

Doc # 2015033432, OR BK 17064 Page 1826, Number Pages: 56, Recorded
02/12/2015 at 09:03 AM, Ronnie Fussell CLERK CIRCUIT COURT DUVAL COUNTY
RECORDING \$477.50

Prepared by, Recorded & Returned to:
D. Randall Briley, Esq.
Briley & Deal, LLC
2215 S. Third St., Suite 101
Jacksonville Beach, FL 32250

DECLARATION OF EASEMENTS, COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
THE PALMS AT NOCATEE

COPY

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CONDITIONS AND RESTRICTIONS FOR
THE PALMS AT NOCATEE

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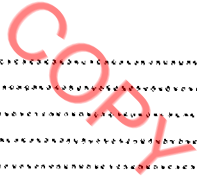
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Prepared by, Record & Return to:
 D. Randall Briles, Esq.
 Briley & Deal, LLC
 2215 S Third St., Suite 101
 Jacksonville Beach, FL 32250

**DECLARATION OF EASEMENTS, COVENANTS,
 CONDITIONS AND RESTRICTIONS FOR
 THE PALMS AT NOCATEE**

THIS DECLARATION, is made this 9th day of February, 2015, by DFB LAND, LLC, a Florida Limited Liability Company, hereinafter referred to as "Developer," who recites and provides:

R E C I T A L S:

A. Developer is the owner of certain lands located in Duval County, Florida and St. Johns County, Florida, being all of that real property known as THE PALMS AT NOCATEE as depicted on Exhibit "A" attached hereto and incorporated herein and referred to as the "Property". A part of the land located in Duval County, Florida shall be developed first and shall be known as the Palms at Nocatee Phase I, as shown on plat thereof recorded in the official records of Duval County Florida in Plat Book 67 Pages 180 - 186, hereinafter referred to as "THE PALMS AT NOCATEE PHASE I", being more particularly described on Exhibit B attached hereto and incorporated herein. Developer desires to maintain the beauty of the Property to assure high quality standards for the enjoyment of the Property.

B. Developer intends to develop the Property for the purpose of constructing single family dwellings and Townhomes thereon, which will share certain Common Property (as hereinafter defined), and which will be occupied and maintained as a residential development for the mutual, reciprocal and common advantage of all Owners (as hereinafter defined) and occupants thereof, who shall own and occupy the Property, subject to the provisions of this Declaration and all other rules and regulations applicable to the Property.

C. Developer desires to provide for the preservation and enhancement of the Property, and for the maintenance of the Property and the improvements thereon, Developer desires to subject the Property to the covenants, restrictions, easements, charges and liens of this Declaration, each, and all of which is and are for the benefit of the Property and each Owner of a portion thereof.

D. Developer desires to provide for the efficient management of the Property, and in connection therewith Developer deems it desirable to create a not-for-profit corporation with the power and duty to administer and enforce the protective covenants, conditions, restrictions, easements and limitations hereinafter set forth, including, without limitation, the maintenance and administration of the Common Property and collecting and disbursing the Assessments hereinafter created. To this end, Developer has created or will create The PALMS AT NOCATEE HOMEOWNERS ASSOCIATION, INC., a Florida not-for-profit corporation ("Association"), whose membership shall include the Owners of all or any part of the Property.

D E C L A R A T I O N

NOW, THEREFORE, Developer hereby declares that the Property shall be held, sold, occupied and conveyed subject to the following easements, restrictions, covenants, liens and conditions, which are for the purpose of protecting the value and desirability of and shall run with the Property and be binding on all parties having any right, title or interest in the Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof and Developer.

