assessments.** Notwithstanding any provision of this Declaration to the contrary, during the Development Period (as defined below) the Lots and other portions of the Property owned by the Developer shall not be subject to any annual or special assessments levied by the Association or to any lien for such assessments. During the Development Period, the Developer shall pay the balance of the actual operating expenses of the Association (excluding costs of major repairs, deferred maintenance, replacements and reserves) remaining after the levying of and payment of assessments due from Owners other than the Developer pursuant to assessments levied by the Board of Directors pursuant to this Declaration. The Developer shall be obligated to fund such balance only as the expenses are actually incurred by the Association during the Development Period. The Development Period shall begin upon the conveyance of the first Lot in the Property to an Owner other than the Developer and shall continue until (i) the Developer shall notify the Association that it will no longer pay for operating deficits of the Association; or (ii) the Class B Membership shall cease and be converted to Class A Membership. Upon termination of the Developer's agreement to pay operating deficits, the Developer shall become obligated to pay assessments on Lots owned by it within the Property on the same basis as other Owners. In no event shall the Developer be obligated to pay for operating deficits of the Association after the Developer no longer owns any Lots within the Property.

ARTICLE VIII

EXTERIOR MAINTENANCE ASSESSMENT

Section 8.1 **Exterior Maintenance.** The Association shall have the right, but not the obligation, to provide maintenance upon any Lot or Limited Common Area requiring same, when necessary in the opinion of the Association's Board of Directors to preserve the beauty, quality, or value of any or all portions of the Property. Such maintenance shall include but not be limited to painting, roof repair and replacement, repair of gutters, downspouts, and exterior building surfaces, and yard clean-up and yard maintenance. Each affected Owner shall have fifteen (15) days within which to perform the required maintenance after being notified in writing by the Association that such maintenance is necessary before the Association undertakes the maintenance.

Section 8.2 **Assessments of Costs.** The cost of any maintenance undertaken by the Association under the provisions of Section 8.1 shall be assessed against each Lot upon which such maintenance is performed or, in opinion of the Board, benefiting from same. Exterior maintenance assessments shall not be considered a part of the annual or special assessments imposed upon the Property pursuant to Article VII of this Declaration. Any exterior maintenance assessment shall be a lien upon each Lot assessed and the personal obligation of the Owner of each such Lot and shall become due and payable in all respects, together with interest, attorneys fees, and costs of collection, as provided for in Section 7.3 and 7.4, and shall be subordinate to mortgage liens to the extent provided by Section 7.5.

Section 8.3 **Access.** For the purpose of performing the maintenance authorized by this Article, the Association, through its duly authorized agents or employees, shall have the right, after the notice to the Owner provided under Section 8.1, to enter upon any Lot at reasonable hours on any

day except Sunday. In the case of emergency repairs, access will be permitted at any time with only such notice as under the circumstances is practically affordable.

ARTICLE IX

UTILITY PROVISIONS

Section 9.1 **Water System**. The central water supply system provided for the service of the Property shall be used as 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 of the supplier thereof and shall maintain and repair all portions of the water lines serving the Owner's Lot in accordance with the requirements of the applicable utility supplier. No individual potable water supply system or well for consumptive purposes shall be permitted on any Lot without the prior written consent of the Association.

Section 9.2 **Sewage System**. The central sewage system provided for the service of the Property shall be used as the sole sewage system for each Lot. Each Owner shall maintain and repair all portions of the sewer lines serving the Owner's Lot in accordance with the requirements of the applicable utility provider, and shall pay when due the periodic charges or rates for the furnishing of such sewage collection and disposal services made by such utility provider. No sewage shall be discharged onto the open ground or into any wetland, waterbody, lake, pond, park, ravine, drainage ditch or canal or roadway and no septic tank or drain field shall be placed or allowed within the Property.

Section 9.3 **Garbage Collection**. Garbage, trash and rubbish shall be removed from the Lots only by parties or companies approved by the Association, which approval shall not be unreasonably withheld. Each Owner shall pay when due the periodic charges or rate for such garbage collection service made by the party or company providing the same.

Section 9.4 **Utility Service**. It shall be the responsibility of the Owner or occupant of each Lot to make direct arrangements with the suppliers of electricity, water, sewer, and any other utility services for service to such Lot.

ARTICLE X

USE RESTRICTIONS AND RIGHTS AND EASEMENTS RESERVED BY DEVELOPER

Section 10.1 **Residential Use**. The Lots subject to this Declaration shall be utilized for single family residential purposes. No business or business activity shall be carried on in any Lot at any time; provided, however, that, to the extent allowed by applicable zoning laws, private business activities may be conducted in a Lot as long as such use is incidental to the primary residential use of the Lot and does not violate any applicable law, involve any exterior signage or advertising of the Lot as a place of business, require frequent visits by clients or business associates to the Property, or unduly contribute to parking, traffic, telecommunications or security problems for the Property. In the event of a dispute as to whether business activities within a Lot meets the requirements of this section, the decision of the Board of Directors is conclusive.

The above provisions shall not preclude (i) such business activity of the Association or any Management Agent as is reasonably required for the effective operation of the Property and the Association, (ii) the use, rental or leasing of any Lot or Common Area as permitted by the Declaration or for activities determined by the Board of Directors to be beneficial to the Association or the Owners; (iii) showing of any Lot for sale or permitted leasing purposes during normal business hours and in accordance with any reasonable procedures established by the Board of Directors to preserve a congenial, pleasant, safe and dignified living atmosphere, and (iv) business operations of the Developer, its agents, successors, assigns or designees during the period of marketing or managing the Property, including, without limitation, leasing, sales, administration, storage, or similar activities.

No Lot shall be divided, subdivided or reduced in size without the prior written consent of the Developer. Assessments for common expenses attributable to any Lot which may be subdivided pursuant to this Section 10.1 shall be reallocated by the Developer, in its sole discretion, at the time written consent for such subdivision is given by the Developer.

Section 10.2 **No Detached Buildings.** No garages, tool or storage sheds, tents, trailers, tanks, temporary or accessory buildings or structures shall be erected or permitted to remain on any Lot without the prior written consent of the Developer.

Section 10.3 **Setbacks.** Setbacks shall comply with setbacks in the applicable zoning ordinance, Ordinance 1004-75 (Zoning File PUD 2004-07), as amended from time to time.

Section 10.4 **Landscaping.** Maximum utilization of existing trees and shrubs, and natural landscaping techniques shall be encouraged. Sodding with St. Augustine or Bermuda grass varieties, or such other grass varieties as may be approved by the ARB from time to time, will be required as set forth in the architectural criteria established pursuant to Article VI hereof. All Lots and appurtenant Limited Common Areas that are not landscaped or left in a natural wooded state shall be grassed to the paved roadway where such Lot abuts a roadway.

Section 10.5 **Motor Vehicles and Boats.** No boats, recreation vehicles or other motor vehicles, except four wheel passenger automobiles, shall be placed, parked or stored upon any Lot, nor shall any maintenance or repair be performed upon any boat or motor vehicle upon any Lot, except within a building, or otherwise screened, so as to be totally isolated from public view. Commercial vehicles shall not be parked within the Property within public view on a regular basis. Construction trailers may be parked only with the prior written consent of the Developer and in an area designated by the Developer.

Section 10.6 **Nuisances.** Nothing shall be done or maintained on any Lot that may be or become an annoyance or nuisance to any party. Any activity on a Lot that interferes with television, cable or radio reception on another Lot shall be deemed a nuisance and a prohibited activity. If a dispute or question arises as to what may be or become a nuisance, the issue shall be submitted to the Association's Board of Directors, whose decision shall be dispositive of such dispute or question. No immoral, improper or unlawful use shall be made of any portion of the Property and all valid laws, zoning ordinances and regulations of governmental agencies having jurisdiction thereof shall be complied with.

Section 10.7 **Antenna**. The installation of all aerials, antennae or satellite dishes shall be subject to the approval of the ARB in accordance with architectural criteria imposed by the Developer or the Association from time to time and in accordance with all applicable rules and regulations of the Federal Communications Commission or other governmental authorities having jurisdiction.

Section 10.8 **Waterbodies**. Only the Developer and the Association shall have the right to pump or otherwise remove any water from any waterbody in, adjacent to, or near to the Subdivision for the purpose of irrigation or other use, or to place any refuse in such waterbody, lake or lakes. The Developer and the Association shall have the sole and absolute right (but no obligation) to control the water level of waterbodies and to control the growth and eradication of plants, fowl, reptiles, animals, fish and fungi in or on any such waterbody. No gas or diesel driven boat shall be permitted to be operated on any waterbody. Lots which now or may hereafter be adjacent to or include a portion of a waterbody (the "lake parcels") shall be maintained so that such grass, planting or other lateral support to prevent erosion of the embankment adjacent to the waterbody and the height, grade and contour of the embankment shall not be changed without the prior written consent of the Association. Further, all shoreline vegetation, including cattails and the like, shall be maintained and controlled by the Owner of any lake parcel pursuant to the requirements of Section 10.15 hereof. If the Owner of any lake parcel fails to maintain the embankment or shoreline vegetation as part of its landscape maintenance obligations in accordance with the foregoing, the Association shall have the right, but no obligation, to enter upon any such lake parcel to perform such maintenance work which may be reasonably required, all at the expense of the Owner of such lake parcel pursuant to the provisions of Article VIII of this Declaration. Title to any lake parcel shall not include ownership of any riparian rights associated therewith. No docks, bulkheads or other structures shall be constructed on such embankments unless and until they are approved by the Developer and all applicable governmental agencies. The Association shall have the right to adopt reasonable rules and regulations from time to time in connection with use of the surface waters of any waterbody adjacent to or nearby the Subdivision. The Association shall have the right to deny such use to any person who in the opinion of the Association may create or participate in the disturbance or nuisance on any part of the surface waters of any such waterbody. The use of the surface waters of any such waterbody shall be subject to rights granted to other persons pursuant to the rules and regulations of the Association.

WITH RESPECT TO WATER QUALITY, WATER LEVELS, WILDLIFE AND LAKE BANKS, SLOPES AND LAKE BOTTOMS, ALL PERSONS ARE REFERRED TO SECTION 12.9 HEREOF.

Section 10.9 **Insurance and Casualty Damages**. Each Owner shall be required to obtain and maintain in force and effect a policy of fire and other casualty insurance with coverage adequate to cover the full replacement cost of the dwelling and other improvements located on the Owner's Lot. In the event of damage or destruction by fire or other casualty to the improvements on any Lot, the Owner shall commence reconstruction of the improvements within six (6) months from date of casualty and shall repair or rebuild such damaged or destroyed improvements in a good workmanlike manner, within a reasonable time not to exceed one year and in accordance with the provisions of this Declaration. The improvements shall be reconstructed in accordance with the original plans and

specifications including color scheme, placement on Lot and materials. All debris must be removed immediately and the Lot shall be restored to an orderly condition within a reasonable time not to exceed sixty (60) days from the date of such damage or destruction. If and to the extent necessary to satisfy the requirements of the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the U.S. Department of Veterans Affairs ("VA") or the U.S. Department of Housing and Urban Development ("HUD"), or otherwise as determined by the Board of Directors, the Board of Directors or the duly authorized agent of the Association shall have the authority to and shall obtain or cause to be obtained the following insurance:

(a) for all insurable improvements, whether or not located on Common Area, which the Association is obligated to maintain. This insurance shall provide, at a minimum, fire and extended coverage, including vandalism and malicious mischief, and shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. Alternatively, the Board may purchase "all-risk" coverage in like amounts;

(b) a public liability policy covering the Association and its members for all damage or injury caused by the negligence of the Association or any of its members or agents, and, if reasonably available, directors' and officers' liability insurance. The public liability policy shall have a combined single limit of at least One Million Dollars (\$1,000,000.00); and,

(c) such other insurance necessary to satisfy the requirements of applicable laws or deemed necessary in the sole discretion of the Board.

Premiums for all insurance shall be common expenses of the Association. The policies may contain a reasonable deductible, and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the insurance at least equals the full replacement cost.

Section 10.10 **Window Treatments.** No foil or other reflective materials shall be used on any windows for sun screens, blinds, shades or for any other purpose.

Section 10.11 **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.

Section 10.12 **Signs.** No sign of any kind shall be displayed to the public view on any Lot except as may be approved as to size and design and in accordance with criteria established by the Association; provided however, signage used during the construction of homes within the Property, including directional signage, shall be solely subject to the approval of the Developer.

Section 10.13 **Lighting.** No lighting shall be permitted which alters the residential character of the Subdivision.

Section 10.14 **Animals.** All animals shall be kept under control by each Owner at all times and leashed when outside the boundaries of the Owner's Lot. All pets shall be walked only in that part of the Common Area designated by the Association for that purpose. Any Owner maintaining a pet shall be fully responsible for, and shall bear the expense of, any damage to persons or property

resulting therefrom. Any such damage shall be determined by the Board of the Association. Animals shall be kept for the pleasure of Owners only and not for any commercial or breeding use or purposes. If, in the discretion of the Board, any animal shall become dangerous or an annoyance or nuisance to other Owners, or destructive of wildlife or property, such animal may not thereafter be kept on a Lot. Further, in the event any group of animals shall collectively become dangerous or an annoyance or nuisance to other Owners, or destructive to wildlife or property, the Board shall have the right to require the applicable Owner to reduce the number of animals kept on the Lot, or to take such other remedial action as the Board shall specify.

Section 10.15 **Maintenance of Lots and Limited Common Areas**. After construction of improvements on a Lot has commenced, no weeds, underbrush or other unsightly vegetation shall be permitted to grow or remain upon any Lot or Limited Common Area (except in Conservation Tracts or Natural Vegetative Buffers). No refuse pile or unsightly objects shall be allowed to be placed or suffered to remain anywhere within the Property. All such Lots and any improvements placed thereon, shall at all times be maintained in a neat and attractive condition and landscaping shall be maintained in a neat, attractive and orderly manner, including maintenance of grass, plants, plant beds, trees, turf, proper irrigation and waterbody edge maintenance, all in a manner with such frequency as is consistent with good property management and the rules and regulations of the St. Johns River Water Management District ("SJRWMD"). In order to implement effective control, the Association, its agents and assigns, shall have the right to enter upon any Lot for the purpose of mowing, pruning, removing, clearing, or cutting underbrush, weeds or other unsightly growth and trash which in the opinion of the Board distracts from the overall beauty and safety of the property in accordance with the provisions of Article VIII hereof. During construction upon any Lot, any and all vehicles involved in the construction or delivery of materials and supplies to the site shall enter and exit the site only over the driveway or driveway subsurface and shall not park on any roadway or any Property other than the Lot on which construction is proceeding. During construction of the dwelling or other improvements, the Owner will be required to maintain his Lot in a clean condition, providing for trash and rubbish receptacles and disposal. Construction debris shall not be permitted to remain upon any Lot.

Section 10.16 **Fences**. Except as approved by the Developer as part of Initial Construction, or as subsequently approved by the ARB, no fence, wall or other barrier shall be constructed upon any Lot or any other portion of the Property.

Section 10.17 **Maintenance of Driveways**. Each Lot Owner shall be responsible for maintenance of the driveway serving his Lot.

Section 10.18 **Window Air Conditioning**. No window air conditioning units shall be installed on any building within the Subdivision.

Section 10.19 **Compliance with Laws**. All Owners and other occupants of the Property shall at all times comply with the terms of all environmental, land use, marketing and consumer protection ordinances, statutes, regulations, and permits applicable to the Property or to any improvements constructed thereon.

Section 10.20 **Platting and Additional Restrictions**. The Developer shall be entitled at any time, and from time to time, to plat or replat all or any part of the Property owned by it, and to file any covenants and restrictions, or amendments to this Declaration, with respect to any undeveloped portion or portions of the Property owned by the Developer.

Section 10.21 **Swimming Pools**. No swimming pool shall be constructed, erected or maintained upon any Lot without the prior written consent of the ARB and in no event shall any above-ground swimming pool be permitted.

Section 10.22 **Gardens and Play Equipment**. No vegetable garden, hammock, statuary or play equipment (including, without limitation, basketball goals) shall be constructed, erected or maintained upon any Lot unless the type and location thereof has been previously approved by the ARB.

Section 10.23 **Mailboxes**. All mailboxes and mailbox posts shall be of a similar style and color as that installed initially by Developer or a builder.

Section 10.24 **Exteriors**. Any change to the exterior color, finish or texture of any improvement located on a Lot, including, without limitation, the dwelling, the roof on any dwelling or any fence, must be approved by the ARB.

Section 10.25 **Clothesline**. No exterior clothesline of any type shall be permitted upon any Lot.

Section 10.26 **Entry Features**. Owners shall not alter, remove or add improvements to any entry features constructed by Developer on any Lot, or any part of any easement area associated therewith without the prior written consent of the ARB.

ARTICLE XI **RIGHTS AND EASEMENTS RESERVED BY DEVELOPER**

Section 11.1 **Easements for Ingress, Egress, Utilities and Drainage**. The Developer reserves for itself, its successors, assigns and designees, a right-of-way and perpetual, nonexclusive easement for ingress and egress and to erect, maintain and use utilities, electric, telephone and street lighting poles, wires, cables, conduits, storm sewers, sanitary sewers, water mains, gas, sewer, water lines, drainage ways and structures, cable television and radio equipment or other public conveniences or utilities, on, in and over, (i) any portion of the Common Area; (ii) any area designated as an easement, private street or right-of-way area on any plat of all or any portion of the Property; and (iii) a strip of land within each Lot five feet in width along the front, rear and sides of each Lot.

Section 11.2 **Future Easements**. Developer reserves the right to impose further restrictions and to grant or dedicate additional easements and rights of way on any Lots within the Property owned by Developer. In addition, Developer hereby expressly reserves the right to grant easements and rights-of-way over, under and through the Common Area so long as Developer shall own any portion of the Property. The easements granted by Developer shall not materially or

adversely affect any improvements or unreasonably interfere with the enjoyment of the Common Area.

Section 11.3 **Cable Television or Radio.** Developer reserves for itself, and its successors and assigns, an exclusive easement for the installation, maintenance and supply of radio and television cables within the rights of way and easement areas depicted upon any plat of any portion of the Property or within any easement reserved by this Declaration.

Section 11.4 **Easements for Maintenance Purposes.** The Developer reserves for itself, the Association, and their respective agents, employees, successors or assigns, easements, in, on, over and upon each Lot and the Common Area as may be reasonably necessary for the purpose of preserving, maintaining or improving roadways, landscaped areas, wetland areas, waterbodies, lakes, ponds, hammocks, wildlife preserves or other areas, the maintenance of which may be required to be performed by the Developer or the Association.

Section 11.5 **Developer Rights Re: Temporary Structures, Etc.** Developer reserves the right for itself, its successors, assigns, nominees and grantees, to erect and maintain such temporary dwellings, model houses and/or other structures upon Lots owned by the Developer, which it may deem advisable for development purposes and to do all acts reasonably necessary in connection with the construction and sale of improvements located on the Lots within the Subdivision. Nothing contained in this Declaration shall be construed to restrict the foregoing rights of Developer.

ARTICLE XII

GENERAL PROVISIONS

Section 12.1 Remedies for Violations.

(a) If any Owner or other person shall violate or attempt to violate any of the covenants or restrictions herein set forth, it shall be lawful for the Association, the Developer, or any Owner (i) to prosecute proceedings at law for the recovery of damages against those so violating or attempting to violate any such covenant; or (ii) to maintain any proceeding against those so violating or attempting to violate any such covenant for the purpose of preventing or enjoining all or any such violations, including mandatory injunctions requiring compliance with the provisions of this Declaration. In the event litigation shall be brought by any party to enforce any provisions of this Declaration, the prevailing party in such proceedings shall be entitled to recover from the non-prevailing party or parties, reasonable attorneys' fees for pre-trial, arbitration, or mediation preparation, trial, arbitration, mediation and appellate proceedings and in bankruptcy. The remedies in this section shall be construed as cumulative of all other remedies now or hereafter provided or made available elsewhere in this Declaration, or by law.

(b) In addition to all other remedies, and to the maximum extent allowed by law, a fine or fines may be imposed upon an Owner for failure of an Owner, his family, guests, lessees, invitees or employees, to comply with any covenant or restriction herein contained, or rule of the Association, provided the following procedures are adhered to:

(c) For a first violation, the Association shall warn the Owner of the alleged infraction in writing.

(d) For a subsequent violation, the Association shall provide the Owner with a notice of its intent to impose a fine for such violation. Included in the notice shall be the date and time of a meeting of a committee appointed by the Board of Directors (the "Rules Enforcement Committee") at which time the Owner shall present argument as to why a fine should not be imposed. At least fourteen (14) days prior notice of such meeting shall be given.

(e) At the meeting, the alleged infractions shall be presented to the Rules Enforcement Committee, after which the Committee shall receive evidence and hear argument as to why a fine should not be imposed. A written decision of the Rules Enforcement Committee shall be submitted to the Owner not later than thirty (30) days after the Board of Directors meeting. At the meeting, the Owner shall have the right to be represented by counsel and to cross-examine witnesses.

(f) The Rules Enforcement Committee, by majority vote, may impose a fine not to exceed the maximum amount allowed by law from time to time.

(g) Fines shall be paid not later than five (5) days after notice of the imposition or assessment thereof.

(h) The payment of fines shall be secured by one or more liens encumbering the Lot or Lots owned by the offending Owner. Such fines and liens may be collected and enforced in the same manner as regular and special assessments are collected and enforced pursuant to Article VII hereof.

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

(j) The imposition of fines shall not be construed to be an exclusive remedy, and shall exist in addition to all other rights and remedies to which the Association or any Owner may be otherwise legally entitled; provided, however, any fine paid by an offending Owner shall be deducted from or offset against any damages which may be otherwise recoverable from such Owner.

(k) The Rules Enforcement Committee shall be comprised of not less than three (3) members who are not officers, directors, or employees of the Association, or the spouse, parent, child, brother or sister of an officer, director or employee. No member of the Rules Enforcement Committee shall participate in the review of any infraction in which such member is alleged to have participated.

Section 12.2 **Severability**. Invalidation of any of the provisions of this Declaration by judgment or court order shall not affect or modify any of the other provisions, which shall remain in full force and effect.

Section 12.3 **Additional Restrictions**. No Owner, without the prior written consent of the Developer, may impose any additional covenants or restrictions on any part of the Property, but the

Developer may include in any contract or deed hereafter made and covering all or any part of the Property, any additional covenants or restrictions applicable to the Property so covered which are not inconsistent with and which do not lower standards established by this Declaration.

Section 12.4 **Titles**. The addition of titles to the various sections of this Declaration are for convenience and identification only and the use of such titles shall not be construed to limit, enlarge, change, or otherwise modify any of the provisions hereof, each and all of which shall be construed as if not entitled.

Section 12.5 **Termination or Amendment**. The covenants, restrictions, easements and other matters set forth herein shall run with the title to the Property and be binding upon each Owner, the Developer, the Association, and their respective successors and assigns for a period of fifty (50) years, and shall be automatically renewed for successive ten (10) year periods unless terminated as herein provided.

So long as Developer owns a Lot, no Developer related amendment shall be made to the Declaration, to any Supplemental Declaration, to the Articles, Bylaws, Rules and Regulations, or any other similar Association document, nor shall any such Developer related amendments or documents be executed, adopted or promulgated by the Association or the Board of Directors unless such Developer related amendment or document shall be specifically approved in writing by Developer in advance of such execution, adoption, promulgation and recording. Any of the following shall be considered to be a Developer related amendment:

- (a) Discriminates or tends to discriminate against Developer as an Owner or otherwise;
- (b) Directly or indirectly by its provisions or in practical application relates to Developer in a manner different from the manner in which it relates to other Owners;
- (c) Alters any previously recorded or written agreement with any public or quasi-public agencies, utility company, political subdivision, public authorities or other similar agencies or bodies, respecting zoning, streets, roads, drives, easements or facilities;
- (d) Denies the right of Developer to convey the Common Areas to the Association;
- (e) Modifies the basis or manner of Association assessments as applicable to Developer or any Lots owned by Developer;
- (f) Modifies the provisions of Article VI (architectural control) as applicable to Developer or any Lots owned by Developer;
- (g) Denies the right to Developer, its contractors and subcontractors, to maintain temporary construction trailers, sheds or other buildings upon the Property; or

Alters or repeals any of Developer's rights or any provision applicable to Developer's rights as set forth in any provision of this Declaration or other document applicable to Developer.

The decision to approve or not approve any Developer related document or Amendment by Developer shall be in the sole and absolute discretion of Developer and Developer shall not be liable to the Association, its Members or any party as a result of granting or refusing to grant such approval.

Subject to the foregoing, the covenants, restrictions, easements, charges, and liens of this Declaration may be amended, changed, added to, derogated, or deleted at any time and from time to time, upon the execution and recordation of any instrument executed by:

- (1) Developer, until transition of the Association control from Developer to non-Developer Members as contemplated by Section 720.307, Florida Statutes or
- (2) By Owners holding not less than two-thirds vote of the membership in the Association or by an instrument signed by the President and Secretary of the Association attesting that such instrument was approved by Members entitled to vote two-thirds (2/3) of the total votes of the Association at a meeting of the Members called for such purpose. Any amendment must be properly recorded in the Public Records of the County to be effective.

Any amendment to this Declaration shall be executed by the Association and Developer, if applicable, and shall be recorded in the current public records of St. Johns County, Florida. For so long as there is a Class B Membership and provided HUD or VA shall have insured or hold a mortgage within the Property, the following actions shall require approval of the Federal Department of Housing and Urban Development ("HUD") and the Veteran's Administration ("VA"): annexation of additional properties, dedication of any portion of the Common Area, and amendment of this Declaration.

Section 12.6 **Conflict or Ambiguity in Documents.** To the extent of any conflict, ambiguity, or inconsistency between this Declaration, the Articles, or the Bylaws, the terms of this Declaration shall control both the Articles and Bylaws.

Section 12.7 **Usage.** Whenever used, the singular shall include the plural and the singular, and the use of any gender shall include all genders.

Section 12.8 **Effective Date.** This Declaration shall become effective upon its recordation in the public records of St. Johns County, Florida.

Section 12.9 **Disclaimers as to Water Bodies.** NEITHER THE DEVELOPER, THE ASSOCIATION, NOR ANY OF THEIR SUCCESSORS, ASSIGNS, OFFICERS, DIRECTORS, COMMITTEE MEMBERS, EMPLOYEES, MANAGEMENT AGENTS, CONTRACTORS OR SUB-CONTRACTORS (COLLECTIVELY, THE "LISTED PARTIES") SHALL BE LIABLE OR

RESPONSIBLE FOR MAINTAINING OR ASSURING THE WATER QUALITY OR LEVEL IN ANY LAKE, POND, CANAL, CREEK, STREAM OR OTHER WATER BODY ADJACENT TO OR WITHIN THE PROPERTY, EXCEPT AS SUCH RESPONSIBILITY MAY BE SPECIFICALLY IMPOSED BY AN APPLICABLE GOVERNMENTAL OR QUASI-GOVERNMENTAL AGENCY OR AUTHORITY. FURTHER, ALL OWNERS AND USERS OF ANY PORTION OF THE PROPERTY LOCATED ADJACENT TO OR HAVING A VIEW OF ANY OF THE AFORESAID WATER BODIES SHALL BE DEEMED, BY VIRTUE OF THEIR ACCEPTANCE OF THE DEED TO OR USE OF, SUCH PROPERTY, TO HAVE AGREED TO HOLD HARMLESS THE LISTED PARTIES FOR ANY AND ALL CHANGES IN THE QUALITY AND LEVEL OF THE WATER IN SUCH BODIES.

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

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

ARTICLE XIII **ENVIRONMENTAL PROTECTION PROVISIONS**

Section 13.1 Definitions:

- (a) **Conservation Tract.** Areas designated on the Plat as "Conservation Tract."
- (b) **Surface Water or Stormwater Management System.** A system which is designed and constructed or implemented within the Property to control discharges which are necessitated by rainfall events, incorporating methods to collect, convey, store, absorb, inhibit, treat, use or reuse water to prevent or reduce flooding, overdrainage, environmental degradation, and water pollution or otherwise affect the quantity and quality of discharges from the system, as permitted pursuant to Chapters 4OC-4, 4OC-40, or 4OC-42, F.A.C. or regulations of similar import. For purposes of this Declaration, the Surface Water or Stormwater Management System shall be deemed to be a part of the Common Area and shall include any drainage swales located within the Property.

Section 13.2 Maintenance of Surface Water or Stormwater Management System. The Association shall maintain all waterbodies, lakes, swales, drainage areas, drainage easements, and control structures, and shall preserve and protect all designated conservation areas and littoral zones

located within, adjacent, or in near proximity to the Property, in accordance with all permit requirements and conditions contained in applicable dredge fill, consumptive use, or any other applicable permits issued by the United States Army Corps of Engineers ("ACOE"), Florida Department of Environmental Protection ("FDEP"), and the City of Jacksonville, Florida and all statutes, rules, regulations and requirements pertaining to surface water management, drainage and water quality promulgated by local, state and federal authorities having jurisdiction.

The Association shall be responsible for the maintenance, operation and repair of the Surface Water and Stormwater Management System. Maintenance of the Surface Water and Stormwater Management System shall mean the exercise of practices which allow the system to provide drainage, water storage, conveyance of other surface water, or stormwater management capabilities as permitted by the SJRWMD. The Association shall be responsible for such maintenance and operation. Any repair or reconstruction of the Surface Water or Stormwater Management System shall be as permitted, or if modified, as approved by the SJRWMD.

All maintenance obligations of the Association shall be performed as ordered by the Board of Directors of the Association, and all or any portion of the cost of such maintenance incurred by the Association pursuant to this Section shall be a common expense of the Association to be collected and paid in the manner prescribed by this Declaration. The maintenance responsibilities of the Association payable through assessment of the Owners shall specifically include, but not be limited to, the perpetual maintenance of all retention ponds, drainage swales, and all other drainage and stormwater management improvements lying within the Property, and all other such improvements, constituting a part of the Surface Water or Stormwater Management System permitted by the SJRWMD.

Section 13.3 **Association Powers and Duties.** The Association shall operate, maintain, and manage the surface water or stormwater management systems in a manner consistent with SJRWMD Permits No. 40-031-96875-1 and 40-031-96875-2 requirements and applicable SJRWMD rules, and shall assist in the enforcement of the restrictions and covenants herein contained. The Association shall levy and collect adequate assessments against members of the Association for the costs of maintenance and operation of the surface water or stormwater management system.

Section 13.4 **Assessments.** Assessments (as provided in Article VII) shall be used for the maintenance and repair of the surface water or stormwater management systems including but not limited to work within retention areas, drainage structures, and drainage easements.

Section 13.5 **Jurisdictional Areas and Permits.** **THE PROPERTY HAS BEEN OR WILL BE DEVELOPED IN ACCORDANCE WITH REQUIREMENTS OF THE PERMITS ISSUED BY THE ACOE, SJRWMD OR OTHER ENVIRONMENTAL AGENCIES ("PERMITS").**

THE PERMITS ARE, OR WILL BE, OWNED BY THE ASSOCIATION AND THE ASSOCIATION HAS THE OBLIGATION TO ASSURE THAT ALL TERMS AND CONDITIONS THEREOF ARE ENFORCED. THE ASSOCIATION SHALL HAVE THE RIGHT TO BRING AN ACTION, AT LAW OR IN EQUITY, AGAINST ANY OWNER VIOLATING ANY PROVISION OF THE PERMITS.

ANY OWNER OWNING A LOT WHICH CONTAINS OR IS ADJACENT TO JURISDICTIONAL WETLANDS OR CONSERVATION TRACTS (INCLUDING CONSERVATION EASEMENTS) SHALL BY ACCEPTANCE OF TITLE TO THE LOT, BE DEEMED TO HAVE ASSUMED THE OBLIGATION TO COMPLY WITH THE REQUIREMENTS OF THE PERMITS AS THE SAME RELATE TO SUCH OWNER'S LOT AND SHALL AGREE TO MAINTAIN SUCH JURISDICTIONAL WETLANDS AND CONSERVATION AREAS IN THE CONDITION REQUIRED UNDER THE PERMITS.

IN THE EVENT THAT AN OWNER VIOLATES THE TERMS AND CONDITIONS OF THE PERMITS AND FOR ANY REASON THE DEVELOPER OR THE ASSOCIATION IS CITED THEREFORE, THE OWNER AGREES TO INDEMNIFY AND HOLD THE DEVELOPER AND THE ASSOCIATION HARMLESS FROM ALL COSTS ARISING IN CONNECTION THEREWITH, INCLUDING WITHOUT LIMITATION ALL COST AND ATTORNEYS' FEES, AS WELL AS ALL COSTS OF CURING SUCH VIOLATION.

Section 13.6 **Permit Responsibilities and Indemnification**. The Association shall be solely responsible for maintenance and operation of the Surface Water or Stormwater Management System pursuant to the Permit and the plat of the Subdivision. Subsequent to the termination of the Class B Membership, the Association shall indemnify, defend and hold the Developer harmless from all suits, actions, damages, liability and expenses in connection with loss of life, bodily or personal injury or property damage, or any other damage arising from or out of an occurrence in, upon, at or resulting from the operation or maintenance of the Surface Water or Stormwater Management System, occasioned wholly or in part by any act or omission of the Association or its agents, contractors, employees, servants or licensees.

Section 13.7 **Easements**. The Association shall have a perpetual non-exclusive easement for drainage over the entire surface water and stormwater management system. No person shall alter the drainage flow of the surface water or stormwater management system, including buffer areas or swales, without the prior written approval of the SJRWMD.

Section 13.8 **Drainage Flow**. Drainage flow shall not be obstructed or diverted from drainage easements. The Developer or the Association may, but shall not be required to, cut drainways for surface water wherever and whenever such action may appear to be necessary to maintain reasonable aesthetic standards relative to the Property and surrounding properties. These easements include the right to cut any trees, bushes or shrubbery, make any grading of the land, or to take any other reasonable action necessary to install utilities and to maintain reasonable aesthetic standards. These easements shall not include the right to disturb any permanent improvements erected upon a Lot which are not located within the specific easement area designated on the plat or reserved in this Declaration or to disturb any Conservation Tract or jurisdictional wetland area. Except as provided herein, existing drainage shall not be altered so as to divert the flow of water onto an adjacent Lot or into sanitary sewer lines.

Section 13.9 **Enforcement**. The SJRWMD shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in this Declaration which relate to the maintenance, operation and repair of the Surface Water or Stormwater Management System and/or jurisdictional

wetlands or conservation areas subject to the control of the SJRWMD, and it shall be the Association's responsibility to assist the SJRWMD in any such enforcement proceedings.

Section 13.10 **Amendment.** Any amendment to this Declaration which alters any provision relating to the Surface Water or Stormwater Management System, beyond maintenance in its original condition, including the water management portion of the Common Areas, must have the prior written approval of the SJRWMD.

Section 13.11 **Dissolution.** This Declaration may not be terminated unless adequate provision for transferring perpetual maintenance responsibility for the Surface Water or Stormwater Management System obligation to the then Owners of the Lots is made, and said transfer obligation is permitted under the then existing requirements of the SJRWMD or its successors and the County or any other governmental body that may have authority over such transfer. In the event that the Association is dissolved, prior to such dissolution, all responsibility relating to the Surface Water or Stormwater Management System and the Permits must be assigned to and accepted by an entity approved by the SJRWMD.

IN WITNESS WHEREOF, the Developer has caused this instrument to be executed under seal this 27th day of January, 2006.

Signed, sealed and delivered
in the presence of:

Gerald W. Doyle
GERALD W. DOYLE
(Print Name)

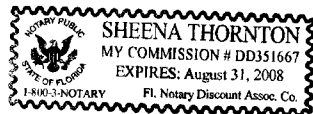
Caroline E Pearlmuter
Caroline Pearlmuter
(Print Name)

KB Home Jacksonville, LLC
a Delaware limited liability company

By: [Signature]
Name: Chris Raley
Title: Senior Vice President of Land

STATE OF FLORIDA)
)SS
COUNTY OF DUVAL)

The foregoing instrument was acknowledged before me this 27th day of January, 2006, by Chris Raley as Senior Vice President of Land of KB Home Jacksonville, LLC on behalf of the Delaware limited liability company.



[Signature]
(Print Name Sheena Thornton)
NOTARY PUBLIC, State of
Florida at Large
Commission # _____
My Commission Expires: 8/31/08
Personally Known ☒
or Produced I.D. _____
[check one of the above]
Type of Identification Produced

EXHIBIT A

Legal Description of the Property

Lots 1- 113, inclusive, of Grand Cay, according to plat in Map Book 56, pages 83-90, St. Johns County records.

CAPTION

A PARCEL OF LAND LYING IN GOVERNMENT LOTS 8, 11 AND 12, SECTION 19, TOWNSHIP 8 SOUTH, RANGE 30 EAST, ST. JOHNS COUNTY, FLORIDA, ALSO BEING A PORTION OF THOSE LANDS DESCRIBED AND RECORDED IN OFFICIAL RECORDS BOOK 825, PAGE 924 OF THE PUBLIC RECORDS OF SAID COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF AFORESAID GOVERNMENT LOT 11; THENCE NORTH 00°18'50" WEST ALONG THE WESTERLY LINE OF SAID GOVERNMENT LOT 11, A DISTANCE OF 1,197.31 FEET TO A POINT LYING ON THE AFORESAID WESTERLY LINE OF GOVERNMENT LOT 11; THENCE DEPARTING THE AFORESAID LINE NORTH 89°39'45" EAST, A DISTANCE OF 75.10 FEET; THENCE SOUTH 65°26'28" EAST, A DISTANCE OF 19.96 FEET; THENCE SOUTH 53°07'41" EAST, A DISTANCE OF 33.98 FEET; THENCE NORTH 89°35'45" EAST, A DISTANCE OF 71.06 FEET; THENCE SOUTH 89°41'38" EAST, A DISTANCE OF 39.05 FEET; THENCE NORTH 83°15'15" EAST, A DISTANCE OF 44.86 FEET; THENCE NORTH 89°58'59" EAST, A DISTANCE OF 44.75 FEET; THENCE NORTH 58°49'18" EAST, A DISTANCE OF 64.59 FEET; THENCE NORTH 29°16'32" EAST, A DISTANCE OF 41.33 FEET; THENCE NORTH 101°5'46" WEST, A DISTANCE OF 53.23 FEET; THENCE NORTH 35°28'55" WEST, A DISTANCE OF 60.60 FEET; THENCE NORTH 43°47'49" WEST, A DISTANCE OF 45.78 FEET; THENCE NORTH 35°28'55" WEST, A DISTANCE OF 42.99 FEET; THENCE NORTH 48°20'16" WEST, A DISTANCE OF 42.49 FEET; THENCE NORTH 57°08'01" WEST, A DISTANCE OF 96.82 FEET; THENCE NORTH 27°59'07" EAST, A DISTANCE OF 125.39 FEET; THENCE NORTH 66°12'47" WEST, A DISTANCE OF 128.66 FEET; THENCE NORTH 84°40'23" EAST, A DISTANCE OF 55.51 FEET; THENCE NORTH 89°47'27" EAST, A DISTANCE OF 42.06 FEET; THENCE SOUTH 82°26'02" EAST, A DISTANCE OF 62.37 FEET; THENCE SOUTH 57°01'04" EAST, A DISTANCE OF 50.32 FEET; THENCE SOUTH 30°20'19" EAST, A DISTANCE OF 61.19 FEET; THENCE SOUTH 36°07'48" EAST, A DISTANCE OF 29.55 FEET; THENCE SOUTH 46°55'22" EAST, A DISTANCE OF 323.19 FEET; THENCE SOUTH 84°06'31" EAST, A DISTANCE OF 173.54 FEET; THENCE SOUTH 44°51'50" EAST, A DISTANCE OF 41.90 FEET; THENCE SOUTH 14°00'55" EAST, A DISTANCE OF 33.49 FEET; THENCE SOUTH 26°23'18" EAST, A DISTANCE OF 34.83 FEET; THENCE SOUTH 17°36'14" EAST, A DISTANCE OF 50.84 FEET; THENCE SOUTH 09°02'07" EAST, A DISTANCE OF 90.43 FEET; THENCE SOUTH 33°00'20" EAST, A DISTANCE OF 55.59 FEET; THENCE SOUTH 35°28'24" EAST, A DISTANCE OF 34.97 FEET; THENCE SOUTH 03°24'31" WEST, A DISTANCE OF 35.02 FEET; THENCE SOUTH 06°20'18" WEST, A DISTANCE OF 34.97 FEET; THENCE SOUTH 17°05'53" EAST, A DISTANCE OF 31.91 FEET; THENCE SOUTH 72°34'18" EAST, A DISTANCE OF 57.51 FEET; THENCE SOUTH 30°27'23" EAST, A DISTANCE OF 56.25 FEET; THENCE SOUTH 15°31'58" EAST, A DISTANCE OF 37.90 FEET; THENCE SOUTH 03°46'14" EAST, A DISTANCE OF 42.09 FEET; THENCE SOUTH 71°16'35" EAST, A DISTANCE OF 48.14 FEET TO AN INTERSECTION WITH THE WESTERLY RIGHT-OF-WAY LINE OF U.S. HIGHWAY NO. 1 (A 200 FOOT RIGHT-OF-WAY, AS NOW ESTABLISHED); THENCE SOUTH 08°17'07" EAST, ALONG LAST SAID LINE A DISTANCE OF 766.36 FEET TO AN INTERSECTION WITH THE SOUTH LINE OF AFORESAID GOVERNMENT LOT 12; THENCE SOUTH 89°53'37" WEST, ALONG LAST SAID LINE AND ALSO ALONG THE SOUTH LINE OF SAID GOVERNMENT LOT 11, A DISTANCE OF 1,367.72 FEET TO THE POINT OF BEGINNING.

CONTAINING 39.99 ACRES, MORE OR LESS.

SAID LANDS SITUATED, LYING AND BEING IN ST. JOHNS COUNTY, FLORIDA

SURVEYORS NOTE:

REVIEW AND COMPARISON OF CHARLES BASSETT & ASSOCIATES INC.
MAP SHOWING SKETCH OF DESCRIPTION FILE #S-6131-SC DATED MARCH
04, 2004, PROVIDED BY KB HOME, AND THIS PLAT WITH BEARINGS
BASED ON FLORIDA STATE PLANE COORDINATES, DESCRIBE LANDS WHICH
ARE ONE AND THE SAME.