ARTICLE I

DEFINITIONS

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

- (a) "ARB" means the Architectural Review Board of the Association.
- (b) "Articles" means the Articles of Incorporation for the Association, as amended from time to time.
- (c) "Assessment" means and includes all types of charges to which a Lot is subject, including, without limitation, Annual Assessments, Special Assessments, Emergency Assessments, and Lot Assessments (as hereinafter defined).
- (d) "Association" means THE PALMS AT NOCATEE HOMEOWNERS ASSOCIATION, INC., a Florida not-for-profit corporation, its successors and assigns, which is responsible for the management and operation of the Property.
- (e) "Board of Directors" means the Board of Directors of the Association.
- (f) "Bylaws" means the Bylaws of the Association as amended from time to time.
- (g) "CDD" means the Nocatee Community Development District, also known as the Tolmato CDD or the Split Pine CDD respectively, which was created and approved pursuant to Chapter 190, Florida Statutes.
- (h) "Common Property" means all of the Property, except the Lots, together with any improvements thereon, and all personal property intended for the common use and enjoyment of the Owners, and any area within the Property which the Association is obligated to maintain, notwithstanding that it may not own the underlying fee simple title to such areas. The Common Property is not dedicated for use by the general public. The Common Property shall specifically include, without limitation, sign and landscape easements (including, but not limited to, those shown on the plat of the Property), traffic control signs, entry features (including signs, landscaping, lighting, and wall), any perimeter fencing or walls, all landscaping not located within a Lot, any gate, the Stormwater Management System (defined below), as shown on the Plat of the Property.
- (i) "Common Roads" means the roads depicted on the plat of the Property which provide ingress and egress to each Lot, residence, or any part of the Property. The Common Roads shall be dedicated to the public.
- (j) "County" means St. Johns and/or Duval County, Florida depending on what part of the Property is in question.
- (k) "Declaration" means this Declaration of Easements, Covenants, Conditions and Restrictions, as it may hereinafter be amended and supplemented from time to time.
- (l) "Developer" means DFH LAND, LLC, its successors and assigns, or any successor or assign of all or substantially all of its interests in the development of the Property. Reference in this Declaration to DFH LAND, LLC as the Developer under this Declaration is not intended and shall not be construed to impose upon DFH LAND, LLC, any obligations, legal or otherwise, for the acts or omissions of third parties who purchase Lots within the Property from DFH LAND, LLC and develop and resell the same. Developer may also be an Owner for so long as Developer shall be the record owner of any Lot. Developer may assign all or a portion of its rights hereunder, or all or a portion of such rights in connection with appropriate portions of the Property. In the event of such a

partial assignment, the assignee shall not be deemed the Developer but may exercise such rights of Developer specifically assigned to it. Any such assignment may be made on a nonexclusive basis. In addition, in the event that any person or entity obtains title to all of the property owned by Developer as a result of foreclosure or deed in lieu thereof, such person or entity may elect to become the Developer as a result of foreclosure or deed in lieu thereof, such person or entity may elect to become the Developer by written election recorded in the public records of the County, and regardless of the exercise of such election, such person or entity may appoint the Developer or assign any rights of Developer to any other party which acquires title to all or any portion of the Property by written appointment recorded in the public records of the County. In any event, any subsequent Developer shall not be liable for any actions, defaults, or obligations incurred by any previous Developer, except as may be expressly assumed by the subsequent Developer.

(m) "DRI" means Nocatee Development of Regional Impact as enacted by the Board of County Commissioners of St. Johns County, Florida by Resolution 2001-20 as the same may be amended from time to time.

(n) "Initial Improvements" means the initial, original construction of Residences, whether single family homes or Townhomes and related improvements (i.e. roadways, water sewer utilities and common property) and initial landscaping upon the Lots constructed by Developer or those builders specified by Developer.

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

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

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

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

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

(t) "Property" means that certain real property described as such in the Recitals above.

(u) "Residences" means any family residential dwelling constructed or to be constructed on or within any Lot.

(v) "Stormwater Management System" means a system which is designed and constructed or implemented to control discharges which are necessitated by rainfall events, incorporating methods to collect, convey, store, absorb, inhibit, treat, use or reuse water to prevent or reduce flooding, over-drainage, environmental degradation, and water pollution or otherwise affect the quantity and quality of discharges.

(g) "Subdivision" The Lots subjected to this Declaration as described on Exhibit "A" and any Lots added to this Declaration by amendment.

(h) "Townhome" means a building which contains one or more attached dwelling units which share party walls, a common roof, and a common foundation and constructed on a Townhome Lot. Townhomes shall be constructed only on those Lots designated as Townhome Lots.