CERTIFICATE OF APPROVAL AND ACCEPTANCE

MAP BOOK 56 PAGE 85

GRAND CAY

A PARCEL OF LAND LYING IN GOVERNMENT LOTS 8, 11 AND 12, SECTION 8 SOUTH, RANGE 30 EAST, ST. JOHNS COUNTY, FLORIDA

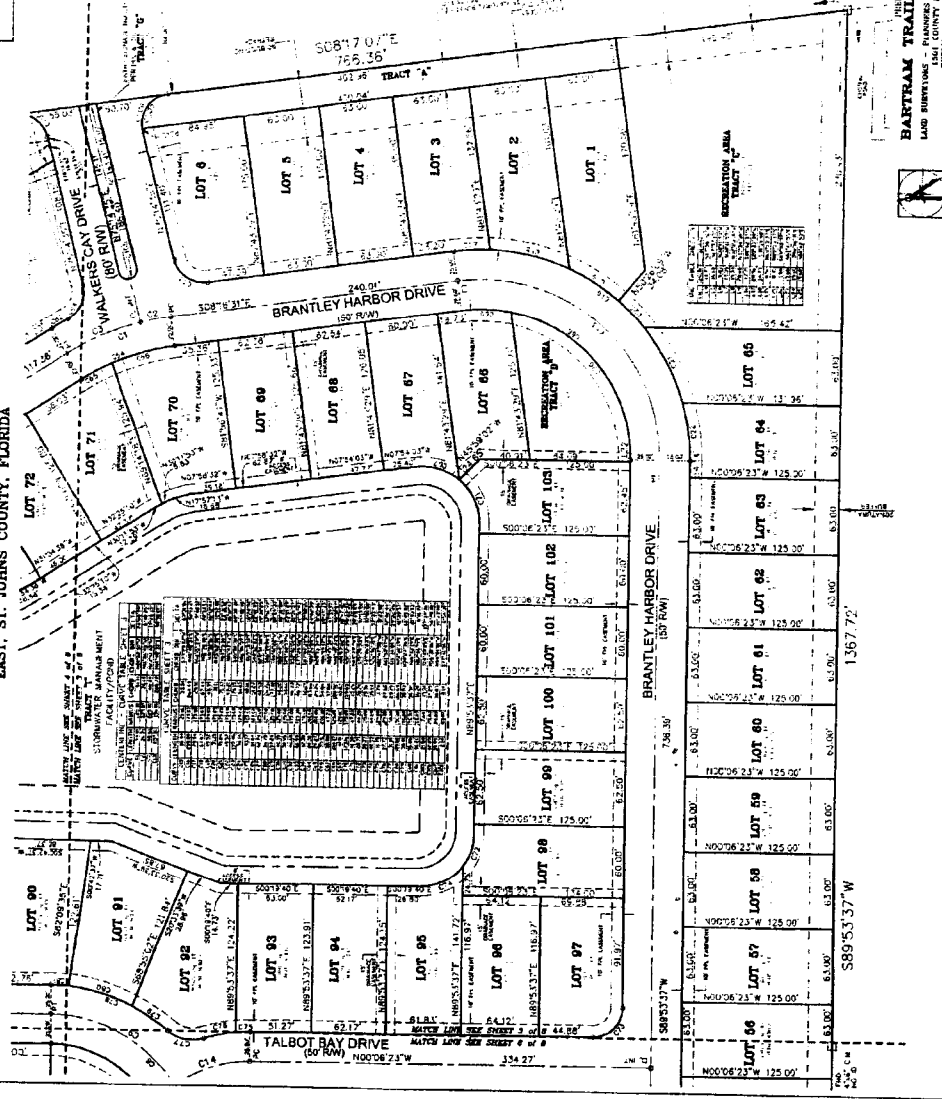
GOVERNMENT LOT 12

DRAWING SCALE

STATE HIGHWAY NO. 1
STATE ROAD NO. 1

SECTION LINE 96
SECTION 8 SOUTH

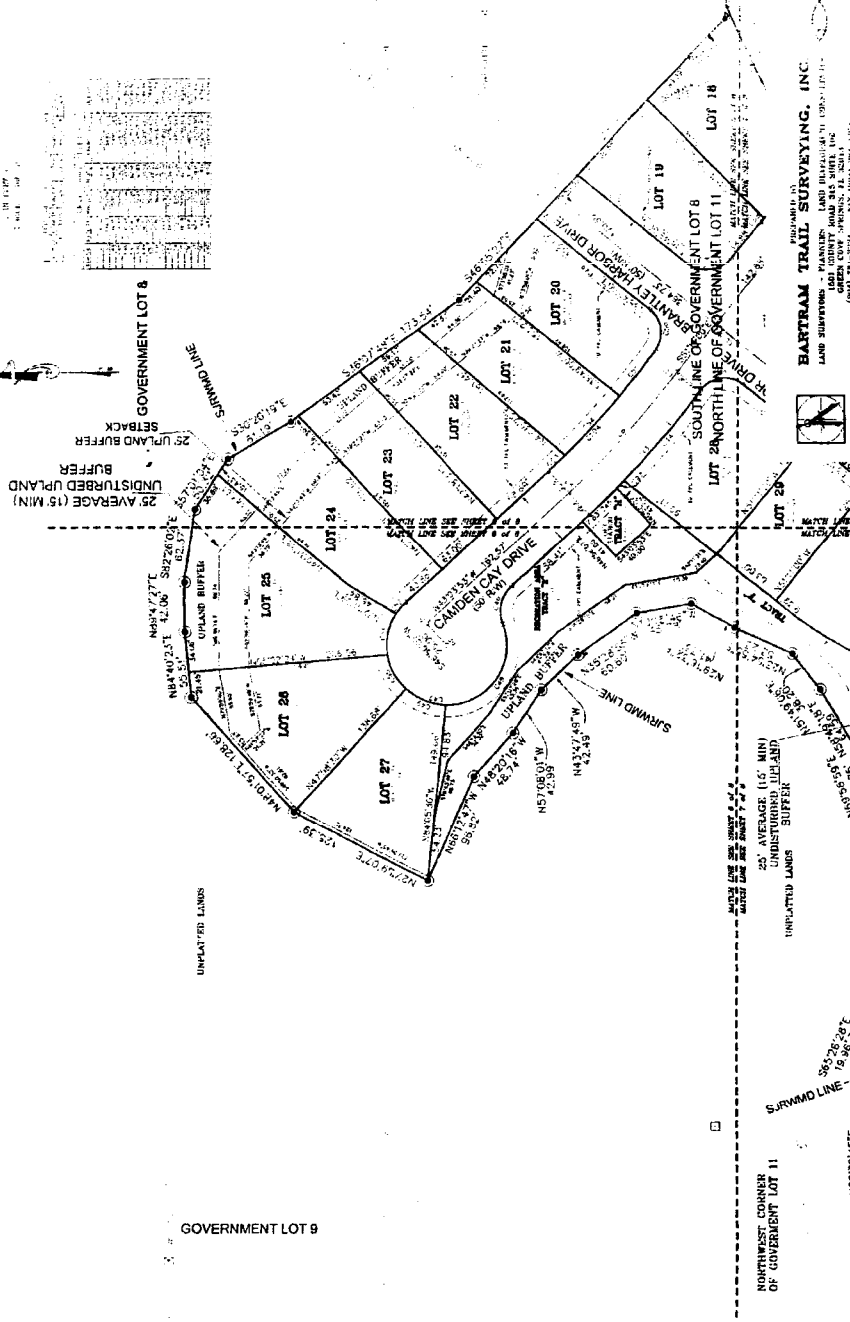
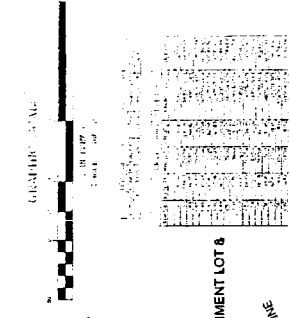
PREPARED BY
BARTRAM TRAIL SURVEYING, INC.
LAND SURVEYORS - PLANNERS - LAND MANAGEMENT CONSULTANTS
1000 W. WINDY HILL RD.
SUITE 200
GREENSBORO, NC 27409
(919) 286-2224 FAX (919) 286-2225



MAP 1990-56 11-4-88

GRAND CAY

A PARCEL OF LAND LYING IN GOVERNMENT LOTS 8, 11 AND 12, SECTION 19, TOWNSHIP 8 SOUTH, RANGE 30 EAST, ST. JOHNS COUNTY, FLORIDA

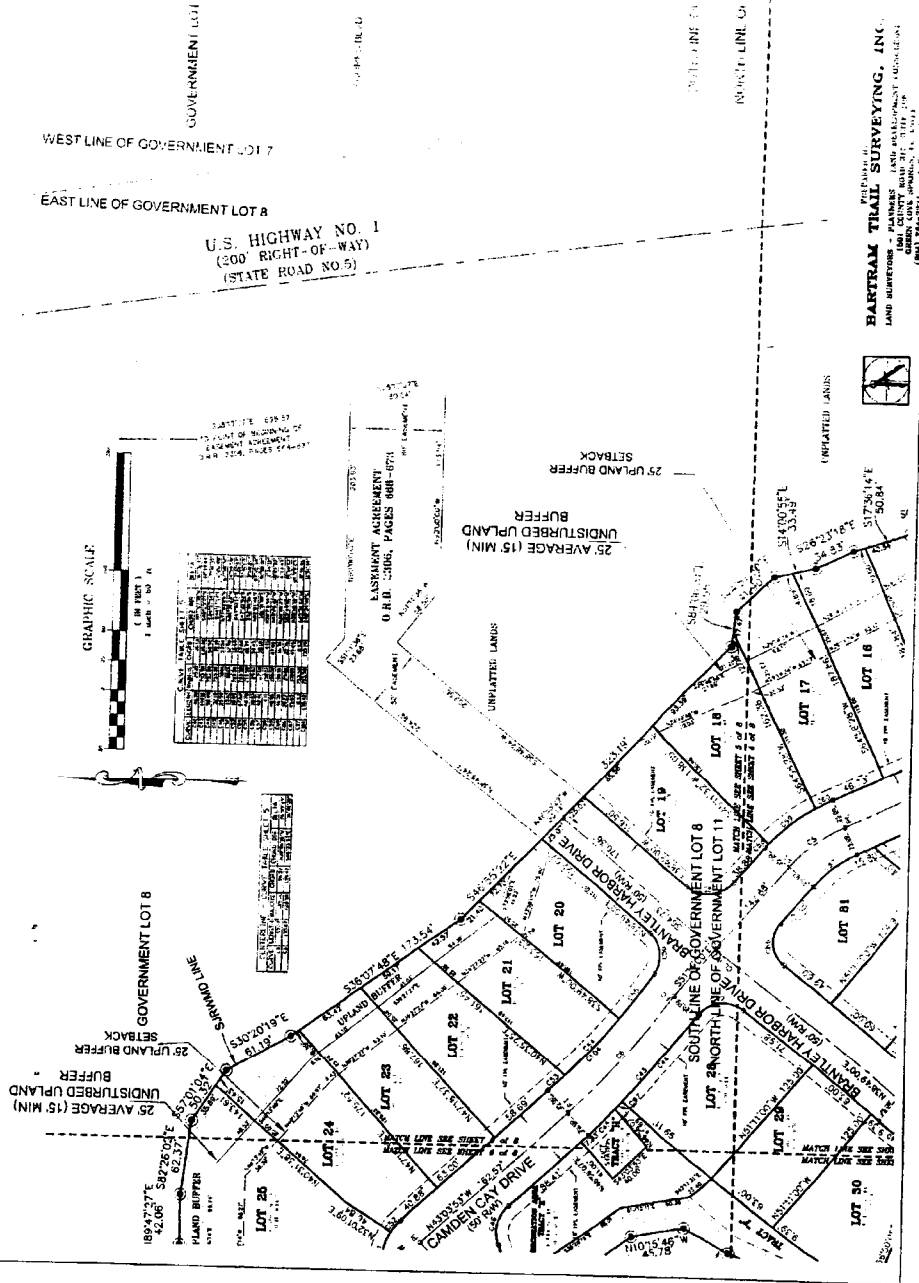


BARTRAM TRAIL SURVEYING, INC.
LAND SURVEYING
1000 SOUTH ROAD 100, SUITE 100
GREEN COVE SPRINGS, FL 32041
(904) 221-1111

GRAND CAY

A PARCEL OF LAND LYING IN GOVERNMENT LOTS 8, 11 AND 12, SECTION 19, TOWNSHIP 8 SOUTH, RANGE 30 EAST, ST. JOHNS COUNTY, FLORIDA

MAP BOOK 56 87



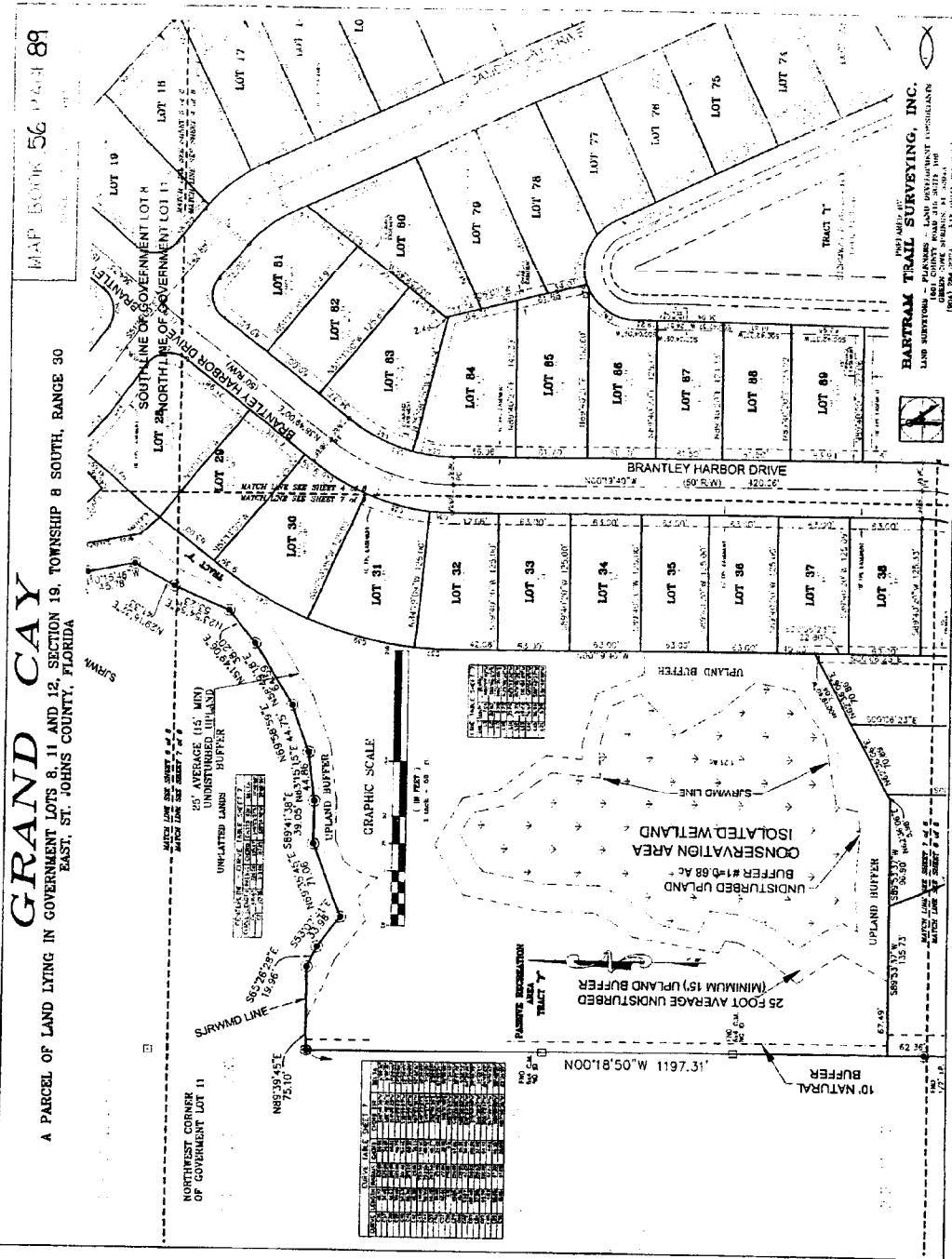


EXHIBIT B

Articles of Incorporation for
Grand Cay of St. Augustine Association, Inc.

850-205-0381

8/3/2005 10:06

PAGE 001/001

Florida Dept of State



FLORIDA DEPARTMENT OF STATE

Glenda E. Hood
Secretary of State

August 3, 2005

GRAND CAY OF ST. AUGUSTINE ASSOCIATION, INC.
10475 FORTUNE PKWY - STE 100
JACKSONVILLE, FL 32256

The Articles of Incorporation for GRAND CAY OF ST. AUGUSTINE ASSOCIATION, INC. were filed on August 2, 2005, and assigned document number N05000007884. Please refer to this number whenever corresponding with this office.

This document was electronically received and filed under FAX audit number H05000184952.

A corporation annual report/uniform business report will be due this office between January 1 and May 1 of the year following the calendar year of the file/effective date. A Federal Employer Identification (FEI) number will be required before this report can be filed. Please apply NOW with the Internal Revenue Service by calling 1-800-829-3676 and requesting form SS-4.

Please be aware if the corporate address changes, it is the responsibility of the corporation to notify this office.

Should you have any questions regarding corporations, please contact this office at the address given below.

Sincerely,
Tammy Hampton
Document Specialist
New Filings Section
Division of Corporations

Letter Number: 005A00050024

Division of Corporations - P.O. BOX 6327 -Tallahassee, Florida 32314

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**ARTICLES OF INCORPORATION
FOR
GRAND CAY OF ST. AUGUSTINE ASSOCIATION, INC.
a not-for-profit corporation**

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

**1
NAME**

The name of the corporation is GRAND CAY OF ST. AUGUSTINE ASSOCIATION, INC. For convenience, the corporation shall be referred to in this instrument as the "Association", these Articles of Incorporation as the "Articles", and the Bylaws of the Association as the "Bylaws".

**2
OFFICE**

The principal office and mailing address of the Association shall be at 10475 Fortune Parkway, Suite 100, Jacksonville, FL 32256, or at such other place as may be subsequently designated by the Board of Directors. All books and records of the Association shall be kept at its principal office or at such other place as may be permitted by the Act.

**3
INITIAL REGISTERED OFFICE;
ADDRESS AND NAME OF REGISTERED AGENT**

The initial registered office of this corporation shall be at 1301 Riverplace Boulevard, Suite 1500, Jacksonville, Florida 32207. The initial registered agent at that address shall be Lynda R. Aycock.

**4
PURPOSE**

The objects and purposes of the Association are those objects and purposes as are authorized by the Covenants and Restrictions for GRAND CAY OF ST. AUGUSTINE to be recorded in the Public Records of ST. JOHNS County Florida, as hereafter amended and/or supplemented from time to time (the "Declaration"). The further objects and purposes of the Association are to preserve the values in the Property and to maintain the Common Property thereof for the benefit of the Owners who become members of the Association.

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5
POWERS

The powers of the Association shall include and be governed by the following:

- 5.1 General. The Association shall have all of the common law and statutory powers of a corporation not for profit under the Laws of Florida, (which are in effect at the time of filing of these Articles) except as expressly limited or restricted by applicable law, the terms of these Articles, the Declaration or the Bylaws.
- 5.2 Enumeration. In addition to the powers set forth in Section 5.1 above, the Association shall have all of the powers and duties reasonably necessary to operate the Property pursuant to the Declaration and as more particularly described in the Bylaws, as they may be amended from time to time, including, but not limited to, the following:
- (a) To make and collect Assessments and other charges against members as Owners (whether or not such sums are due and payable to the Association), and to use the proceeds thereof in the exercise of its powers and duties including without limitation to the maintenance and operation of the Stormwater Management System, including but not limited to work within the retention areas, drainage structures or drainage easements.
 - (b) To buy, accept, own, operate, lease, sell, trade and mortgage both real and personal property in accordance with the provisions of the Declaration; provided however, the Common Property may not be mortgaged without the consent of the Owners with voting power representing two thirds of the votes.
 - (c) To maintain, repair, replace, reconstruct, add to and operate the Common Property, and other property acquired or leased by the Association.
 - (d) To purchase insurance upon the Common Property and insurance for the protection of the Association, its officers, directors and Owners,
 - (e) To make and amend reasonable rules and regulations for the maintenance, conservation and use of the Property and for the health, comfort, safety and welfare of the Owners.
 - (f) To enforce by legal means the provisions of the Declaration, these Articles, the Bylaws, the rules and regulations for the use of the Common Property and applicable law.
 - (g) To contract for the management and maintenance of the Common Property and to authorize a management agent to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules and maintenance, repair and replacement of the Common Property with such funds as shall be made available by the Association for such purposes. The Association and its officers

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shall, however, retain at all times the powers and duties to make assessments, promulgate rules and execute contracts on behalf of the Association.

- (h) To employ personnel to perform the services required for the proper operation and maintenance of the Common Property.
 - (i) To execute all documents or consents, on behalf of all Owners (and their mortgagees), required by all governmental and/or quasi-governmental agencies in connection with land use and development matters (including, without limitation, plats, waivers of plat, unities of title, covenants in lieu thereof, etc.), and in that regard, each Owner, by acceptance of the deed to such Owner's Unit or Lot and each Mortgagee of an Owner by acceptance of a lien on said Unit or Lot, appoints and designates the President of the Association as such Owner's agent and attorney-in-fact to execute any and all such documents or consents.
 - (j) To operate, maintain and manage the Stormwater Management System in a manner consistent with the St. Johns River Water Management District permit no. 40-109-96816-2 requirements and applicable District rules, and shall assist in the enforcement of the restrictions and covenants contained in the Declaration.
- 5.3 Association Property. All funds and the title to all properties acquired by the Association and their proceeds shall be held for the benefit and use of the members in accordance with the provisions of the Declaration, these Articles and the Bylaws.
- 5.4 Distribution of Income; Dissolution. The Association shall not pay a dividend to its members and shall make no distribution of income to its members, directors or officers, and upon dissolution, all assets of the Association shall be transferred only to another non-profit corporation or a public agency or as otherwise authorized by the Florida Not For Profit Corporation Act (Chapters 617 and 720, Florida Statutes) and as may be approved by the St. Johns River Water Management District, with respect to the transfer of the Stormwater Management System.
- 5.5 Limitation. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions hereof and of the Declaration, the Bylaws and applicable law, provided that in the event of conflict, the provisions of applicable law shall control over those of the Declaration and Bylaws. The provisions of the Declaration shall control over those of the Articles and Bylaws; the provisions of the Articles shall control over the provisions of the Bylaws.

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6
MEMBERS

- 6.1 Membership. The members of the Association shall consist of KB Home Jacksonville, LLC ("Declarant") and all of the record title owners of Lots or Units within the Property from time to time, which membership shall be appurtenant to and inseparable from ownership of the Lot or Unit.
- 6.2 Assignment. The share of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to the Lot for which that share is held.
- 6.3 Voting. The Association shall have two (2) classes of voting membership:
- (a) Class A Members shall be all Owners, with the exception of the "Declarant" (as long as the Class B Membership shall exist, and thereafter, the Declarant shall be a Class A Member to the extent it would otherwise qualify). Each Class A Member shall have one vote for each Lot owned by such member.
 - (b) Class B Member. The Class B Member shall be the Developer who shall be entitled to three (3) votes for each Lot owned by the Developer. The Class B Membership shall cease and be converted to Class A Membership on the happening of any of the following events: ("Turnover"):
 - (i) When the total votes outstanding in the Class A Membership equals the total votes outstanding in the Class B Membership;
 - (ii) December 31, 2010;
 - (iii) Three (3) months after ninety percent (90%) of the Lots have been conveyed to members of the Association other than the Developer; or
 - (iv) Such earlier date as the Developer may choose to terminate the Class B Membership upon notice to the Association.

All votes shall be exercised or cast in the manner provided by the Declaration and Bylaws. After Turnover, the Class A Members may vote to elect the majority of the members of the Board. For the purposes of this Article, builders, contractors or others who purchase a Lot for the purpose of the constructing improvements thereon for resale shall not be deemed to be Class A Members. After Turnover, for so long as the Declarant holds for sale in the ordinary course of business at least five percent (5%) of the Lots within the Property, the Declarant may elect at least one (1) Director. After Turnover, the Declarant will be a Class A Member with respect to the Lots which it owns and shall have all rights and obligations of a Class A Member, except that it may not cast its votes for the purpose of reacquiring control of the Association.

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- 6.4 Meetings. The Bylaws shall provide for an annual meeting of members, and may make provision for regular and special meetings of members other than the annual meeting.
- 6.5 Proviso. At Turnover, the Declarant shall transfer control of the Association to Owners other than the Declarant by causing enough of its appointed Directors to resign, whereupon it shall be the affirmative obligation of Owners other than the Declarant to elect Directors and assume control of the Association. Provided at least thirty (30) days notice of Declarant's decision to cause its appointees to resign is given to Owners, neither the Declarant, nor such appointees, shall be liable in any manner in connection with such resignations even if the Owners other than the Declarant refuse or fail to assume control.

7**INCORPORATOR**

The name and address of the Incorporator of this Corporation is:

NAMEADDRESS

Lynda R. Aycock

1301 Riverplace Boulevard,
Suite 1500,
Jacksonville, Florida 32207

8**TERM OF EXISTENCE**

Existence of the Association shall commence with the filing of theses Articles of Incorporation with the Secretary of State, Tallahassee, Florida and shall exist in perpetuity. Provided, however, in the event that the Association is dissolved, the assets shall be dedicated to the public body or conveyed to a non-profit or not for profit corporation with similar purpose. In the event of termination, dissolution or final liquidation of the Association, the responsibility for the operation and maintenance of the Stormwater Management System must be transferred to and accepted by an entity which would comply with applicable provisions of the Florida Administrative Code for the St. Johns River Water Management District and be approved by the St. Johns River Water Management District prior to such termination, dissolution or liquidation.

9**OFFICERS**

The affairs of the Association shall be administered by the officers holding the offices designated in the Bylaws. The officers shall be elected by the Board of Directors of the Association at its first meeting following the annual meeting of the members of the Association and shall serve at the pleasure of the Board of Directors. The Bylaws may provide for the removal from office of officers, for filling vacancies and for the duties and qualifications of the officers. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

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Gerald Doyle, President
10475 Fortune Parkway,
Suite 100,
Jacksonville, Fl 32256

William Buckley, Vice President:
10475 Fortune Parkway,
Suite 100,
Jacksonville, Fl 32256

Carrie Pearlmutter, Secretary/Treasurer:
10475 Fortune Parkway,
Suite 100,
Jacksonville, Fl 32256

10
DIRECTORS

- 10.1 Number and Qualification. The property, business and affairs of the Association shall be managed by a board consisting of the number of directors determined in the manner provided by the Bylaws, but which shall consist of not less than three (3) directors nor more than seven (7) directors as determined from time to time by a majority of the Owners. Prior to Turnover, Directors need not be members of the Association.
- 10.2 Duties and Powers. All of the duties and powers of the Association existing under the law, the Declaration, these Articles and the Bylaws shall be exercised exclusively by the Board of Directors, its agents, contractors or employees, subject only to approval by Owners when such approval is specifically required.
- 10.3 Election and Removal. Directors of the Association shall be elected at the annual meeting of the Members in the manner determined by and subject to the qualifications set forth in the Bylaws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the Bylaws.
- 10.4 Term of Declarant's Directors. The Declarant shall appoint the members of the first Board of Directors and their replacements who shall hold office for the periods described in the Bylaws.
- 10.5 First Directors. The names and addresses of the members of the first Board of Directors who shall hold office until their successors are elected and have taken office, as provided in the Bylaws, are as follows:

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<u>NAME</u>	<u>ADDRESS</u>
Gerald Doyle	10475 Fortune Parkway, Suite 100, Jacksonville, FL 32256
William Buckley	10475 Fortune Parkway, Suite 100, Jacksonville, FL 32256
Carrie Pearlmutter	10475 Fortune Parkway, Suite 100, Jacksonville, FL 32256

- 10.6 Standards. A director shall discharge his duties as a director, including any duties as a member of a Committee: in good faith; with the care an ordinary prudent person in a like position would exercise under similar circumstances; and in a manner reasonably believed to be in the best interests of the Association. Unless a director has knowledge concerning a matter in question that makes reliance unwarranted, a director, in discharging his duties, may rely on information, opinions, reports or statements, including financial statements and other data, if prepared or presented by: one or more officers or employees of the Association whom the director reasonably believes to be reasonable and competent in the manners presented; legal counsel, public accountants or other persons as to matters the director reasonably believes are within the persons' professional or expert competence; or a Committee of which the director is not a member if the director reasonably believes the Committee merits confidence. A director is not liable for any action taken as a director, or any failure to take action, if he performed the duties of his office in compliance with the foregoing standards.

11 INDEMNIFICATION PROVISIONS

- 11.1 Indemnitees. The Association shall indemnify any person who was or is a party to any proceeding (other than an action by, or in the right of, the Association) by reason of the fact that he is or was a director, officer, employee or agent (each, an "Indemnitee") of the Association, against liability incurred in connection with such proceeding, including any appeal thereof, if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Association and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any proceeding by judgment, order, settlement, or conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in, or

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not opposed to, the best interests of the Association or, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

- 11.2 Indemnification. The Association shall indemnify any person, who was or is a party to any proceeding by or in the right of the Association to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee, or agent of the Association against expenses and amounts paid in settlement not exceeding, in the judgment of the board of directors, the estimated expense of litigating the proceeding to conclusion, actually and reasonably incurred in connection with the defense or settlement of such proceeding, including any appeal thereof. Such indemnification shall be authorized if such person acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Association, except that no indemnification shall be made under this subsection in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable unless, and only to the extent that, the court in which such proceeding was brought, or any other court of competent jurisdiction, shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.
- 11.3 Indemnification for Expenses. To the extent that a director, officer, employee, or agent of the Association has been successful on the merits or otherwise in defense of any proceeding referred to in subsection 11.1 or 11.2, or in defense of any claim, issue, or matter therein, he shall be indemnified against expenses actually and reasonably incurred by him in connection therewith.
- 11.4 Determination of Applicability. Any indemnification under subsection 11.1 or subsection 11.2, unless pursuant to a determination by a court, shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the director, officer, employee, or agent is proper under the circumstances because he has met the applicable standard of conduct set forth in subsection 11.1 or subsection 11.2. Such determination shall be made:
- (a) By the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such proceeding;
 - (b) If such a quorum is not obtainable or, even if obtainable, by majority vote of a Committee duly designated by the Board of Directors (in which directors who are parties may participate) consisting solely of two or more Directors not at the time parties to the proceeding;
 - (c) By independent legal counsel:
 - 1. selected by the Board of Directors prescribed in paragraph (a) or the committee prescribed in paragraph (b); or
 - 2. if a quorum of the directors cannot be obtained for paragraph (a) and the Committee cannot be designated under paragraph (b), selected by majority

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vote of the full Board of Directors (in which Directors who are parties may participate); or

- (d) By a majority of the voting interests of the members of the Association who were not parties to such proceeding.
- 11.5 Determination Regarding Expenses. Evaluation of the reasonableness of expenses and authorization of indemnification shall be made in the same manner as the determination that indemnification is permissible.
- 11.6 Advancing Expenses. Expenses incurred by an officer or director in defending a civil or criminal proceeding may be paid by the Association in advance of the final disposition of such proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay such amount if he is ultimately found not to be entitled to indemnification by the Association pursuant to this section. Expenses incurred by other employees and agents may be paid in advance upon such terms or conditions that the Board of Directors deems appropriate.
- 11.7 Exclusivity; Exclusions. The indemnification and advancement of expenses provided pursuant to this section are not exclusive, and the Association may make any other or further indemnification or advancement of expenses of any of its directors, officers, employees, or agents, under any bylaw, agreement, vote of shareholders or disinterested directors, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office. However, indemnification or advancement of expenses shall not be made to or on behalf of any director, officer, employee, or agent if a judgment or other final adjudication establishes that his actions, or omissions to act, were material to the cause of action so adjudicated and constitute:
- (a) A violation of the criminal law, unless the director, officer, employee, or agent had reasonable cause to believe his conduct was lawful or had no reasonable cause to believe his conduct was unlawful;
 - (b) A transaction from which the director, officer, employee, or agent derived an improper personal benefit; or
 - (c) Willful misconduct or a conscious disregard for the best interests of the Association in a proceeding by or in the right of the Association to procure a judgment in its favor or in a proceeding by or in the right of the members of the Association.

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- 11.8 Continuing Effect. Indemnification and advancement of expenses as provided in this section shall continue as, unless otherwise provided when authorized or ratified, to a person who has ceased to be a director, officer, employee, or agent and shall inure to the benefit of the heirs, executors, and administrators of such a person, unless otherwise provided when authorized or ratified.
- 11.9 Application to Court. Notwithstanding the failure of a Association to provide indemnification, and despite any contrary determination of the Board or of the members in the specific case, a director, officer, employee, or agent of the Association who is or was a party to a proceeding may apply for indemnification or advancement of expenses, or both, to the court conducting the proceeding, to the circuit court, or to another court of competent jurisdiction. On receipt of an application, the court, after giving any notice that it considers necessary, may order indemnification and advancement of expenses, including expenses incurred in seeking court-ordered indemnification or advancement of expenses, if it determines that: (a) The director, officer, employee, or agent is entitled to mandatory indemnification under subsection 11.3 in which case the court shall also order the Association to pay the director reasonable expenses incurred in obtaining court-ordered indemnification or advancement of expenses; (b) The director, officer, employee, or agent is entitled to indemnification or advancement of expenses, or both, by virtue of the exercise by the Association of its power pursuant to section 11.7; or (c) the director, officer, employee, or agent is fairly and reasonably entitled to indemnification or advancement of expenses, or both, in view of all the relevant circumstances, regardless of whether such person met the standard of conduct set forth in subsection 11.1, subsection 11.2, or subsection 11.7, unless (d) a court of competent jurisdiction determines, after all available appeals have been exhausted or not pursued by the proposed Indemnitee, that he did not act in good faith or acted in a manner he reasonably believed to be not in, or opposed to, the best interest of the Association, and, with respect to any criminal action or proceeding, that he had reasonable cause to believe his conduct was unlawful, and (e) such court further specifically determines that indemnification should be denied. The termination of any proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith or did act in a manner which he reasonably believed to be not in, or opposed to, the best interest of the Association, and, with respect to any criminal action or proceeding, that he had reasonable cause to believe that his conduct was unlawful.
- 11.10 Definitions. For purposes of this Article 11, the term "expenses" shall be deemed to include attorneys' fees, including those for any appeals; the term "liability" shall be deemed to include obligations to pay a judgment, settlement, penalty, fine, and expenses actually and reasonably incurred with respect to a proceeding; the term "proceeding" shall be deemed to include any threatened, pending, or completed action, suit, or other type of proceeding, whether civil, criminal, administrative or investigative, and whether formal or informal; and the term "agent" shall be deemed to include a volunteer; the term "serving at the request of the Association" shall be deemed to include any service as a director, officer, employee or agent of the Association that imposes duties on such persons.

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- 11.11 Amendment. Anything to the contrary herein notwithstanding, no amendment to the provisions of this Article 11 shall be applicable as to any party eligible for indemnification hereunder who has not given his prior written consent to such amendment.

12 BYLAWS

The first Bylaws of the Association shall be adopted by the Board of Directors and may be altered, amended or rescinded in the manner provided in the Bylaws and the Declaration.

13 AMENDMENTS

Amendments to these Articles shall be proposed and adopted in the following manner:

- 13.1 Notice. Notice of a proposed amendment shall be included in the notice of any meeting at which the proposed amendment is to be considered and shall be otherwise given in the time and manner provided in Chapters 617 and 720, Florida Statutes. Such notice shall contain the proposed amendment or a summary of the changes to be affected thereby.
- 13.2 Adoption. Amendments shall be proposed and adopted in the manner provided in Chapters 617 and 720, Florida Statutes and in the Act (the latter to control over the former to the extent provided for in the Act); provided that in all events such amendments shall be approved by the Owners representing two thirds of the votes of the members of the Association who have voting power at the time of such amendment.
- 13.3 Declarant Amendments. Notwithstanding anything herein contained to the contrary, prior to Turnover and to the extent lawful, the Declarant may amend these Articles consistent with the provisions of the Declaration allowing certain amendments to be effected by the Declarant alone.
- 13.4 Recording. A copy of each amendment shall be filed with the Secretary of State pursuant to the provisions of applicable Florida law, and a copy certified by the Secretary of State shall be recorded in the public records of St. Johns County, Florida with an identification on the first page thereof of the book and page of said public records where the Declaration are recorded which contains, as an exhibit, the initial recording of these Articles.

14 APPROVAL OF FHA/VA

In the event that a mortgage on a Unit or a Lot is guaranteed by the Federal Housing Agency ("FHA") or the Veteran's Administration ("VA"), then for so long as there is a Class B Membership, there shall be approval of the FHA or VA to the following actions: (i) Annexation

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of additional properties (excluding Future Development Property), mergers and consolidations of the Association, mortgaging of Common Property, dissolution or amendment of these Articles.

IN WITNESS WHEREOF, the Incorporator has affixed her signature the day and year set forth below.


Lynda R. Aycock, Incorporator

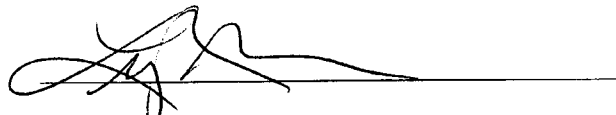
Dated this 2nd day of August, 2005.

CERTIFICATE DESIGNATING PLACE OF BUSINESS OR DOMICILE FOR THE
SERVICE OF PROCESS WITHIN THIS STATE, NAMING AGENT
UPON WHOM PROCESS MAY BE SERVED.

In compliance with the laws of Florida, the following is submitted:

First --That desiring to organize under the laws of the State of Florida with its principal office, as indicated in the foregoing Articles of Incorporation, in the County of St. Johns, State of Florida, the Association named in the said articles has named Lynda R. Aycock whose address is 1301 Riverplace Boulevard, Suite 1500, Jacksonville, FL 32207 as its statutory registered agent.

Having been named the statutory agent of said Association at the place designated in this certificate, I am familiar with the obligations of that position, and hereby accept the same and agree to act in this capacity, and agree to comply with the provisions of Florida law relative to keeping the registered office open.


Registered Agent:

DATED this 2nd day of August, 2005

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EXHIBIT C

Bylaws of Grand Cay of St. Augustine Association, Inc.

**BYLAWS
OF
GRAND CAY OF ST. AUGUSTINE HOMEOWNERS ASSOCIATION, INC.**

**A Corporation Not for Profit
Under the Laws of the State of Florida**

**1
DEFINITIONS**

All terms in these Bylaws shall have the meanings as set forth in the Covenants and Restrictions for GRAND CAY OF ST. AUGUSTINE HOMEOWNERS ASSOCIATION, INC.

**2
BOOKS AND PAPERS**

2.1 The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to the inspection of any Member of the Association.

**3
MEMBERSHIP**

3.1 Membership of the Association is as set forth in Article 6 of the Articles of Incorporation of the Association.

3.2 The rights of membership are subject to the payment of annual and special assessments levied by the Association, the obligation of which assessments is imposed against each Owner of, and becomes a lien upon, that portion of the Property against which such assessments are made as provided in the Declaration.

**4
BOARD OF DIRECTORS**

4.1 After Transition as defined in Section 720.307, Florida Statutes, the Directors of the Association shall be elected at the annual meeting of the Members except as otherwise specified in the Articles of Incorporation. The election shall be decided by majority of votes cast either by Members present in person or by written ballots cast prior to or at the annual meeting. The election shall be valid notwithstanding whether there was a quorum at the meeting.

4.2 Any director (other than a director designated by the Declarant) may be removed from office at any time with or without cause by the affirmative majority vote of the Association membership cast at a meeting at which a quorum is present.

4.3 After Turnover, the first meeting of the duly elected Board of Directors, for the purposes of organization, shall be held immediately after the annual meeting of Members, provided the majority of the members of the Board elected be present. Any action taken at such meeting shall be by a majority of the whole Board. If the majority of the members of the Board elected shall not be present at that time, or if the directors shall fail to elect officers, the meeting of the Board to elect officers shall then be held within thirty (30) days after the annual meeting of Members upon three (3) days notice in writing to each member of the Board so elected, stating the time, place and object of such meeting.

4.4 Subject to the provisions of Section 4.6 below, regular meetings of the Board of Directors may be held at any place or places in Florida as designated by the Board, on such days and at such hours as the Board of Directors may, by resolution, designate.

4.5 Subject to the provisions of Section 4.6 below, special meetings of the Board of Directors may be called at any time by the President or by any two (2) members of the Board and may be held any place or places within Florida as designated by the Board, and at any time.

4.6 Except only for meetings between the Board and its attorney with respect to proposed or pending litigation where the contents of the discussion would otherwise be protected by the attorney-client privilege, regular and/or special meetings of the Board of Directors shall be open to all Owners, and notices of Board meetings shall be posted in a conspicuous place on the property governed by the Association at least forty eight (48) hours prior to the meeting, except in the event of an emergency. In the alternative, if notice is not conspicuously posted, notice of the Board meeting must be mailed or delivered to each Member at least seven (7) days before the meeting, except in an emergency. Notwithstanding this general notice requirement, notice of any meeting in which assessments against Lots or Units are to be considered shall specifically contain a statement to that effect as well as a statement of the nature of such assessments and shall be provided to each Owner not less than fourteen (14) days prior to the meeting.

4.7 Directors (including affiliates of the Declarant) shall have the absolute right to resign at any time and the remaining directors in office shall then fill the vacancies, provided that if all directors resign, a special meeting of Members shall be called as soon as possible for the purpose of electing new directors and the resignations of such directors shall not be effective until such election is held and new directors are elected, except that if no meeting is held or no directors are elected after two (2) attempts to call and hold such meeting, the resignations shall become effective simultaneously with the date and time of the scheduled second meeting, whether held or not or whether new directors are elected or not. Notwithstanding anything herein contained to the contrary, in the event that a Director appointed by the Declarant resigns, said seat shall be filled by a replacement designated by the Declarant rather than by the remaining directors.

4.8 Directors may not vote by proxy or secret ballot, provided, however, that secret ballots may be used for the election of officers. This subsection also applies to the meetings of any committee or other similar body, when a final decision will be made regarding the expenditure of association funds, and to any body vested with the power to approve or disapprove architectural decisions with respect to a specific parcel of residential property owned by a member of the community.

4.9 The Directors of the Association have a fiduciary duty to the Owners of Lots or Units governed by the Association.

4.10 Members have the right to attend all meetings of the board and to speak on any matter placed on the agenda by petition of the voting interests for at least 3 minutes. The Association may adopt written reasonable rules expanding the right of members to speak and governing the frequency, duration, and other manner of member statements, which rules must be consistent with this paragraph and may include a sign-up sheet for members wishing to speak. Notwithstanding any other law, the requirement that board meetings and committee meetings be open to the members is inapplicable to meetings between the board or a committee and the association's attorney, with respect to meetings of the board held for the purpose of discussing personnel matters.