(i) "Townhome Landscape Assessment" means assessments, both periodic assessments and special assessments, from time to time assessed against Townhome Lots for the purpose of maintenance or replacement of landscaping.

(j) "Townhome Landscaping" means the shrubbery, sod and other landscape elements on any Townhome Lot for which the Association shall have maintenance responsibility, except that should any Townhome Lot owner erect a fence then the Association shall not be responsible to maintain landscape elements inside the fenced portion of the Townhome Lot.

(k) "Townhome Lot" means any Lot of land intended as a site for a Townhome and shown upon any duly recorded subdivision plat of the Property. References herein to "Townhome Lot" shall also include the Townhome and all improvements thereon, unless specifically set forth to the contrary.

(l) "Townhome Owner" the record owner, whether one or more persons or entities, of the fee simple title to any Townhome Lot, including the buyer under a contract for deed. Townhome Owners shall not include those having such interest merely as security for the payment or repayment of a debt obligation. All owners of a single Townhome Unit shall be treated as a single Townhome Owner, without regard as to whether such ownership is joint, in-common or tenancy by the entirety.

ARTICLE II

MUTUALITY, BENEFITS AND BURDENS

Section 2.1 Mutuality. This Declaration and the covenants, restrictions and agreements contained herein are made for the mutual and reciprocal benefit of each Lot or parcel contained within the Property. This Declaration is intended to create mutual obligations upon each Lot and parcel within the Property in favor of each and every other Lot and parcel within the Property, to create reciprocal rights between all of the Owners and to create privity of contract and an estate between the grantees of each and every Lot and parcel within the Property and their successors, heirs and assigns.

Section 2.2 Owner's Benefits and Burdens. Each Owner shall by taking title to any Lot agree to abide by all terms, provisions, agreements, covenants, restrictions and conditions contained in this Declaration and shall be entitled to the benefits and burdens contained therein.

ARTICLE III

ASSOCIATION

Section 3.1 Members. Every Owner shall be a mandatory member of the Association. Membership shall be appurtenant to and may not be separated from the title to each Lot, and shall be transferred automatically by conveyance of the title to any Lot, whereupon the membership of the previous Owner shall automatically terminate. Persons or entities which have an interest in any Lot merely as security for the performance of an obligation shall not be Members of the Association, and in such case the beneficial Owner shall retain the membership in the Association.

Section 3.2 Voting Rights. The Association shall have two classes of voting membership.

(a) Class A. Class A Members shall be all Owners, with the exception of Developer,

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

(h) Class B. The Class B Member shall be Developer and shall be entitled to eight(8) votes for each Lot owned or intended to be a part of this Association. The Class B Membership shall cease and be converted to Class A Membership upon the earlier of the following events:

- (i) Ten (10) years after the recording of this Declaration; or
- (ii) Such earlier date as Developer, in its sole discretion, may determine; or
- (iii) Upon the occurrence of any of the events currently listed in Section 720.307 Florida Statutes (a) through (f); and
- (iv) Despite anything contained herein, the provisions of current Section 720.307 (1) and (2) Florida Statutes shall control with regard to the election of Board Members.

(g) Multiple Owners. Each Lot shall have one (1) vote. Each vote in the Association must be cast as single vote and fractional votes shall not be allowed. If joint or multiple Owners are unable to agree among themselves as to how their vote is to be cast or if more than one Class A vote is cast for any Lot such vote shall be disregarded and shall not be counted. If any Owner casts a vote for a Lot it shall be conclusively presumed that such Owner acted with the authority and consent of all other Owners of the Lot.

ARTICLE IV

COMMON PROPERTY, TOWNHOMES AND EASEMENTS

Section 4.1 Common Property.

(a) Title. Developer shall retain title to the Common Property until such time as it has completed any improvements thereto, and unless Developer sooner conveys such Common Property or any portion thereof to the Association by recorded instrument, all remaining Common Property not deeded to the Association shall be deemed conveyed to the Association, without further act or deed by the Developer, within ninety (90) days of the date of termination of Class B Membership. The Common Property shall be held by the Association for the benefit of the Association. Developer may terminate the designation of land as Common Property prior to its conveyance to the Association, without the consent or joinder of any Owner or Institutional Mortgagee. Regardless of the prior sentence, the Developer shall not withdraw any Common Property if any such withdrawal of Common Property materially and adversely affects any Lot, or should such withdrawal materially and adversely affect access to such Lot, visibility available on such Lot, or the drainage of such Lot without the consent and joinder of the Owner of such Lot. The Developer shall have the right to add to the Common Property in its sole discretion at any time prior to conveyance to the Association. No transfer of the title to any Lot, and no provision in any deed or other instrument of conveyance of any interest in any Lot shall pass any rights in and to the Common Property, except as expressly enumerated in this Declaration. Upon execution, delivery and recording of deeds conveying the Common Property, the Association shall be deemed to have accepted the conveyances effected by

such deeds. The withdrawal or addition of land to the Common Property shall be reflected in an amendment to this Declaration. Once land is withdrawn, the Owners shall have no further rights to or in such land. The only land belonging to Developer which shall be included herein shall be such land as is specifically described in Exhibit "A" to this Declaration or attached to an amendment to this Declaration. If necessary, the Association shall execute such deeds, assignments or other documents as may be required to achieve a withdrawal of land by the Developer.

(b) Easement of Enjoyment. Subject to the limitations provided in this Declaration, All Owners, their guests and their invitees are hereby granted a nonexclusive right and perpetual easement of enjoyment in and to the Common Property which easements are appurtenant and shall pass with the title to every Lot. All owners, their guests, invitees, agents, employees, emergency service providers, police, fire, delivery services, U.S. Mail carriers, employees of utility companies who are authorized by the Association and any other persons who may be authorized by the Developer or the Association shall have a perpetual but non-exclusive right of egress and ingress over the paved portions of the Property designated as roadways more particularly described on Exhibit "A". However, all such easements shall be subject to the following:

- (1) The right of the Association to take such steps reasonably necessary to protect the Common Property against foreclosure.
- (2) The right of Developer or the Association to grant easements and rights of way, as may be deemed appropriate for the proper development and maintenance of the Property, including, without limitation, Developer's right to reserve an easement for itself, its successors and assigns for ingress, egress, maintenance and to provide utilities over all Common Property and including but not limited to an easement designation on a plat.
- (3) The rights of the owners of the Common Property to dedicate, convey or transfer all or any part of the Common Property (upon the consent of the Developer and 2/3 votes of the total votes of the Association) to any public agency, utility, authority or other similar entity and to mortgage same.
- (4) All provisions of this Declaration, any plat of any part of the Property, and the Articles and the Bylaws of the Association.
- (5) The rules and regulations governing the use and enjoyment of the Common Property adopted by the Association or the Developer.
- (6) All easements and restrictions of record affecting any part of the Common Property.
- (7) Rights reserved herein to add or withdraw land from the Common Property.
- (8) Rights reserved herein to persons, not members of the Association.

(c) Easement of Enjoyment of the CDD. All residents of the CDD, their guests or invitees shall have a nonexclusive right and perpetual easement of enjoyment in and to the Common Property for access to any CDD property, if any, located within the Property. The easement of this sub-paragraph shall provide access for the purpose of maintenance, repair, installation, construction, or re-construction of any and all facilities or improvements which the CDD is authorized or required to maintain, repair, install, construct or re-construct.

(d) Maintenance. It shall be the duty of the Association to manage and maintain the Common Property, in a clean, attractive, sanitary and serviceable condition, and in good order and repair for the benefit of all Owners. The Association's duties shall commence upon the completion of any improvements upon the Common Property, irrespective of which entity holds title thereto, and shall include the management, operation, maintenance, repair, servicing, replacement, and renewal of all improvements, equipment, and tangible personal property installed by Developer as a part of the Common Property. The Association shall keep the improvements located on the Common Property, including fixtures and personal property of the Association, insured for the maximum insurable