4.11 If 20 percent of the total voting interests petition the board to address an item of business, the board shall at its next regular board meeting or at a special meeting of the board, but not later than 60 days after the receipt of the petition, take the petitioned item up on an agenda. The board shall give all members 14 days notice of the meeting at which the petitioned item shall be addressed. Each member shall have the right to speak for at least 3 minutes on each matter placed on the agenda by petition, provided that the member signs the sign-up sheet, if one is provided, or submits a written request to speak prior to the meeting. Other than addressing the petitioned item at the meeting, the board is not obligated to take any other action requested by the petition.

5

RECALL OF DIRECTORS

5.1 Subject to the provisions of s. 720.307 regarding transition of association control, any member of the board or directors may be recalled and removed from office with or without cause by a majority of the total voting interests in accordance with the provisions of Section 720.303 (10) Florida Statutes.

6

OFFICERS

6.1 Any officer may be removed at any time by the affirmative vote of a majority of the Board of Directors at any duly called regular or special meeting of the Board.

6.2 The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the Members of the Association and of the Board of Directors. He shall have the general powers and duties of supervision and management of the Association which usually pertain to his office, and shall perform all such duties as are properly required of him by the Board of Directors. The Board of Directors shall elect at least one (1) Vice President, who shall have such powers and perform such duties as usually pertain to such office or as are properly required of him by the Board of Directors. In the absence or disability of the President, any Vice President shall perform the duties and exercise the powers of the President. If more than one (1) Vice President is elected, the Board shall designate which Vice President is to perform which duties. The Secretary shall issue notices of all meetings of the membership of the

Association and the directors where notices of such meetings are required by law or in these Bylaws. He shall keep the minutes of the meetings of the membership and of the Board of Directors. The Treasurer shall have the care and custody of all the monies and securities of the Association. He shall enter on the books of the Association, to be kept by him for that purpose, full and accurate accounts of all monies received by him and paid by him on account of the Association. He shall sign such instruments as require his signature and shall perform all such duties as usually pertain to his office or as are properly required of him by the Board of Directors.

6.3 Vacancies in any office arising from any cause may be filled by the Board of Directors at any regular or special meeting.

6.4 The officers of the Association have a fiduciary duty to the Owners of Lots governed by the Association.

7

MEETINGS OF MEMBERS

7.1 The regular annual meeting of the Members shall be held in the month of November in each year at such time and place as shall be determined by the Board of Directors. The election of directors shall be held at, or in conjunction with, the annual meeting.

7.2 Special meetings of the Members for any purpose may be called at any time by the President, the Vice President, the Secretary or Treasurer, or by any two (2) or more members of the Board of Directors, or upon written request of the Members who have a right to vote 10% of all the votes of the entire membership, or who have a right to vote 10% of the votes of the Class A membership. Business conducted at a special meeting shall be limited to the purposes set forth in the notice of meeting.

7.3 Notice may be given to the Members either personally, or by sending a copy of the notice through the mail, postage thereon fully paid, to the addresses appearing on the records of the Association. Each Member shall register his address with the Secretary, and notices of meetings shall be mailed to him at such address. Notice of any meeting, regular or special, shall be mailed or personally delivered at least fourteen (14) days in advance of the meeting and shall set forth the general nature of the business to be transacted, provided, however, that if any business of any meeting shall involve any action governed by the Articles of Incorporation, notice of such meeting shall be given or sent as therein provided.

7.4 The presence in person or by proxy at the meeting of Members entitled to cast at least 30% of the votes of the membership shall constitute a quorum for any action governed by these Bylaws. Unless a greater percentage is expressly required, decisions of the members shall be made by a majority of the voting interests represented at a meeting at which a quorum is present.

7.5 Members have the right to vote in person or by proxy. To be valid, a proxy must be in writing and be signed by the Member and the proxy must state the date, time and place of the meeting for which it was given. A proxy is effective only for the meeting for which it was

given, as the meeting may be legally adjourned and reconvened from time to time, and automatically expires ninety (90) days following the date of the meeting for which it was originally given. A proxy is revocable at any time at the pleasure of the person who executes it. If the proxy form so provides, the proxy holder may appoint, in writing, a substitute to act in the proxy holder's place.

7.6 Any Owner may tape record or videotape meetings of the Members, subject however to the rules established from time to time by the Board regarding such tapings.

7.7 Except when specifically or impliedly waived by the chairman of a meeting (either of Members or Directors) Roberts Rules of Order (latest edition) shall govern the conduct of Association meetings when not in conflict with the Declaration the Articles or these Bylaws; provided, however, that a strict or technical reading of said Roberts' Rules of Order shall not be made as to frustrate the will of the persons participating in said meeting.

8

AMENDMENTS

8.1 These Bylaws may be amended, at a regular or special meeting of the Board, by a vote of two thirds of the votes of the Directors, provided that the notice to the Members of the meeting discloses the information that the amendment of the Bylaws is to be considered, provided, however, the provisions which are governed by the Articles of Incorporation of this Association may not be amended except as provided in the Articles of Incorporation or applicable law; and provided further that any matters stated herein to be or which are in fact governed by the Declaration may not be amended except as provided in such Declaration. Anything to the contrary herein notwithstanding, the Declarant shall have the absolute right to amend these Bylaws and the Articles of Incorporation prior to the Transition of Control to the members as provided in Section 720.307, Florida Statutes.

8.2 In case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

8.3 So long as there is a Class B Membership, all amendments to the Bylaws shall be approved by the Federal Housing Agency ("FHA") or the Veteran's Administration ("VA").

9

OFFICIAL RECORDS

From the inception of the Association, the Association shall maintain each of the following, where applicable, which shall constitute the official records of the Association:

- (a) A photocopy of any plans, specifications, permits and warranties related to improvements constructed on the Common Property or other property that the Association is obligated to maintain, repair or replace;
- (b) A photocopy of the Bylaws of the Association and all amendments thereto;

- (c) A certified copy of the Articles of Incorporation of the Association or other documents creating the Association and all amendments thereto;
- (d) A photocopy of the Declaration and all amendments thereto;
- (e) A copy of the current Rules and Regulations of the Association;
- (f) The minutes of all meetings of the Association, of the Board of Directors, and of Members, which minutes shall be retained for a period of not less than 7 years;
- (g) A current roster of all Owners, their mailing addresses and Lot or Unit identifications;
- (h) All current insurance policies of the Association or a copy of each such policy, which policies shall be retained for a period of not less than 7 years;
- (i) A current copy of all contracts to which the Association is a party, including, without limitation, any management agreement, lease, or other contract under which the Association has an obligation or responsibility;
- (j) Bids received by the Association for any work to be performed on behalf of the Association, which bids shall be retained for a period of not less than 1 year;
- (k) All other written records of the association not specifically included in the foregoing which are related to the operation of the association.
- (l) Financial and accounting records for the Association maintained in accordance with good accounting practices. All financial and accounting records shall be maintained for a period of not less than 7 years. The financial and accounting records shall include, but not be limited to:
 - (i) Accurate, itemized, and detailed records for all receipts and expenditures;
 - (ii) A current account and a periodic statement of the account for each Member of the Association, designating the name and current address of each Member, the due date and amount of each Assessment, the date and amount of each payment on the account, and the balance due;
 - (iii) All tax returns, financial statements and financial records of the Association; and
 - (iv) Any other records that identify, measure, record or communicate financial information.

Notwithstanding the provisions of this paragraph, the following records shall not be accessible to members or parcel owners:

(1) Any record protected by the lawyer-client privilege as described in s. 90.502 and any record protected by the work-product privilege, including, but not limited to, any record prepared by an association attorney or prepared at the attorney's express direction which reflects a mental impression, conclusion, litigation strategy, or legal theory of the attorney or the association and was prepared exclusively for civil or criminal litigation or for adversarial administrative proceedings or which was prepared in anticipation of imminent civil or criminal litigation or imminent adversarial administrative proceedings until the conclusion of the litigation or adversarial administrative proceedings.

(2) Information obtained by an association in connection with the approval of the lease, sale, or other transfer of a parcel.

(3) Disciplinary, health, insurance, and personnel records of the association's employees.

(4) Medical records of parcel owners or community residents.

10

BOOKS AND PAPERS: FISCAL YEAR; MINUTES: BUDGETS: FINANCIAL REPORTS

10.1 The official records shall be maintained within the State of Florida and must be open to inspection and available for photocopying by any Association Member or the authorized agent(s) of such Member at all reasonable times and places within ten (10) business days after receipt of a written request for access. The Association may adopt reasonable written rules regarding the frequency, time, location, notice and manner of inspections and may impose fees to cover the costs of providing copies of the official records, including, without limitation, the costs of copying but may not impose a requirement that a parcel owner demonstrate any proper purpose for the inspection, state any reason for the inspection, or limit a parcel owner's right to inspect records to less than one 8-hour business day per month. The association may charge up to 50 cents per page for copies made on the association's photocopier. If the association does not have a photocopy machine available where the records are kept, or if the records requested to be copied exceed 25 pages in length, the association may have copies made by an outside vendor and may charge the actual cost of copying. If the association has a photocopy machine available where the records are maintained, it must provide parcel owners with copies on request during the inspection if the entire request is limited to no more than 25 pages. The Association shall maintain an adequate number of copies of the recorded Declaration, Articles, Bylaws and any rules to ensure their availability to Members and prospective Members, and may charge only its actual costs for reproducing and furnishing these documents.

10.2 The fiscal year of the Association shall be the twelve month period commencing January 1st and terminating December 31st of each year.

10.3 Minutes of all meetings of the Members and of the Board must be maintained in written form or in another form that can be converted into written form within a reasonable time.

The vote or abstention from voting on each matter voted upon for each director present at a Board meeting must be recorded in the minutes.

10.4 The Association shall prepare an annual budget reflecting, among other things, the estimated revenues and expenses for the budgeted year and the estimated surplus or deficit for the end of the current year. The budget must separately set out all fees or charges for recreational amenities, whether owned by the Association or another person. The Association shall provide each Member with a copy of the annual budget or a written notice advising that a copy of the budget is available upon request at no charge to the Member. The copy must be provided to the Member in accordance with the time limits set forth in Section 9.1 above.

10.5 Financial reports shall be prepared as follows

(a) An association that meets the criteria of this paragraph shall prepare or cause to be prepared a complete set of financial statements in accordance with generally accepted accounting principles. The financial statements shall be based upon the association's total annual revenues, as follows:

1. An association with total annual revenues of \$100,000 or more, but less than \$200,000, shall prepare compiled financial statements.

2. An association with total annual revenues of at least \$200,000, but less than \$400,000, shall prepare reviewed financial statements.

3. An association with total annual revenues of \$400,000 or more shall prepare audited financial statements.

(b)

1. An association with total annual revenues of less than \$100,000 shall prepare a report of cash receipts and expenditures.

2. An association in a community of fewer than 50 parcels, regardless of the association's annual revenues, may prepare a report of cash receipts and expenditures in lieu of financial statements required by paragraph (a) unless the governing documents provide otherwise.

3. A report of cash receipts and disbursement must disclose the amount of receipts by accounts and receipt classifications and the amount of expenses by accounts and expense classifications, including, but not limited to, the following, as applicable: costs for security, professional, and management fees and expenses; taxes; costs for recreation facilities; expenses for refuse collection and utility services; expenses for lawn care; costs for building maintenance and repair; insurance costs; administration and salary expenses; and reserves if maintained by the association.

(c) If 20 percent of the parcel owners petition the board for a level of financial reporting higher than that required by this section, the association shall duly notice and hold a meeting of members within 30 days of receipt of the petition for the purpose of voting on raising the level of reporting for that fiscal year. Upon approval of a majority of the total voting interests of the parcel owners, the association shall prepare or cause to be prepared, shall amend the budget or adopt a special assessment to pay for the financial report regardless of any provision to the contrary in the governing documents, and shall provide within 90 days of the meeting or the end of the fiscal year, whichever occurs later:

1. Compiled, reviewed, or audited financial statements, if the association is otherwise required to prepare a report of cash receipts and expenditures;

2. Reviewed or audited financial statements, if the association is otherwise required to prepare compiled financial statements; or

3. Audited financial statements if the association is otherwise required to prepare reviewed financial statements.

(d) If approved by a majority of the voting interests present at a properly called meeting of the association, an association may prepare or cause to be prepared:

1. A report of cash receipts and expenditures in lieu of a compiled, reviewed, or audited financial statement;

2. A report of cash receipts and expenditures or a compiled financial statement in lieu of a reviewed or audited financial statement; or

3. A report of cash receipts and expenditures, a compiled financial statement, or a reviewed financial statement in lieu of an audited financial statement.

10.6 The Association shall prepare an annual financial report within sixty (60) days following the close of each fiscal year of the Association. The financial report must consist of either, at the determination of the Board, (a) financial statements presented in conformity with generally accepted accounting principles, or (b) a financial report of actual receipts and expenditures, cash basis, showing, the amount of receipts and expenditures by classification and the beginning and ending cash balances of the Association. The Association shall provide each Member with a copy of the annual financial report or a written notice advising that a COPY of the report is available upon request at no charge to the Member. The copy must be provided to the Member in accordance with the time limits set forth in Section 9.1 above.

As to the provisions of Section 10.5 and 10.6 above, any amendment to Section 720.303(6) and (7) shall automatically amend Section 10.5 and 10.6 so that the same remain consistent with Section 720.303 (6) and (7), Florida Statutes.

11 CONTRACTS

All contracts as further described in this section or any contract that is not to be fully performed within 1 year after the making thereof for the purchase, lease, or renting of materials or equipment to be used by the association in accomplishing its purposes under this chapter or the governing documents, and all contracts for the provision of services, shall be in writing. If a contract for the purchase, lease, or renting of materials or equipment, or for the provision of services, requires payment by the association that exceeds 10 percent of the total annual budget of the association, including reserves, the association must obtain competitive bids for the materials, equipment, or services. Nothing contained in this section shall be construed to require the association to accept the lowest bid. Notwithstanding the foregoing, contracts with employees of the association, and contracts for attorney, accountant, architect, community association manager, engineering, and landscape architect services are not subject to the provisions of this section.

12 DISCLOSURE

Owners shall comply with the disclosure requirements set forth in Part II of Chapter 720. The current requirements are set forth in Exhibit A to these Bylaws.

Exhibit A DISCLOSURE

A PROSPECTIVE PARCEL OWNER IN A COMMUNITY MUST BE presented a disclosure summary before executing the contract for sale. The disclosure summary must be in a form substantially similar to the following form:

DISCLOSURE SUMMARY FOR CEDAR GLEN

1. AS A PURCHASER OF PROPERTY IN THIS COMMUNITY, YOU WILL BE OBLIGATED TO BE A MEMBER OF A HOMEOWNERS' ASSOCIATION.
2. THERE HAVE BEEN OR WILL BE RECORDED RESTRICTIVE COVENANTS GOVERNING THE USE AND OCCUPANCY OF PROPERTIES IN THIS COMMUNITY.
3. YOU WILL BE OBLIGATED TO PAY ASSESSMENTS TO THE ASSOCIATION. ASSESSMENTS MAY BE SUBJECT TO PERIODIC CHANGE. IF APPLICABLE, THE CURRENT AMOUNT IS \$ ____ PER _____. YOU WILL ALSO BE OBLIGATED TO PAY ANY SPECIAL ASSESSMENTS IMPOSED BY THE ASSOCIATION. SUCH SPECIAL ASSESSMENTS MAY BE SUBJECT TO CHANGE. IF APPLICABLE, THE CURRENT AMOUNT IS \$ ____ PER _____.
4. YOU MAY BE OBLIGATED TO PAY SPECIAL ASSESSMENTS TO THE RESPECTIVE MUNICIPALITY, COUNTY, OR SPECIAL DISTRICT. ALL ASSESSMENTS ARE SUBJECT TO PERIODIC CHANGE.
5. YOUR FAILURE TO PAY SPECIAL ASSESSMENTS OR ASSESSMENTS LEVIED BY A MANDATORY HOMEOWNERS' ASSOCIATION COULD RESULT IN A LIEN ON YOUR PROPERTY.
6. THERE MAY BE AN OBLIGATION TO PAY RENT OR LAND USE FEES FOR RECREATIONAL OR OTHER COMMONLY USED FACILITIES AS AN OBLIGATION OF MEMBERSHIP IN THE HOMEOWNERS' ASSOCIATION. IF APPLICABLE, THE CURRENT AMOUNT IS \$ ____ PER _____.
7. THE DEVELOPER MAY HAVE THE RIGHT TO AMEND THE RESTRICTIVE COVENANTS WITHOUT THE APPROVAL OF THE ASSOCIATION MEMBERSHIP OR THE APPROVAL OF THE PARCEL OWNERS.
8. THE STATEMENTS CONTAINED IN THIS DISCLOSURE FORM ARE ONLY SUMMARY IN NATURE, AND, AS A PROSPECTIVE PURCHASER, YOU SHOULD REFER TO THE COVENANTS AND THE ASSOCIATION GOVERNING DOCUMENTS BEFORE PURCHASING PROPERTY.

9. THESE DOCUMENTS ARE EITHER MATTERS OF PUBLIC RECORD AND CAN BE OBTAINED FROM THE RECORD OFFICE IN THE COUNTY WHERE THE PROPERTY IS LOCATED, OR ARE NOT RECORDED AND CAN BE OBTAINED FROM THE DEVELOPER.

DATE:

PURCHASER: _____

PURCHASER: _____

The disclosure must be supplied by the developer, or by the parcel owner if the sale is by an owner that is not the developer. Any contract or agreement for sale shall refer to and incorporate the disclosure summary and shall include, in prominent language, a statement that the potential buyer should not execute the contract or agreement until they have received and read the disclosure summary required by this section.

(b) Each contract entered into for the sale of property governed by covenants subject to disclosure required by this section must contain in conspicuous type a clause that states:

IF THE DISCLOSURE SUMMARY REQUIRED BY SECTION 720.401, FLORIDA STATUTES, HAS NOT BEEN PROVIDED TO THE PROSPECTIVE PURCHASER BEFORE EXECUTING THIS CONTRACT FOR SALE, THIS CONTRACT IS VOIDABLE BY BUYER BY DELIVERING TO SELLER OR SELLER'S AGENT OR REPRESENTATIVE WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 3 DAYS AFTER RECEIPT OF THE DISCLOSURE SUMMARY OR PRIOR TO CLOSING, WHICHEVER OCCURS FIRST. ANY PURPORTED WAIVER OF THIS VOIDABILITY RIGHT HAS NO EFFECT. BUYER'S RIGHT TO VOID THIS CONTRACT SHALL TERMINATE AT CLOSING.

(c) If the disclosure summary is not provided to a prospective purchaser before the purchaser executes a contract for the sale of property governed by covenants that are subject to disclosure pursuant to this section, the purchaser may void the contract by delivering to the seller or the seller's agent or representative written notice canceling the contract within 3 days after receipt of the disclosure summary or prior to closing, whichever occurs first. This right may not be waived by the purchaser but terminates at closing.

EXHIBIT D

COMMON AREA

The developer hereby designates all of the following tracts in Cedar Glen Unit One, according to plat in Plat Book 60, page 90, Duval County records, as Common Areas for the intended use, enjoyment, and maintenance by Cedar Glen Homeowners Association, Inc., a Florida not for profit corporation:

Tract A - Wetland Tract

Tract B - Open Space

Tract D, E, and L - Lake/Stormwater Management facility

Tract F - Upland Buffer

Tract G - Landscape Buffer

Tracts H, I, J and K - Landscape Buffer and Easement

Prepared by:
Lynda R. Aycock, Esq.
Rogers Towers, P.A.
1301 Riverplace Blvd, Suite 1500
Jacksonville, FL 32207

AMENDMENT TO CORRECT CLERICAL ERROR

This Amendment to Declaration of Covenants, Restrictions, and Easements for Grand Cay by KB Home Jacksonville, LLC, a limited liability Company (the "Developer").

PREAMBLE

The Declaration of Covenants, Restrictions and Easements for Grand Cay (the "Declaration") recorded in Official Records Book 2634, Page 929, of the Public Records of St. Johns County, Florida.

After the Declaration was recorded, the Developer discovered that an error had occurred in recording the Declaration in that the last three pages of the recording for this development in St. Johns County had been inadvertently exchanged with the last three pages of a recording for another development in Duval County and vice-versa.

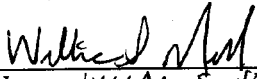
Developer desires to correct this recording error and to amend the Declaration for Grand Cay by recording the correct last three pages for Grand Cay (being the last two pages of Exhibit C and Exhibit D).

NOW, THEREFORE, Developer hereby amends the Declaration as follows:

1. Attached to this amendment are the correct last three pages for Grand Cay, being the last two pages of Exhibit C (Bylaws) and Exhibit D for Grand Cay. The attached pages are hereby substituted for the last three pages attached to the Declaration and recorded in Book 2634, at pages 994, 995, and 996, in the St. Johns County, Florida records.
2. This amendment does not affect the rights of any Owner because the Developer has the right to designate or withdraw Common Areas from the Declaration, this amendment merely corrects a clerical recording error, and the Developer is designating the correct Common Areas for Grand Cay.

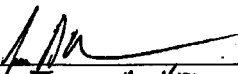
IN WITNESS WHEREOF, the Developer has caused this Amendment to Declaration of Condominium to be executed this 5th day of February, 2007.