replacement value, excluding foundation and excavation costs, as determined by the Board of Directors. The Association shall also maintain all landscaping on the Common Property, provided that neither Developer nor the Association shall be deemed to be a guarantor of such landscaping. The cost of landscaping shall be a part of the annual Assessments. Maintenance of the Common Property shall be conducted in such a manner as to be in accord with any and all permits issued by any applicable governmental agencies, to include but not limited to such permits issued by the United States Army Corps of Engineers, ("ACOE"), Florida Department of Environmental Protection, St. Johns River Water Management District, ("SJRWMD"), the County, Florida and in accordance with all regulations, rules, statutes, requirements, pronouncements of governmental agencies having jurisdiction over the Storm Water Management System. The Board of Directors of the Association shall oversee all maintenance and the expense for maintenance shall be a common expense to be assessed to the Owners pursuant to this Declaration.

(e) Restrictions on Access. The Developer and the Association shall have the right to deny access to the Property to any person, who is believed to be a nuisance, likely to create or assist in the creation of any nuisance or disturbance. The Developer and the Association shall have the right but shall not be obligated to control traffic on any roadway within the Property and shall be entitled to exclude any vehicular traffic or vehicle that the Developer or the Association believes may create a nuisance or create a danger to the authorized users of such roadways. The Developer or the Association shall have the right to control parking on any roadway on the Property and shall be entitled to remove any fence, wall, hedge, bush, plant, tree or any other structure which the Developer or the Association believes obstructs the vision of motorists utilizing the roadways on the Property. Determination as to whether to exercise any right hereunder shall be at the sole discretion of the Developer or the Association and further, the rights reserved hereunder shall not be considered to be an obligation of the Developer or the Association. Upon dedication to the public, the terms contained in this paragraph shall be of no further effect.

(f) Changes to Roadways. The Developer, its successors, assigns shall be entitled to dedicate to the public use any Roadway on the Property, so long as any applicable governmental entity shall consent, all or any part of the Roadways on the Property and shall have the right to alter, relocate or terminate any Roadway or easement without the consent or joinder of any party. The provisions of this paragraph notwithstanding, no Lot may be denied access to a street or highway as a result of any change to a Roadway.

Section 4.2 Townhomes.

(a) Additional Definitions.

i) Common Structural Elements. The term Common Structural Elements means the structural elements of a Townhome which are shared with other Townhomes, including but not limited to the common Roofing, Party Walls, and the common Foundation.

ii) Party Walls. All dividing walls between Townhomes beginning at the unfinished surface of each side of such wall located on a property line between two Townhomes. Taken alone, the fact that a dividing wall between two Townhomes is not on the property line between two Townhomes shall not prevent such a dividing wall from being a Party Wall.

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

iv) Foundation. The entire concrete floor slab (or other floor system if used

in lieu thereof) and all foundational and support structures and appurtenances thereto, all of which are collectively referred to as the "Foundation" of the Townhome. Should the Foundation or part thereof extend beyond the Lot boundaries, same shall not be deemed to violate the provisions of this Declaration and such easements as may be necessary to accommodate and permit the Foundation as same shall be constructed or thereby imposed.

(k) Townhome Exterior Building Surfaces. The exterior walls, roofing, chimney or other existing roof structures, but excluding all doors and windows of Townhomes, all of which are collectively herein referred to as the "Townhome Exterior Building Surfaces"

(l) General. Each Townhome Owner shall own that portion of the Party Wall which is in his Townhome. To the extent not inconsistent with the provisions of this Article, the general rule of law regarding Common Structural Elements and liability for property damage due to negligence or willful acts or omissions shall apply to each Common Structural Element (or party fence, if applicable) which is built by Developer and/or Builder as part of the original construction of the Townhome or is an Initial Improvement upon the Lots and any replacement thereof.