Signed, sealed and delivered
in the presence of:


Name: WILLIAM S. NEFF


Name: V.E. Huerfano

DEVELOPER:
KB Home Jacksonville, LLC, a limited
liability limited Company

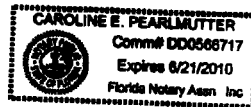
By: 
Name: James A. Hixson
Title: Director of Land

STATE OF FLORIDA

COUNTY OF DUVAL

The foregoing Amendment to the Declaration of Covenants for Grand Cay was acknowledged before me this 1st day of February, 2007, by James A. Hissamas Director of Land of KB Home Jacksonville, LLC on behalf of the Delaware limited liability company, who is personally known to me or has produced _____, as identification and did take an oath.

Caroline E Pearlmuter
Notary Public, State of Florida
Name: Caroline E Pearlmuter
My Commission Expires 6/21/2010
My Commission Number is: DD0566717



**Exhibit A
DISCLOSURE**

A PROSPECTIVE PARCEL OWNER IN A COMMUNITY MUST BE presented a disclosure summary before executing the contract for sale. The disclosure summary must be in a form substantially similar to the following form:

DISCLOSURE SUMMARY
FOR
GRAND CAY

1. AS A PURCHASER OF PROPERTY IN THIS COMMUNITY, YOU WILL BE OBLIGATED TO BE A MEMBER OF A HOMEOWNERS' ASSOCIATION.
2. THERE HAVE BEEN OR WILL BE RECORDED RESTRICTIVE COVENANTS GOVERNING THE USE AND OCCUPANCY OF PROPERTIES IN THIS COMMUNITY.
3. YOU WILL BE OBLIGATED TO PAY ASSESSMENTS TO THE ASSOCIATION. ASSESSMENTS MAY BE SUBJECT TO PERIODIC CHANGE. IF APPLICABLE, THE CURRENT AMOUNT IS \$ _____ PER _____. YOU WILL ALSO BE OBLIGATED TO PAY ANY SPECIAL ASSESSMENTS IMPOSED BY THE ASSOCIATION. SUCH SPECIAL ASSESSMENTS MAY BE SUBJECT TO CHANGE. IF APPLICABLE, THE CURRENT AMOUNT IS \$ _____ PER _____.
4. YOU MAY BE OBLIGATED TO PAY SPECIAL ASSESSMENTS TO THE RESPECTIVE MUNICIPALITY, COUNTY, OR SPECIAL DISTRICT. ALL ASSESSMENTS ARE SUBJECT TO PERIODIC CHANGE.
5. YOUR FAILURE TO PAY SPECIAL ASSESSMENTS OR ASSESSMENTS LEVIED BY A MANDATORY HOMEOWNERS' ASSOCIATION COULD RESULT IN A LIEN ON YOUR PROPERTY.
6. THERE MAY BE AN OBLIGATION TO PAY RENT OR LAND USE FEES FOR RECREATIONAL OR OTHER COMMONLY USED FACILITIES AS AN OBLIGATION OF MEMBERSHIP IN THE HOMEOWNERS' ASSOCIATION. IF APPLICABLE, THE CURRENT AMOUNT IS \$ _____ PER _____.
7. THE DEVELOPER MAY HAVE THE RIGHT TO AMEND THE RESTRICTIVE COVENANTS WITHOUT THE APPROVAL OF THE ASSOCIATION MEMBERSHIP OR THE APPROVAL OF THE PARCEL OWNERS.
8. THE STATEMENTS CONTAINED IN THIS DISCLOSURE FORM ARE ONLY SUMMARY IN NATURE, AND, AS A PROSPECTIVE PURCHASER, YOU SHOULD REFER TO THE COVENANTS AND THE ASSOCIATION GOVERNING DOCUMENTS BEFORE PURCHASING PROPERTY.

9. THESE DOCUMENTS ARE EITHER MATTERS OF PUBLIC RECORD AND CAN BE OBTAINED FROM THE RECORD OFFICE IN THE COUNTY WHERE THE PROPERTY IS LOCATED, OR ARE NOT RECORDED AND CAN BE OBTAINED FROM THE DEVELOPER.

DATE: _____

PURCHASER: _____

PURCHASER: _____

The disclosure must be supplied by the developer, or by the parcel owner if the sale is by an owner that is not the developer. Any contract or agreement for sale shall refer to and incorporate the disclosure summary and shall include, in prominent language, a statement that the potential buyer should not execute the contract or agreement until they have received and read the disclosure summary required by this section.

(b) Each contract entered into for the sale of property governed by covenants subject to disclosure required by this section must contain in conspicuous type a clause that states:

IF THE DISCLOSURE SUMMARY REQUIRED BY SECTION 720.401, FLORIDA STATUTES, HAS NOT BEEN PROVIDED TO THE PROSPECTIVE PURCHASER BEFORE EXECUTING THIS CONTRACT FOR SALE, THIS CONTRACT IS VOIDABLE BY BUYER BY DELIVERING TO SELLER OR SELLER'S AGENT OR REPRESENTATIVE WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 3 DAYS AFTER RECEIPT OF THE DISCLOSURE SUMMARY OR PRIOR TO CLOSING, WHICHEVER OCCURS FIRST. ANY PURPORTED WAIVER OF THIS VOIDABILITY RIGHT HAS NO EFFECT. BUYER'S RIGHT TO VOID THIS CONTRACT SHALL TERMINATE AT CLOSING.

(c) If the disclosure summary is not provided to a prospective purchaser before the purchaser executes a contract for the sale of property governed by covenants that are subject to disclosure pursuant to this section, the purchaser may void the contract by delivering to the seller or the seller's agent or representative written notice canceling the contract within 3 days after receipt of the disclosure summary or prior to closing, whichever occurs first. This right may not be waived by the purchaser but terminates at closing.

EXHIBIT D

Common Area

The developer hereby designates all of the following tracts in Grand Cay, according to plat in Map Book 56, pages 83-90, St. Johns County records, as Common Areas for the intended use, enjoyment, and maintenance by Grand Cay of St. Augustine Association, Inc., a Florida not for profit corporation:

Tract A - Buffer

Tract B - Buffer

Tract C - Active Recreation Area

Tract D - Active Recreation Area

Tract E - Active Recreation Area

Tract F - Passive Recreation

Tract G - Entrance Sign

Tract I - Stormwater Management Area

DECLARATION OF COVENANTS AND RESTRICTIONS
FIRST AND SECOND PHASE OF COASTAL POINT
A PLANNED UNIT DEVELOPMENT
ST. JOHNS COUNTY, FLORIDA
AND
NOTICE OF PROVISIONS OF
COASTAL POINT HOMEOWNERS ASSOCIATION, INC.

THIS DECLARATION, made this 5TH day of SEPTEMBER,
A.D., 1984, by Coastal Point Limited, a Florida Limited
Partnership (hereinafter sometimes referred to as the
"Developer");

W I T N E S S E T H :

WHEREAS, the Developer is the record owner in fee
simple absolute of certain real property located in St. Johns
County, Florida, and more particularly described as follows:

Property as described in Exhibit "A"
attached hereto and made a part hereof by
reference.

and

WHEREAS, there is a need to specify, make and
impose covenants, and grant necessary easements for the pro-
per use of the development, and to provide for an effective
administration of the common areas in the development, and

WHEREAS, among other improvements to be placed upon
said property are townhouses, each such townhouse to be
located on its own lot, and each having one or more party
walls, the center of each party wall being located on the
side lot line, and

WHEREAS, the Developer has caused to be incor-
porated in Florida a non-profit corporation known as Coastal
Point Homeowners Association, Inc. has been formed to manager
the common areas, collect assessments, and generally provide
for the orderly enjoyment of Coastal Point and any future
units of Coastal Point hereafter filed by the Developer.

NOW, THEREFORE, this declaration is made, filed and recorded by the Developer so that on the effective date hereof, the real property described above is, and shall be held, transferred, sold, conveyed, given, donated, leased, occupied, and used subject to the restrictions, conditions, easements, charges, burdens, assessments, affirmative obligations, and liens (all hereinafter sometimes referred to as covenants) hereinafter set forth. This Declaration shall become effective on the date and at the time it is filed and recorded in the public records of St. Johns County, Florida.

ARTICLE I

DEFINITIONS AND DESCRIPTION OF PROPERTY

Section 1.1 Definitions - The following words and terms when used in this Declaration and any supplemental declaration, unless the context shall clearly indicate otherwise, shall have the following meanings:

a. "Association" shall mean and refer to Coastal Point Homeowners Association, Inc., a Florida corporation not for profit, and its successors and assigns the membership of which will be the owners of "dwelling units" not only the Coastal Point development but all future units of Coastal Point filed of record in St. Johns County, Florida, by the Developer.

b. "Developer" shall mean and refer to Coastal Point Limited a Florida limited partnership, its successors and assigns.

c. "Common Areas" shall mean and refer to those tracts of land, described in Section 1.2 hereof, together with any improvements thereon which are conveyed or leased under a long term lease to the Association and designated in the deed or lease as "common areas". The term "common areas" shall also include any tangible personal property

acquired by the Association if such property is designated as such by the Association. All common areas are to be devoted to and intended for the common use and enjoyment of the owners, their families, guests of owners, persons occupying dwelling units as a house guest or on a tenant basis, and visiting members of the general public (but only to the extent authorized by the Board of Directors of the Association; provided, however, that any lands or other property which is leased to the Association for use as common areas or common property, shall lose its character upon expiration of the lease.

d. "Residential Lot" or "Lot" shall mean any unimproved parcel of land located within Coastal Point. A parcel of land shall be deemed to be unimproved until the improvements being constructed thereon are substantially complete and are subject to ad valorem taxes improved property.

e. "Dwelling Unit" shall mean an unimproved numbered parcel of ground or condominium unit.

f. "Architectural Control Committee" shall mean a committee appointed by the Board of Directors of the Coastal Point Homeowners Association in accordance with Section 2.3.

Section 1.2 Common Areas - The Common area property is described as follows:

Recreation Area, First Phase

A parcel of land designated "Recreation Area, First Phase" on sheet 2 of 5 of Coastal Point, a Planned Unit Development, as recorded in Map Book 15, Pages 71, 72, 73, 74 and 75, Public Records of St. Johns County, Florida; said parcel of land being part of Government Lot 3 of Section 15, Township 8 South, Range 30 East of said County; said parcel of land being more fully described as follows: Commencing at the Intersection of the South line of the North 1,130 feet of

Government Lot 1 of said Section 15 with the West right of way line of State Road No. A-1-A, a 100 foot width right of way; thence South 89 degrees 15 minutes West, on said South line of the North 1,130 feet of Government Lot 2 of said Section 15, a distance of 1,150.00 feet; thence South 00 degrees 45 minutes East 210 feet; thence South 58 degrees 15 minutes West 82.55 feet; thence South 31 degrees 45 minutes East 194.70 feet; thence North 58 degrees 15 minutes East, on the Southeast line of Joey Drive, 125.00 feet; thence South 31 degrees 45 minutes East 65.00 feet to the Point of Beginning at the Northwest corner of the herein described parcel of land; thence North 58 degrees 15 minutes 120.00 feet; thence South 31 degrees 45 minutes East 140.00 feet; thence North 58 degrees 15 minutes East 75.00 feet; thence South 31 degrees 45 minutes East, on the West line of Monika Place, 27.92 feet to the point of a curve to the right with radius of 75 feet; thence on said curve to the right, through a central angle of 31 degrees 00 minutes, and arc distance of 40.58 feet; thence South 00 degrees 45 minutes East, on said West line of Monika Place and on a Southerly extension of said West line, 69.31 feet; thence South 89 degrees 15 minutes West 173.36 feet; thence North 31 degrees 45 minutes West 176.67 feet to the Point of Beginning.

Recreation Area, Second Phase

A parcel of land designated "Recreation Area, Second Phase" on sheet 2 of 5 of Coastal Point, a Planned Unit Development, as recorded in Map Book 15, Pages 71, 72, 73, 74 and 75, Public Records of St. Johns County, Florida; said parcel of land being part of Government Lot 3 of Section 15, Township 8 South, Range 30 East of said County; said parcel of land being more fully described as follows:

Commencing at the intersection of the South line of the North 1,130 feet of Government Lot 1 of said Section 15 with the West right of way line of State Road No. A-1-A, a 100 foot width right of way; thence South 89 degrees 15 minutes West, on said South line of the North 1,130 feet of said Government Lot 1 and on the South line of the North 1,130 feet of Government Lot 2 of said Section 15, a distance of 1,150 feet; thence South 00 degrees 45 minutes East 210.00 feet; thence South 58 degrees 15 minutes West 82.55 feet; thence South 31 degrees 45 minutes East 194.70 feet; thence North 58 degrees 15 minutes East, on the Southeast line of Joey Drive, 125.00 feet to the Point of Beginning at the Northwest

corner of the herein described parcel of land; thence continuing North 58 degrees 15 minutes East, on said Southeast line of Joey Drive, 175.00 to the point of a curve to the right with radius of 20 feet; thence on said curve to the right on the corner of Joey Drive and Monika Place, through a Central Angle of 90 degrees 00 minutes, an arc distance of 31.42 feet; thence South 31 degrees 45 minutes East, tangent to said curve and on the Southwest line of Monika Place, 185.00 feet; thence South 58 degrees 15 minutes West 75.00 feet; thence North 31 degrees 45 minutes West 140.0 feet; thence South 58 degrees 15 minutes West 120.00 feet; thence North 31 degrees 45 minutes West 65.00 feet to the Point of Beginning.

The above described parcel of land is subject to a 25 foot width drainage easement described as follows:

Drainage Easement

A strip of land designated "25' width drainage easement" on sheet 2 of 5 of Coastal Point, a Planned Unit Development, as recorded in Map Book 15, Pages 71, 72, 73, 74 and 75, Public Records of St. Johns County, Florida; said strip of land being part of Government Lot 3 of Section 15, Township 8 South, Range 30 East of said County; said strip of land being more fully described as follows:

Commencing at the intersection of the South line of the North 1,130 feet of Government Lot 1 of said Section 15 with the West right of way line of State Road No. A-1-A, a 100 foot width right of way; thence South 89 degrees 15 minutes West, on said South line of the North 1,130 feet of said Government Lot 1 and on the South line of the North 1,130 feet of Government Lot 2 of said Section 15, a distance of 1,150 feet; thence South 00 degrees 45 minutes East 210.00 feet; thence South 58 degrees 15 minutes West 82.55 feet; thence South 31 degrees 45 minutes East 194.70 feet; thence North 58 degrees 15 minutes East, on the Southeast line of Joey Drive, 125.00 feet to the Point of Beginning at the Northwest corner of the herein described strip of land; thence continuing North 58 degrees 15 minutes East, on said Southeast line of Joey Drive, 175.00 feet to the point of a curve to the right with radius of 20 feet; thence on said curve to the right on the corner of Joey Drive and Monika Place, through a central angle of 90 degrees 00 minutes, an arc distance of 31.42 feet; thence South 31 degrees 45 minutes East, tangent to said curve and

on the Southwest line of Monika place, 5.00 feet; thence South 58 degrees 15 minutes West 195.00 feet; thence North 31 degrees 45 minutes West 25.00 feet to the Point of Beginning.

Utility Site, First Phase

A parcel of land designated "Utility Site, First Phase" on sheet 2 of 5 of Coastal Point, a Planned Unit Development, as recorded in Map Book 15, Pages 71, 72, 73, 74 and 75, Public Records of St. Johns County, Florida; said parcel of land being part of Government Lots 2 and 3 of Section 15, Township 8 South, Range 30 East of said County; said parcel of land being more fully described as follows:

Commencing at the intersection of the South line of the North 1,130 feet of Government Lot 1 of said Section 15 with the West right of way line of State Road No. A-1-A, a 100 foot width right of way; thence South 89 degrees 15 minutes West, on said South line of the North 1,130 feet of said Government Lot 1 and on the South line of the North 1,130 feet of said Government Lot 2, a distance of 1.05.00 feet to the Point of Beginning at the Northeast corner of the herein described parcel of land; thence South 00 degrees 45 minutes East 101.24 feet; thence South 31 degrees 45 minutes East 189.00 feet; thence South 58 degrees 15 minutes West, on the Northeast line of Joey Drive, 220.00 feet; thence North 31 degrees 45 minutes West 144.70 feet; thence North 58 degrees 15 minutes East 82.55 feet; thence North 00 degrees 45 minutes West 210.00 feet; thence North 89 degrees 15 minutes East, on said South line of the North 1,130 feet of Government Lot 2, a distance of 95.00 feet to the Point of Beginning.

Green Area, First Phase

A parcel of land designated "Green Area, First Phase" on sheet 2 of 5 of Coastal Point, a Planned Unit Development, as recorded in Map Book 15, Pages 71, 72, 73, 74 and 75, Public Records of St. Johns County, Florida; said parcel of land being part of Government Lot 3 of Section 15, Township 8 South, Range 30 East of said County; said parcel of land being more fully described as follows:

Commencing at the intersection of the South line of the North 1,130 feet of Government Lot 1 of said Section 15 with the West right of way line of State Road No. A-1-A, a 100 foot width right of way; thence South 89 degrees 15 minutes West, on said South line of the North

1,130 feet of said Government Lot 1 and on the South line of the North 1,130 feet of Government Lot 2 of said Section 15, a distance of 1,150.00 feet; thence South 00 degrees 45 minutes East 210.00 feet; thence South 58 degrees 15 minutes West 82.55 feet; thence South 31 degrees 45 minutes East 194.70 feet to the Point of Beginning on the Northwest line of the herein described parcel of land; thence North 58 degrees 15 minutes East, on the South line of Joey Drive, 125.00 feet; thence South 31 degrees 45 minutes East 241.67 feet; thence North 89 degrees 15 minutes East 58.36 feet; thence South 00 degrees 45 minutes East 240.00 feet; thence South 89 degrees 15 minutes West, on the North line of the South 700 feet of said Government Lot 3, a distance of 177.00 feet; thence North 00 degrees 45 minutes West 60.00 feet; thence North 31 degrees 45 minutes West 334.86 feet; thence North 58 degrees 15 minutes East 69.40 feet to the Point of Beginning.

Section 1.3 Addition of Future Phases - No land except that described in Exhibit "A" attached hereto is at this time subject to this Declaration, but additional land may later be subjected to this Declaration in the following manner:

a. Additions by Developer as a Matter of Right. Developer shall have the absolute right, without the consent of the Association, any unit owner, or the lienor or mortgagee of any unit, whether or not elsewhere required for an Amendment of this Declaration, to amend and to reamend this Declaration to subject to this Declaration any or all of the real estate described in Exhibit "A"; provided, however, that Developer shall not be obligated to subject such real estate to this Declaration nor to subject any portion not submitted by supplementary Declaration to Covenants and restrictions the same as, or similar to, the covenants and restrictions of this Declaration.

b. Supplementary Declaration. The additions authorized under subparagraph (a) of this Article shall be made by filing in the Public Records of St. Johns County, Florida, a Supplementary Declaration which shall declare the intention of the owner to submit the additional property,

describing it, to the covenants restrictions, liens and provisions of this Declaration. The recording of the Supplementary Declaration shall extend the scheme of the covenants and restrictions contained herein. In no event, however, shall the Supplementary Declaration revoke, modify or add to the covenants and restrictions hereby made applicable to Phase I and II, except that the submission of additional property will involve changes to this Declaration in voting rights, assessment, and easement rights.

c. Additional Owners to Become Members. Upon filing such Supplementary Declaration, the owner or owners of the property subjected shall become members of the Association, and such owners and their successors in titles shall thereby acquire the rights and privileges granted to the members of the Association.

ARTICLE II

RESTRICTIVE COVENANTS

Section 2.1 - No lot or dwelling unit shall be used for any purpose except residential, except where otherwise designated in the approved PUD. No building or structure, including an addition or modification to a building or structure shall be erected on, placed upon, altered, or permitted to remain on any lot unless and until the owner submits a floor plan, elevation, site clearing plan, and abbreviated specifications and such plans have been reviewed and approved by the Architectural Control Committee, as hereinafter provided. The Architectural Control Committee shall review the proposed building or structure (including plans and specifications for same) as to the quality of workmanship and materials, the harmony of the external design and locating of the building or structure with existing buildings or structures, the location of the building or structure with respect to topography, vegetation and the finished grade of elevation to the lot, and any other

relevant considerations which are based on acceptable standards of planning, zoning and construction -including considerations based exclusively on aesthetic factors. No external changes, including color of paint, removal or erection of fences or barriers, construction of walkways, modification of facades, or any other changes whatsoever affecting the external appearance of completed structures may be made without the approval of the ACC.

The areas included within the lot line of each individual lot, but not included within the dwelling constructed on such lot, such areas being hereinafter referred to as "grounds", shall be used for normal and customary yard purposes. No structure, including an addition to a dwelling, shall be constructed or placed on the grounds without the written approval of the Committee, or except in accordance with regulations enacted by the Committee. The term "structure" as used herein shall include, but is not limited to, homes, swimming pools, fences, walls, bar-b-que pits, television or radio antennas, clotheslines, garages, sheds, outbuildings, porches, balconies, patios, recreation facilities such as basketball court and goals, tennis courts, shuffleboard courts, and lawn decorative objects such as statues, tables, etc.