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

(m) Regular Maintenance, Repair, and Replacement. The Association shall be responsible for regular repair and maintenance of the Exterior Townhome Building Surfaces, including maintenance for normal wear and tear, and replacement at the end of the useful life thereof, as more particularly set forth below in Section 4.2 (n), herein. The cost of such repairs, maintenance and replacement shall be paid from reserves established and collected as a part of the assessments on the Townhome Lots under Article VII. Such maintenance and repair shall be performed by the Association pursuant to Section 4.2 (n) below. Notwithstanding anything herein to the contrary, the Association shall not be responsible for reconstruction, repair or maintenance of Exterior Townhome Building Surfaces or Common Structural Elements, damaged by fire, storm, or other casualty or for the reconstruction, repair or maintenance of which is otherwise covered by a Townhome Owner's homeowner's insurance policy or other insurance covering the Townhome. Each Townhome Owner shall be responsible to install and maintain all interior surface coverings (e.g. paint, wallpaper, carpeting, tile, ceiling surfaces) as to any Common Structural Element within the Townhome.

(n) Destruction by Fire or Other Casualty. In the event of damage or destruction of Exterior Townhome Building Surfaces or Common Structural Elements from any cause whatsoever, the Association shall repair or rebuild such Exterior Townhome Building Surfaces or Common Structural Elements in accordance with the requirements of Section X of this Declaration, and each Townhome Owner, his successors and assigns, shall have the right to full use as herein contained of said Common Structural Elements so repaired or rebuilt. Each Townhome Owner shall pay the full cost of such repair or reconstruction, which payment shall include (but shall not be limited to) any and all insurance proceeds due and payable pursuant to the Townhome Owner's property insurance policy, as required herein, and all applicable deductibles. To assure adequate and timely repair and reconstruction, all monies required hereby to be paid by a Townhome Owner shall be paid to the Association and the Association shall administer such monies so as to make such repairs expeditiously. If damage or destruction is a result of one Townhome Owner's negligence or willful misconduct, that party shall be responsible for the total repair and replacement in a timely fashion. If any Townhome Owner fails to pay his share of repair or replacement, as aforesaid, then the Association may have such

Common Structural Elements repaired or reconstructed and shall be entitled to file in the Public Records of the County, a claim of lien on the premises of the Townhome Owner failing to pay for the amount of such defaulting Townhome Owner's share of the repair or replacement costs, plus interest and collection expenses. The Association shall have the right to foreclose said claim of lien in accordance with the same procedural requirements as now provided for in Florida Statutes for foreclosure of a mechanic's lien; provided, however, such claim of lien shall be filed within ninety (90) days from the date repairs or replacements were made to the Common Structural Elements, and suit thereon shall be commenced one (1) year from the date such lien is filed.

(e) Easement for Repairs. If repairs or reconstruction to the Common Structural Elements shall be necessary, all necessary entries on or into any adjacent Townhome or any adjacent Lot shall not be deemed a trespass so long as the repairs and reconstruction shall be done in a timely and workmanlike manner, and, in the event entry to a Townhome is required, reasonable notice is provided to the Townhome Owner. Subject to the foregoing, consent is hereby given to enter on or into adjacent Townhomes to effect necessary repairs and reconstruction.

(f) Right to Contribution Runs with Land. The right of any Townhome Owner to contribution from any other Townhome Owner under this Section 4.2 shall be appurtenant to the land and shall pass to such Townhome Owner's successors in title.

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

(h) Arbitration. In the event of any dispute arising concerning Common Structural Elements, or under the provisions of this Section 4.2, each party shall choose one arbiter, and such arbiters shall choose one additional arbiter, and the decision of a majority of all of the arbiters shall be final and conclusive of the questions involved.

(i) Alterations. A Townhome Owner who owns a Townhome which shares a Party Wall with an adjoining Townhome shall not cut windows or other openings in the Party Wall, nor make any alterations, additions or structural changes in the Party Wall.

(k) Structural Cross Easements. Cross easements of support and use over, upon, across, under, through and into the Common Structural Elements shall exist in favor of the Association, the Townhome Owners or their designees for the continued use, benefit and enjoyment and continued support, maintenance, repair and design of all Townhomes and Common Structural Element.