Section 2.3 - The Architectural Control Committee shall be composed of not less than three (3) nor more than five (5) persons. The members of the Committee shall be appointed for staggered three-year terms by the Board of Directors, Coastal Point Homeowners Association, Inc. In the event of death, resignation, inability to serve, or other vacancy in office of any member of the Architectural Control Committee, the said Board shall promptly appoint a successor member who shall serve for the duration of the unexpired term of the member whom he replaced. The membership, rules of procedure and duties of the committee shall be prescribed by

and, from time to time, changed or modified by the Board of Directors of Coastal Point Homeowners Association, Inc. When the directors of such corporation deem the circumstances appropriate they shall cause control of the Architectural Control Committee to be turned over to the Board of Directors of Coastal Point Homeowners Association. The Association shall then appoint the membership of the Architectural Control Committee which shall assume the duties and perform the functions as set forth by the Declaration. After turnover of control is perfected, any and all appeals from action of the Architectural Control Committee shall be heard and decided by the Board of Directors of the Association.

Section 2.4 - The Architectural Control Committee shall indicate its disapproval of the matters required in Section 2.2 hereof to be enacted on by them, by a written instrument filed with Coastal Point Homeowners Association, Inc. and serve personally or by certified mail upon all of the interested parties, identifying the proposed building or structure and the reasons for such disapproval. The decision of the Architectural Control Committee may be appealed in writing within ten (10) days of the receipt of the decision to the Board of Directors, and the action of the Board shall be final. If there is no appeal, then the decision of the Architectural Control Committee is final. If the Architectural Control Committee fails or refuses to approve or disapprove the aforesaid matters within thirty (30) days after the application or request for action is made and after a floor plan, elevation, site clearing plan and abbreviated specifications (including exterior material and colors) have been certified as received by the Committee, then it shall be conclusively presumed, as to all owners and interested persons that the plans as submitted have been approved by the

Architectural Control Committee.

Section 2.5 - All front, side and rear setback and lot line construction restrictions in the development shall be as approved and adopted in the PUD application. No structure shall exceed two stories (30 feet) and the condominium buildings which shall not exceed 40 feet.

Section 2.6 - No structure of a temporary nature or character, including but not limited to, a trailer, house trailer, mobile home, camper, basement, tent, shack, garage, barn or other similar structure or vehicle, shall be used or permitted to remain on any lot as storage facility or residence or living quarters, whether temporary or permanent.

Section 2.7 - No automobile, truck, boat and trailer, trailer, house trailer, mobile home, camper or other similar vehicle shall be parked on the street (including the right of way thereof) overnight or for a continuous period of time in excess of ten consecutive hours.

Section 2.8 - No boat, boat and trailer, or trailer alone shall be parked (for any period of time in excess of ten consecutive hours) or stored or otherwise permitted to remain on any lot except in an approved boathouse, garage or carport.

No automobile, truck or other commercial vehicle which contains lettering or advertising thereon or which is identified with a business or commercial activity, shall be parked (for any period of time in excess of ten hours) or stored or otherwise permitted to remain on any lot except in a garage or carport.

Section 2.9 - No livestock, poultry or animals of any kind shall be raised, bred or kept in any dwelling unit or on any lot, provided, however, that dogs, cats or other domesticated household pets may be raised and kept provided such pets are over ten weeks old and shall not exceed four (4) in number, and also provided that such pets are leashed

or kept within the confines of the owner's property.

In order to maintain and preserve the peace and tranquility of the neighborhood, the Association shall have the right to adopt additional reasonable rules and regulations regarding the keeping of dogs, cats or other domesticated household pets and specifically shall have the right to (i) require that owners keep their pets from making such noises as to disturb others; and (ii) adopt such other rules and regulations as may seem necessary or required to carry out the purposes of this restriction.

Section 2.10 - No sign of any kind shall be erected, permitted to remain on or displayed to public view on or from any lot or dwelling unit, except an approved sign giving the name of the occupant. All signs shall be approved by the Association.

Section 2.11 - No noxious or offensive activity shall be carried on or suffered to exist upon any lot or in any dwelling unit, nor shall anything be done or permitted to exist on any lot which is a public nuisance.

Section 2.12 - No lot shall be used or maintained for dumping or discharge of rubbish, trash, garbage or other solid waste material. All lot shall be kept free of the accumulation of rubbish, trash, garbage or other solid waste materials, and all unsightly weeds and underbrush. All equipment used for the collection, storage, or disposal of solid waste material shall be kept in a clean and sanitary condition. The use of any incinerators or similar equipment or facilities is prohibited.

Section 2.13 - No wall, fence or hedge shall be erected, placed, altered, maintained or permitted to remain on any lot unless and until the height, type and location thereof have been approved by the Architectural Control Committee in accordance with the procedure and criteria set forth in Section 2.2 hereof.

Section 2.14 - No discharge, overflow or accumulation of sewage effluent from any septic tank, drain field, mobile home storage tank, boat discharge system or other similar container shall be permitted to exist.

Section 2.15 - No driveway shall be constructed, maintained or altered without approval of the Architectural Control Committee.

Section 2.16 - The owner shall assume and pay as and when the same shall become due the cost of installation and maintenance of the underground utility system from primary utility lines.

Section 2.17 - Trees situated between the building set back lines as established by the zoning ordinances of St. Johns County and the property lines, having a diameter of four inches or more (measured four feet from ground level) may not be removed without the prior approval of the Architectural Control Committee. All requests for approval of tree removal shall be submitted to the Architectural Control Committee along with a plan generally locating such tree(s).

Section 2.18 - Anyone violating the provisions of Section 2.17 will be required to replace such trees with trees of like size and condition within thirty (30) days after demand by the Architectural Control Committee. If the owner fails or refuses to replace the trees as demanded, the Architectural Control Committee shall cause suitable replacements to be planted and the cost thereof shall be a lien against the lot. The owner grants unto the Architectural Control Committee, its agents and employees an easement of ingress and egress over and across said lot to enable it to accomplish compliance with Section 2.17 and this Section.

ARTICLE III
ASSOCIATION

Section 3.1 - To effectively and efficiently provide for the administration of the common areas by the owners of lots or dwelling units in Coastal Point, a Planned Unit Development, and future units hereafter filed by the Developer, a non-profit corporation (known and designated as Coastal Point Homeowners Association, Inc., a non-profit Florida corporation), has been created. The Association shall operate and manage the streets, water system, sewage system, common areas, assist in the enforcement of the restrictions and covenants contained herein, and undertake and perform all acts and duties necessary and incident to such duties, all in accordance with the provisions of this Declaration and the Articles of Incorporation and By-Laws of said Association. True and complete copies of the Articles of Incorporation and By-Laws of the Association will be submitted prior to final development plans.

Section 3.2 - The owner of each lot or dwelling unit within Coastal Point, a Planned Unit Development, and future units of Coastal Point filed in the Public Records of St. Johns County, Florida, by the Developer, shall automatically become members of the Association upon his, her or their acquisition of and ownership interest in title to any lot or dwelling units. The membership of such owner shall terminate automatically at the time that such person divests himself or is divested of such ownership interest or title to such lot or dwelling unit, regardless of the means by which such ownership may have been divested.

Section 3.3 - No person, corporation or other business entity holding any liens, mortgage or other encumbrance upon any lot or dwelling unit shall be entitled, by virtue of such lien, mortgage or other encumbrance, to membership in the Association or to any of the rights and privileges, or be

charged with any of the duties of such membership; provided, however, that nothing contained herein shall be construed as prohibiting membership in the Association of a person, corporation or other business entity which acquired title to a lot or dwelling unit either by foreclosure or by voluntary conveyance from its mortgagor or his successor or assign.

Section 3.4 - In the administration, operation and management of the common areas and the enforcement of these covenants and restrictions, the Association shall have and is hereby granted full power and authority to enforce all the provisions of this Declaration, to levy and collect assessments in accordance herewith, and to adopt, promulgate, and enforce such rules and regulations governing the use and enjoyment of the common areas and the administration of the aforesaid covenants and restrictions as the Board of Directors of the Association may from time to time deem appropriate and in the best interests of the Association.

ARTICLE IV

COVENANTS BETWEEN OWNERS OF ATTACHED RESIDENCES

Section 4.1 - Necessity for Covenants. Some residences with Coastal Point may share one or two common walls with one or two other residences. To avoid deterioration in the appearance and stability of such attached residences because of lack of proper maintenance, it is necessary that each owner fulfill certain obligations and responsibilities toward his neighbors whose dwellings are in the same building.

Section. 4.2 - Covenants. The owners of each such residence shall have the following obligations and responsibilities to each owner of an attached residence, which obligations shall constitute covenants running with the land for a period of thirty years from the date of the recordation of this instrument, and for successive ten year periods there-

after unless and until revoked by written recorded instrument signed by the majority of the record owners of the residences in Coastal Point, to-wit:

a. To maintain and keep in good repair the exterior of his residence, including specifically so much of the walls (exterior and that portion of the party wall or walls) and of the roof as are located within the boundaries of such owner's lot. If an owner fails to maintain diligently and to repair promptly any portion of his dwelling, and as a result of such failure there is damage to the person or property of the owner of an attached dwelling, or to the person or property of his family, tenants or guests, then the defaulting owner shall be liable and responsible for all such damage, and for any costs incurred in the collection thereof, including reasonable attorney's fees.

b. Not to install shutters, awnings or other decorative exterior trim, other than small exterior decorations such as address plates, name plates, decorative decals or hangings covering not more than four square feet of any facade.

c. To cooperate with his neighbor or neighbors in the painting of the trim and exterior so that the architectural integrity of each building shall be maintained. If any owner shall desire to do any painting (other than minor touch-up) on the exterior portion of his home, he shall notify the owner of each attached residence to determine if such other owner desires to have the exterior of his dwelling painted at the same time. If so, the owners shall have the work done simultaneously. If one owner desires to repaint and the owner of an attached dwelling does not, then the owner desiring to repaint may do so at his own expense, provided that he does not change the original color scheme.

d. If any dwelling owner shall violate these covenants, then any other owner of a dwelling within the same

building shall be entitled to mandatory injunctive relief, and/or damages; and if any owner seeking redress for violation of one of these covenants shall prevail, the such prevailing owner shall be entitled to all costs incurred in obtaining redress, including reasonable attorney's fees.

ARTICLE V

DESTRUCTION OF IMPROVEMENTS AND INSURANCE

The owner of each attached residence shall obtain fire and extended coverage insurance and vandalism and malicious mischief insurance, insuring all of the insurable improvements in and to the unit for eighty (80%) per cent of the full replacement value. The Association shall annually make a survey and thereby determine replacement costs for insurance purposes and for all then existing improvements for the ensuing year. On the basis of said survey, the unit owner shall continue to maintain the necessary fire and extended coverage and vandalism and malicious mischief insurance to assure replacement or repair to damaged improvements as hereinabove set forth. The original policy shall be held by the Association with institutional first mortgages to be named in the policy as their interest may appear, and certification of insurance shall be furnished to them.

In the event a loss occurs to any improvement within any of the units, payment under the policy shall be made jointly to the unit owner and to the institutional holders of the mortgages on units; in the event there is no mortgage holder, the payments shall be made jointly to the unit owner and the Association and said proceeds shall be expended or disbursed as follows:

a. All association officers and employees handling funds, if applicable, shall be bonded at least to the full extent of the insurance proceeds and other funds on hand, and all payees shall endorse the insurance company check to the Association, and the Association will promptly contract for

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the necessary repairs to the improvements within the damaged units.

b. The improvements shall be completely restored and repaired. The Association shall negotiate and obtain a contractor willing to do the work on a fixed price basis and shall disburse the insurance proceeds and other funds in accordance with the progress payments contained in the contract between the Association and the contractor, which construction contract shall be subject to written approval of the institutional mortgagee or mortgagees holding a mortgage or mortgages on any damaged individual unit or units and/or its or their appurtenances. However, where the town house project has been abandoned, the insurance proceeds shall be disbursed by the Association to the owners and mortgagees of the individual units as their interest may appear.

Under all circumstances the Association hereby has the authority to act as the agent of all owners for the purposes of compromising or settling insurance claims for damages to improvements within the units. The Association shall also obtain public liability insurance covering all of the "common areas" and insuring the Association and the unit owners as it or their interest may appear, in the minimum amount of \$250,000.00 to \$500,000.00.

ARTICLE VI

COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 6.1 - Creation of Lien and Personal Obligation. The Developer covenants, and each owner of each and every lot and dwelling unit shall, by acceptance of a deed or other instrument of conveyance therefor, whether or not it shall be so expressed in any such deed or instrument, be deemed to covenant and agree to all the terms, conditions, restrictions and other provisions of this Declaration and to promptly pay to the Association or its successors or assigns the following:

a. All annual assessments or charges, and,

b. All special assessments or charges for the purposes set forth in Section 6.2 of this Article. Such assessments or charges shall be fixed, established, levied and collected from time to time as hereinafter provided and shall be a charge and continuing lien on the real property and improvements thereon against which such assessment is made. Each such assessment (together with such interest thereon and the costs of collection, including reasonable attorney's fees) shall also be the personal obligation of the person who was the "owner" of such real property at the time when the assessment first became due and payable. In the case of co-ownership of a residential lot or dwelling unit such co-owners shall be jointly and severally liable for the entire amount of the assessment and the aforesaid interest; collection costs and attorney's fees.

Section 6.2 - Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the improvements, maintenance, enhancement and operation of the private roads, private utilities, common areas and properties and to provide services which the Association is authorized to provide, including but not limited to, the payment of taxes, governmental assessments and insurance thereon, construction of improvements, repair, replacement and to acquire additions to the common areas and properties, payment of the cost to acquire labor, services, security equipment, materials, management, and supervision, necessary to carry out the authorized functions of the Association, and for the payment of principal, interest or other charges connected with loans made to or assumed by the Association for the purpose of enabling the Association to perform its authorized functions, including the payment of mortgages covering the common areas and properties at the time of conveyance to the Association. No initiation fee may be

charged to the members of the Association as a precondition to the use of such facilities. The Association shall not be bound in setting assessments in subsequent years by the amount of the assessments set in earlier years, notwithstanding any of the provisions of this Article, in no event shall the assessments and other revenues collected by the Association exceed its expenses and reasonable reserves to an extent which would violate the Association's non-profit status.

Section 6.3 - Lots, dwelling units or commercial units owned by the Developer shall not be subject to assessment either regular or special; provided, however, that Developer shall be obligated to contribute a substantial portion of the cost of maintenance of the common properties and common area until such time as approximately 30 to 50 per cent of the total units within the development have been sold or until October 1, 1993, whichever occurs first. The assessments imposed by the Association will increase annually in connection with increases in the consumer price index and additionally, may increase or decrease by a majority vote of the Board of Directors. After turnover of control has occurred, regular monthly assessments shall be determined at the annual meeting of the Directors of the Association. The regular assessment may be increased beyond that set in the annual meeting upon approval by 60% of the voting members in attendance in person or by proxy at any regular or special meeting of the Association, but only after notice of the recommendation is given to all members at least ten (10) days prior to the date of said meeting; provided, however, that nothing herein shall be construed to preclude the Board of Directors of the Association from fixing and levying an emergency assessment not to exceed one month's regular assessment, which emergency assessment may be levied without notice to the membership and without the holding of any

special or regular meeting of said membership of the Association.

Section 6.4 - Nothing herein shall prohibit the owner of a dwelling unit from leasing such dwelling unit and requiring the tenant of such dwelling unit to reimburse the owner for the monthly assessment against said dwelling unit. In that event, however, the lessor must deliver his proxy to the tenant for one vote and permit the tenant to exercise the vote as he sees fit. Such proxy shall be in fully force and effect so long as tenant has legal possession of the dwelling unit. On the first day of each month the owner of a dwelling unit which has been leased shall certify to the Secretary of the Association the names of all tenants who are residents of such dwelling unit as of that date.

Section 6.5 - Assessments which are not paid on or before the date same shall become due, shall be delinquent, and each delinquent assessment shall bear interest at eighteen percent (18%) per annum until it is paid in full. In addition to the accrual of interest, when an assessment becomes delinquent in payment, the Association may file a claim of lien to perfect the lien of such assessment as against third persons, against the dwelling unit and other property of the owner(s) who defaulted in the payment of such assessment. There shall be no exemption from the payment of such assessment. There shall be no exemption from the payment of any assessment or installment thereof by waiver of the use of the common areas by abandonment of the lot or dwelling unit, by extended absence from the subdivision or by or for any other reason, except as provided in Section 6.3.

Section 16.6 - The Association, upon written request of any owner, shall furnish to a prospective purchaser or prospective mortgagee or other authorized person a statement of the current status of the assessments on such owner's lot or dwelling unit. When executed by the Treasurer of the

Association, the statement shall be binding on the Association, and any purchaser or mortgagee may rely upon such statement as an accurate statement of the status of assessments.

Section 6.7 - All revenue collected by the Association shall be segregated, held and used as the separate property of the Association, and such revenue may be applied by the Association, at the discretion of the Board of Directors, towards the payment of any expenses of operation and maintenance of the common areas. Revenue collected by the Association from an owner of a lot or dwelling unit may be commingled with moneys collected from other owners.

Section 6.8 - Although all funds and other assets of the Association, and any profits derived therefrom, shall be held for the benefit of the members of the Association, no members of said Association shall have the right to assign, encumber, hypothecate, pledge or in any manner transfer his membership or interest in or to said funds and assets, except as an appurtenance to his dwelling unit or lot. When an owner of a lot or dwelling unit shall cease to be a member of the Association by reason of divestment by him of his ownership of said lot or dwelling unit, by whatever means that occurs, the Association shall not be required to account to said owner for any share of the funds or assets of the Association.

Section 6.9 - Recognizing that proper management and operation of the common area and properties (including improvements thereto) result in benefit to all members of the Association, the Association is hereby granted a lien upon all real property within Coastal Point, a Planned Unit Development, and the present and future interests of each member of the Association in the common area and property and improvements thereto, to secure the prompt payment of each

and all assessments made and levied in accordance with this Declaration and each owner shall be liable for, and this lien shall secure, the full amount of said assessment, and the costs and expenses, including attorney's fees, which may be incurred by the Association in enforcing this lien or the provisions of this Declaration.

Section 6.10 - The lien herein established may be foreclosed in the same manner as real estate mortgages may be foreclosed in the State of Florida. The lien granted herein shall also secure such payment of or advances for taxes and payments on superior mortgages, liens or encumbrances which may be required to be advanced by the Association in order to protect its interests, and the Association shall be entitled to interest computed on the basis of advances made from time to time at the highest legal rate of interest on all such advances.

Section 6.11 - All persons, firms, corporations and other business entities, which shall acquire, by whatsoever means, any interest in the ownership of any lot or dwelling unit, or who may be given or who may acquire a mortgage, lien or other encumbrance of a lot or dwelling unit are hereby placed on notice of the lien rights granted to the Association under this Declaration, and all such persons, firms, corporations and other business entities shall acquire their right, title and interest in and to the said lot or dwelling unit expressly subject to the lien right provided herein.

Section 6.12 - The lien created pursuant to the Declaration shall be effective from and after the recording in the Public Records of St. Johns County, Florida of a "claim of lien" stating the description of the property encumbered by the lien, the name of the record owner of the property, the amounts due and the date when same became due. The lien shall continue in effect until all sums secured by

the lien have been fully paid. The claim of lien may include assessments which are due and payable when the claim is made and recorded, plus interest, collection costs, attorney's fees and advances to pay taxes and prior encumbrances and interest thereon, all as provided herein. The claim of lien shall be signed and verified by the President or Vice President of the Association. The claim of lien filed by the Association shall be subordinate to the lien of any mortgage or any claim of lien if the said mortgage or claim of lien is recorded prior to the Association's claim of lien.

ARTICLE VII

AMENDMENT AND TERMINATION

The Developer hereby reserves the right to amend, modify or rescind such parts of these restrictions as it in its sole discretion deems necessary or desirable and as approved by the St. Johns County Planning and Zoning Board, so long as it is (a) the sole owner of the property to which these restrictions apply, or in the alternative, (b) such amendment or modification does not substantially change the character, nature or general scheme of development of Coastal Point, a Planned Unit Development.

In addition to the manner of amendment set forth in the preceeding paragraph, the record owners of seventy-five percent (75%) of lots or dwelling units in Coastal Point, a Planned Unit Development, and any future units of Coastal Point recorded by the Developer may amend or modify such provisions of this Declaration as they deem necessary or desirable.

In such event, the President and Secretary of the Association shall execute a certificate under oath reciting that the amendment was adopted at a meeting duly called and at which a quorum was present in person or by proxy and that at least seventy-five percent (75%) of those entitled to cast a vote approved the amendment. Such certificate, together

with the amendment adopted, shall be filed in the Public Records of St. Johns County, Florida. It shall not be necessary for the record owners to join in any document to effectuate such amendment.

ARTICLE VIII

USE OF COMMON PROPERTY

The common areas, as hereinabove specifically described or hereafter designated by the Developer, shall be, and the same are hereby, declared to be subject to a perpetual non-exclusive easement in favor of all the owners of lots and dwelling units lying within Coastal Point, a Planned Unit Development, as hereinabove described, and any future unit of Coastal Point hereinafter filed in the Public Records of St. Johns County, Florida by Coastal Point Homeowners Association for the use of such owners and the use of their immediate families, guests, lessees, invitees or others similarly situated for all proper and normal residential purposes, for the furnishing of services and facilities for which the same are reasonably intended, and for the quiet enjoyment of said owners.

By accepting any instrument of conveyance or by taking possession or occupancy of any dwelling unit or lot in any existing unit of Coastal Point, a Planned Unit Development, or any future unit of Coastal Point hereafter filed in the Public Records of St. Johns County, Florida, by Coastal Point Homeowners Association with all rules and regulations promulgated by the Association now in effect or which may hereafter be adopted, it being understood that the compliance with such rules and regulations is necessary for the orderly enjoyment of all common areas and recreational facilities now existing or which may hereafter be designated by Coastal Point Homeowners Association.

ARTICLE IX

COVENANTS AGAINST PARTITION AND
SEPARATE TRANSFER OF MEMBERSHIP RIGHTS

Recognizing that the full use and enjoyment of any lot or dwelling unit within Coastal Point, a Planned Unit Development, and any future unit of Coastal Point hereinafter filed in the Public Records of St. Johns County, Florida by Coastal Point Homeowners Association, Inc. is dependent upon the use and enjoyment of the common areas and the improvements made thereto, and that it is in the interests of all of the owners that the membership in the common areas be retained by the owners of lots and dwelling units, it is therefore declared that the membership rights of any owner in the common areas shall remain undivided, and such owners shall have no right at law or equity to seek partition or severance of such membership rights in the common areas in any other manner than as an appurtenance to and in the same transaction with, a transfer of title to or lease to the lot or dwelling unit in Coastal Point or any future unit of Coastal Point hereinafter filed in the Public Records of St. Johns County, Florida by Coastal Point Homeowners Association, Inc. provided, however, that nothing herein shall exclude a conveyance by the Developer herein of any undivided interest in the common areas to the owners of lots or dwelling units within the development for the purpose of effectuating the intent of this Declaration. Any conveyance or transfer of a lot or dwelling unit in Coastal Point shall include the membership rights in the common areas appurtenant to such unit whether or not such membership rights shall have been described or referred to in the deed by which said lot or unit is conveyed.

ARTICLE X

COVENANTS TO RUN WITH LAND

The restrictions and burdens imposed by the provi-

sions and covenants of this Declaration shall constitute covenants running with the land, and each shall constitute an equitable servitude upon the owner of each lot and dwelling unit and the appurtenant undivided interest in the common areas and upon the heirs, personal representatives, successors and assigns of each owner, and the same shall likewise be binding upon the Developer and its successor and assigns. This Declaration shall be binding and in full force and effect for a period of thirty years from the date this Declaration is recorded, after such time this Declaration shall be automatically extended for successive ten year periods, unless an instrument signed by seventy-five percent (75%) of the then record owners of the lots or dwelling units in Coastal Point is recorded containing an agreement of the said owners with respect to the alteration, change, modification or repeal, in whole or in part, of the provisions of this Declaration.

ARTICLE XI

TRANSFERABILITY OF DEVELOPER'S RIGHTS

All rights reserved herein to Developer shall be fully assignable and transferable, and in the event of such assignment or transfer, the term "Developer" as used herein shall be deemed to mean and include such successor or transferee.

ARTICLE XII

SEVERABILITY

If any article, subsection, paragraph, clause or provision of this Declaration shall be invalidated, such invalidation shall in no way affect any other article, subsection, paragraph, clause or provision, and of all articles, subsections, etc., not specifically invalidated shall remain in full force and effect.

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

Signed, sealed and delivered in the presence of:

COASTAL POINT LIMITED

Rt. H. H. H.
John S. Peter
John S. Peter

By: *Talmadge Stuckey*
Its General Partner

By: *Reva Stuckey*
Its General Partner

STATE OF FLORIDA
COUNTY OF ST. JOHNS

I HEREBY CERTIFY that on this day before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Talmadge Stuckey and Reva Stuckey, well known to me to be the General Partners of Coastal Point Limited, a Florida limited partnership, and that they acknowledged executing same in the presence of two subscribing witnesses freely and voluntarily under authority duly invested in them by said limited partnership.

WITNESS my hand and official seal in the County and State last aforesaid this 5 day of September, A. D., 1984.

Rt. H. H. H.
Notary Public, State of Florida
at Large.

My Commission Expires: June 1987

DESCRIPTION OF FIRST PHASE

A parcel of land in Government Lots 2, 3 and 4, Section 15, Township 8 South, Range 30 East, St. Johns County, Florida, also being part of Lots 23, 24, 25, 26, 27, 28, 29, 30, 31 and 32 of an unrecorded Plat prepared by J. W. Summerville, and being more fully described as follows:

Commencing at the intersection of the South line of the North 1,130 feet of said Government Lot 2 and of Government Lot 1 of said Section with the West right of way line of State Road No. A-1-A, a 100 foot width right of way thence South 14 degrees 55 minutes East, on said right of way line, 546.62 feet to the Point of Beginning at the Northeast corner of the herein described parcel of land; thence continuing South 14 degrees 55 minutes East, on said right of way line, 430.73 feet; thence South 89 degrees 15 minutes West 130.00 feet; thence North 14 degrees 55 minutes West 150.00 feet; thence North 89 degrees 15 minutes East on the North line of the South 700 feet of said Government Lots 3 and 4, a distance of 40.43 feet; thence North 21 degrees 05 minutes 35 seconds East 62.68 feet; thence North 14 degrees 55 minutes West 90.73 feet; thence North 30 degrees 01 minutes 15 seconds West 87.18 feet; thence South 89 degrees 15 minutes West 443.71 feet; thence South 38 degrees 15 minutes West 60.71 feet; thence South 00 degrees 45 minutes East 175.00 feet; thence South 89 degrees 15 minutes West, on said North line of the South 700 feet of Government Lots 3 and 4, a distance of 597.00 feet; thence North 00 degrees 45 minutes West 60.00 feet; thence North 31 degrees 45 minutes West 334.86 feet; thence North 58 degrees 15 minutes East 69.40 feet; thence North 31 degrees 45 minutes West 194.70 feet; thence North 58 degrees 15 minutes East 82.55 feet; thence North 00 degrees 45 minutes West 210.00 feet; thence North 89 degrees 15 minutes East, on said South line of the North 1,130 feet of Government Lot 2, a distance of 95.00 feet; thence South 00 degrees 45 minutes East 101.24 feet; thence South 31 degrees 45 minutes East 189.00 feet; thence North 58 degrees 15 minutes East 150.00 feet; thence South 31 degrees 45 minutes East 140.00 feet; thence North 58 degrees 15 minutes East 89.30 feet; thence North 89 degrees 15 minutes East 426.35 feet; thence South 14 degrees 55 minutes East 278.47 feet; thence North 89 degrees 15 minutes East 319.72 feet, to the Point of Beginning and excepting therefrom the following described parcel of land:

A parcel of land in Government Lot 3, Section 15 Township 8 South, Range 30 East, St. Johns County, Florida, also being part of Lots 25, 26 and 27 of an unrecorded Plat prepared by J. W. Summerville, and being more fully described as follows:

Commencing at the intersection of the South line of the North 1,130 feet of Government Lot 1 of said Section 15 with the West right of way line of State Road No. A-1-A, a 100 foot width right of way; thence South 89 degrees 15 minutes West, on said South line of the North 1,130 feet of said Government Lot 1 on the South line of the North 1,130 feet of Government Lot 2 of said Section 15, a distance of 1,150 feet; thence South 00 degrees 45 minutes East 210 feet; thence South 58 degrees 15 minutes West 82.55 feet; thence South 31 degrees 45 minutes East 194.70 feet; thence North 58 degrees 15 minutes East 125.00 feet to the Point of Beginning at the Northwest corner of the herein described parcel of land; thence continuing North 58 degrees 15 minutes East 175.00 feet to the point of a curve to the right with radius of 20 feet; thence on said curve to the right, through a central angle of 90 degrees 00 minutes, an arc distance of 31.42 feet; thence South 31 degrees 45 minutes East, tangent to said curve, 185.00 feet; thence South 58 degrees 15 minutes West 75.00 feet; thence North 31 degrees 45 minutes West 140.00 feet; Thence South 58 degrees 15 minutes West 120 feet; thence North 31 degrees 45 minutes West 65.00 feet to the Point of Beginning.

DESCRIPTION OF SECOND PHASE

PARCEL ONE

A parcel of land in Government Lots 3 and 4, Section 15, Township 8 South, Range 30 East, St. Johns County, Florida, also being part of Lots 28, 29 and 30 of an unrecorded Plat prepared by J. W. Summerville, and being more fully described as follows:

Commencing at the intersection of the South line of the North 1,130 feet of Government Lot 1 of said Section with the West right of way line of State Road

No. A-1-A, a 100 foot width right of way; thence South 14 degrees 55 minutes East on said right of way line 827.35 feet; thence South 89 degrees 15 minutes West, on the North line of the South 700 feet of said Government Lots 3 and 4, a distance of 89.57 feet to the Point of Beginning at the Southeast corner of the herein described parcel of land; thence continuing South 89 degrees 15 minutes West on said North line of the South 700 feet of Government Lots 3 and 4, a distance of 523.43 feet; thence North 00 degrees 45 minutes West 175.00 feet; thence North 38 degrees 15 minutes East 60.71 feet; thence North 89 degrees 15 minutes East 443.71 feet; thence South 30 degrees 01 minute 15 seconds East 87.18 feet; thence South 14 degrees 55 minutes East 90.73 feet; thence South 21 degrees 05 minutes 35 seconds West 62.68 feet to the Point of Beginning.

PARCEL TWO

A parcel of land in Government Lots 1, 2, 3 and 4, Section 15, Township 8 South, Range 30 East, St. Johns County, Florida, also being part of Lots 23, 24, 25, 26, 27 and 28 of an unrecorded Plat prepared by J. W. Summerville and being more fully described as follows:

Beginning at the intersection of the South line of the North 1,130 feet of said Government Lots 1 and 2 of said Section with the West right of way line of State Road No. A-1-A, a 100 foot width right of way; thence South 14 degrees 55 minutes East on said right of way line 546.62 feet; thence South 89 degrees 15 minutes West 319.72 feet; thence North 14 degrees 55 minutes West 278.47 feet; thence South 89 degrees 15 minutes West 426.35 feet; thence South 58 degrees 15 minutes West 89.30 feet; thence North 31 degrees 45 minutes West 140.00 feet; thence South 58 degrees 15 minutes West 150.00 feet; thence North 31 degrees 45 minutes West 189.00 feet; thence North 00 degrees 45 minutes West 101.24 feet; thence North 89 degrees 15 minutes East, on said South line of the North 1,130 feet of Government Lots 1 and 2, a distance of 1,055.00 feet to the Point of Beginning.

PARCEL THREE

A parcel of land in Government Lot 3, Section 15, Township 8 South, Range 30 East, St. Johns County, Florida, also being part of Lots 25, 26 and 27 of an unrecorded Plat prepared by J. W. Summerville and being more fully described as follows:

Commencing at the intersection of the South line of the North 1,130 feet of Government Lot 1 of said Section 15 with the West right of way line of State Road No. A-1-A, a 100 foot width right of way; thence South 89 degrees 15 minutes West, on said South line of the North 1,130 feet of said Government Lot 1 and on the South line of the North 1,130 feet of Government Lot 2 of said Section 15, a distance of 1,150.00 feet; thence South 00 degrees 45 minutes East 210.00 feet; thence South 58 degrees 15 minutes West 82.55 feet; thence South 31 degrees 45 minutes East 194.70 feet; thence North 58 degrees 15 minutes East 125.00 feet to the Point of Beginning at the Northwest corner of the herein described parcel of land; thence continuing North 58 degrees 15 minutes East 175.00 feet to the point of a curve to the right with radius of 20 feet; thence on said curve to the right, through a central angle of 90 degrees 00 minutes, an arc distance of 31.42 feet; thence South 31 degrees 45 minutes East, tangent to said curve, 185.00 feet; thence South 58 degrees 15 minutes West 75.00 feet; thence North 31 degrees 45 minutes West 140.00 feet; thence South 58 degrees 15 minutes West 120.00 feet; thence North 31 degrees 45 minutes West 65.00 feet to the Point of Beginning.

DESCRIPTION OF THIRD PHASE

A parcel of land in Government Lots 2 and 3, Section 15, Township 8 South, Range 30 East, St. Johns County, Florida, also being part of Lots 23, 24, 25, 26, 27, 28, 29 and 30 of an unrecorded Plat prepared by J. W. Summerville, and being more fully described as follows:

Commencing at the intersection of the South line of the North 1,130 feet of said Government Lot 2 and of Government Lot 1 of said Section with the West right of way line of State Road No. A-1-A, a 100 foot width right of way; thence south 89 degrees 15 minutes West, on said South line of the North 1,130 feet of Government Lots 1 and 2, a distance of 1,150.00 feet to the Point of Beginning at the Northeast corner of the herein described parcel of land;

thence South 00 degrees 45 minutes East 210.00 feet; thence South 58 degrees 15 minutes West 82.55 feet; thence South 31 degrees 45 minutes East 194.70 feet; thence South 58 degrees 15 minutes West 69.40 feet; thence South 31 degrees 45 minutes East 334.86 feet; thence South 00 degrees 45 minutes East 60.00 feet; thence South 89 degrees 15 minutes West, on the North line of the South 700 feet of said Government Lot 3, a distance of 1,078 feet more or less; thence meandering Northerly on the East edge of the marsh of the Matanzas River 1,100 feet more or less; thence North 89 degrees 15 minutes East on said South line of the North 1,130 feet of Government Lot 2, a distance of 668 feet more or less to the Point of Beginning.

DRAINAGE EASEMENT-PART OF PHASE TWO, PARCEL THREE

A strip of land in Government Lot 3, Section 15, Township 8 South, Range 30 East, St. Johns County, Florida, also being part of Lots 25 and 26 of an unrecorded Plat prepared by J. W. Summerville, and being more fully described as follows:

Commencing at the intersection of the South line of the North 1,130 feet of Government Lot 1 of said Section 15 with the West right of way line of State Road No. A-1-A, a 100 foot width right of way; thence South 89 degrees 15 minutes West, on said South line of the North 1,130 feet of Government Lot 1 and on the South line of the North 1,130 feet of Government Lot 2 of said Section 15 a distance of 1,150.00 feet; thence South 00 degrees 45 minutes East 210.00 feet; thence South 58 degrees 15 minutes West 82.55 feet; thence South 31 degrees 45 minutes East 194.70 feet; thence North 58 degrees 15 minutes East 125.00 feet to the Point of Beginning at the Northwest corner of the herein described strip of land; thence continuing North 58 degrees 15 minutes East 175.00 feet to the point of a curve to the right with radius of 20 feet; thence on said curve to the right, through a central angle of 90 degrees 00 minutes, an arc distance of 31.42 feet; thence South 31 degrees 45 minutes East, tangent to said curve, 5.00 feet; thence South 58 degrees 15 minutes West 195.00 feet; thence North 31 degrees 45 minutes West 25.00 feet to the Point of Beginning.

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$$D_H^2 = D_H^2(\mathbb{R}^n) \quad \text{AND} \quad \mathcal{M}_H^2 = \mathcal{M}_H^2(\mathbb{R}^n) \quad \text{AND} \quad \mathcal{M}_H^2 = \mathcal{M}_H^2(\mathbb{R}^n)$$

5.12.11. $\mathcal{A} = \mathcal{A}_1 \oplus \mathcal{A}_2$ and $\mathcal{B} = \mathcal{B}_1 \oplus \mathcal{B}_2$ are $\mathcal{A}$ - $\mathcal{B}$ bimodules.

...

1611-1612

APPENDIX 1: The Breeding strategy of the *P. tenuis* is based on the following set of 10 breeding strategies, which are listed in Table 1. The first five strategies are the *S. pomonella* strategy, followed by four *P. tenuis* strategies and the *C. rosaceana* strategy.

[illegible]

Moreover, the authors of [14] have shown that the following conditions are equivalent:

- (i) $\mathcal{H}_\infty$ is a $\mathcal{H}_\infty$ -algebra.
- (ii) $\mathcal{H}_\infty$ is a $\mathcal{H}_\infty$ -module over $\mathcal{H}_\infty$.
- (iii) $\mathcal{H}_\infty$ is a $\mathcal{H}_\infty$ -bimodule over $\mathcal{H}_\infty$.

REMARK 1.1. *As a consequence of Theorem 1.1, we conclude that, in the case of a weakly stable system, the solution of the problem (1.1) and (1.2) will be stable if the input u is bounded.*

[illegible]

How can we make independent assessment of a project suggested but not yet fully developed, prove that it is feasible, and persuade all the members of the group?

Case 1: $\Delta \mu = 0$ (no chemical potential transfer) is not relevant

the 1990s, the number of people in the United States who are 65 years of age or older is projected to increase from 20 million to 30 million, and the number of people 75 years of age or older is projected to increase from 10 million to 15 million (U.S. Census Bureau, 1996). The number of people 85 years of age or older is projected to increase from 2 million to 4 million (U.S. Census Bureau, 1996). The number of people 90 years of age or older is projected to increase from 500,000 to 1 million (U.S. Census Bureau, 1996). The number of people 95 years of age or older is projected to increase from 100,000 to 200,000 (U.S. Census Bureau, 1996). The number of people 100 years of age or older is projected to increase from 10,000 to 20,000 (U.S. Census Bureau, 1996).

1. *Journal of the American Medical Association*, 1997; 277: 1001-1005.

The Board hereby certifies that the Declaration of Intention and the Declaration of Intent of the County of Santa Clara, California, for the purpose of the proposed project, have been duly adopted and approved by the Board of Supervisors of the County of Santa Clara, California, and that the same have been duly recorded in the Public Records of the County of Santa Clara, California, and that the same have been duly approved by the Planning and Zoning Board of the County of Santa Clara, California.

IN WITNESS WHEREOF, I, the undersigned, County Clerk of Santa Clara County, California, have hereunto set my hand and the seal of said County at San Jose, California, this 1st day of June, 1968.

Signed, sealed and delivered in presence of me the undersigned:

COASTAL POINT LIMITED

John D. Stieglitz
Witness

John D. Stieglitz
WITNESS

John D. Stieglitz
Witness

John D. Stieglitz
WITNESS

John D. Stieglitz
Witness

The undersigned, County Clerk of Santa Clara County, California, do hereby certify that the Declaration of Intention and the Declaration of Intent of the County of Santa Clara, California, for the purpose of the proposed project, have been duly adopted and approved by the Board of Supervisors of the County of Santa Clara, California, and that the same have been duly recorded in the Public Records of the County of Santa Clara, California, and that the same have been duly approved by the Planning and Zoning Board of the County of Santa Clara, California.

IN WITNESS WHEREOF, I, the undersigned, County Clerk of Santa Clara County, California, have hereunto set my hand and the seal of said County at San Jose, California, this 1st day of June, 1968.

John D. Stieglitz
Notary Public
State of California
My Comm. No. 100000000
Exp. 12/31/70
200000000

O.R. 846 PG 0421

This Instrument Prepared By:

90 3663

KEITH R. FOUNTAIN
Upchurch, Bailey & Upchurch, P.A.
780 North Ponce de Leon Boulevard
St. Augustine, Florida 32085-3007

FIRST AMENDMENT TO DECLARATION OF COVENANTS AND RESTRICTIONS
FIRST AND SECOND PHASE OF COASTAL POINT, A PLANNED UNIT
DEVELOPMENT, ST. JOHNS COUNTY, FLORIDA, AND NOTICE OF
PROVISIONS OF COASTAL POINT HOMEOWNERS ASSOCIATION, INC.

THIS FIRST AMENDMENT to the Declaration of Covenants and Restrictions, First and Second Phase of Coastal Point, a Planned Unit Development, St. Johns County, Florida, and Notice of Provisions of Coastal Point Homeowners Association, Inc., (the "Declaration"), recorded in Official Records Book 654, Pages 1923 through 1954, of the Public Records of St. Johns County, Florida, is made as of the date hereinafter set forth by Joseph Newton Jones (the "Declarant").

WITNESSETH:

WHEREAS, the Declarant is the Developer of Coastal Point as defined in Article I, Section 1.1(b), of the Declaration;

WHEREAS, Declarant is desirous of changing the name of the Coastal Point development to Sea Gate at St. Augustine Beach; and

WHEREAS, such amendment or modification does not substantially change the character, nature or general scheme of the development.

O.R. 846 PG 0422

NOW, THEREFORE, Declarant hereby generally amends the Declaration as follows:

(1) "Coastal Point," as referenced in said Declaration, shall be known as "Coastal Point/Sea Gate at St. Augustine Beach."

(2) "Coastal Point Homeowners Association, Inc.," as referenced in said Declaration, shall be known as "Sea Gate at St. Augustine Beach Homeowners' Association, Inc."

FURTHERMORE, Declarant hereby specifically amends Article 1, Section 1.1(b), of the Declaration as follows:

1.1(b) "Developer" shall mean and refer to K-Three Development Co., a Tennessee corporation, its successors and assigns.

IN WITNESS WHEREOF, the undersigned Declarant has affixed his hand and seal on this 6th day of Feb., 1990.

Signed, sealed and delivered
in the presence of:

Jack E. Jankins
Witness

Nancy Davis
Witness

Joseph Newton Jones (SEAL)
JOSEPH NEWTON JONES

O.R. 846 PG 0423

STATE OF TENNESSEE

COUNTY OF Sullivan

I HEREBY CERTIFY that on this day, before me, the undersigned authority, personally appeared, Joseph Newton Jones, known to be the person described in and who executed this foregoing Amendment to Declaration of Covenants and Restrictions and acknowledged before me that he executed same for the uses and purposes therein expressed.

WITNESS my hand and official seal in the County and State last aforesaid this 6th day of Feb., 1990

Jack E. Jernigan
Notary Public
State of Tennessee at Large

My commission expires:
4-19-92

FILED AS RECEIVED IN
PUBLIC RECORDS
ST. LOUIS COUNTY, ILL.

90 FEB 13 PM 3:21

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CLERK OF CIRCUIT COURT