(l) Load Bearing Elements. Each Townhome Owner shall maintain, repair and replace, at its sole cost and expense, all interior portions of his Townhome contributing to the support of the Townhome, which portions shall include but not be limited to load bearing columns and load bearing walls. Notwithstanding the foregoing, the Association reserves the right but not the obligation to, in its sole discretion, if a Townhome Owner fails to do so, to make repairs, and replacements of those interior portions of a Townhome.

(m) Use of Interior Party Walls. BY VIRTUE OF ACCEPTING TITLE TO ANY TOWNHOME, EACH TOWNHOME OWNER SHALL BE ON NOTICE THAT PUNCTURING ANY PARTY WALL SURFACE WILL IMPAIR THE FIRE-WALL FUNCTION OF SUCH STRUCTURE AND THAT EACH OWNER IS PROHIBITED FROM PUNCTURING, PIERCING OR PERFORATING PARTY WALLS IN ANY MANNER WHATSOEVER.

(n) Association Obligations for Townhome Lots. The Association is responsible for the following matters relating to the initial improvements located on the Townhome Lots by the Developer, Builder or the Association:

(i) Exterior Townhome Building Surfaces: The Association shall,

from time to time as deemed reasonably appropriate and necessary by the Board of Directors, in the Board of Directors' sole and absolute discretion, maintain and repair and replace the Exterior Townhome Building Surfaces, including painting the exterior surfaces, paintable walls of each Townhome, repairing and replacing all portions of the siding of each Townhome, maintaining, repairing and replacing the Roofing, gutters and downspouts of each Townhome and periodically cleaning the exterior portions of the Townhomes. The cost of such repairs, maintenance and replacement shall be paid from reserves established and collected as a part of the assessments on the Townhome Lots under Article VII. Notwithstanding anything herein to the contrary, the Association shall not be responsible for reconstruction, repair or maintenance of Exterior Townhome Building Surfaces or Common Structural Elements, damaged by fire, storm or other casualty or for the reconstruction, repair or maintenance of which is otherwise covered by a Townhome Owner's homeowner's insurance policy or other insurance covering the Townhome.

(iii) Fences. The Association shall, from time to time as deemed reasonably appropriate and necessary by the Board of Directors, in the Board of Directors' sole and absolute discretion, repair, maintain and replace fences (but not walkways, driveways or patios) located on or within a Townhome Lot. The cost of such repairs, maintenance and replacement shall be paid from reserves established and collected as a part of the assessments on the Townhome Lots under Article VII. The Association shall undertake this responsibility to assure uniformity in exterior appearance of the Townhome Buildings. The cost of such repairs shall be a Lot Assessment assessed equally among all Townhome Owners of the Townhome being repaired.

(iiii) Secondary Wiring. The Association shall, from time to time as deemed reasonably appropriate and necessary by the Board of Directors, in the Board of Directors' sole and absolute discretion, maintain, repair and replace all secondary wiring to the Townhome(s) from the transformer and also maintain the meter boxes to the point of attachment to a Townhome. The cost of such repairs, maintenance and replacement shall be paid from reserves established and collected as a part of the assessments on the Townhome Lots under Article VII.

(ix) Incidental Damage. The Association shall also be responsible for repairing all incidental damage caused to a Townhome by reason of the repairs and replacements accomplished pursuant to this Section 4.2. The cost of such repairs shall be paid from reserves established and collected as a part of the assessments on the Townhome Lots under Article VII.

(v) Right to Repair. Notwithstanding the terms and conditions of this Section, if damage to any Townhome results from the negligence, misuse, error, act or the failure to act by a Townhome Owner or of any of his guests, tenants, invitees, agents, employees, or family members, the Association may, in its sole and absolute discretion, either (i) repair the Townhome, with the cost of such repairs being the sole responsibility of that Townhome Owner as a Lot Assessment, payable by the responsible Townhome Owner immediately upon receipt of a written invoice or statement or (ii) provide written notice to the Townhome Owner to repair the affected Townhome, in which case the Townhome Owner shall immediately and at such Townhome Owner's sole cost and expense, perform exactly such repairs to the Townhome as are required by the Association.

(xi) Termite Bond on Townhomes. The Association shall maintain a termite treatment and repair bond on the Townhomes, the cost of which shall be assessed against the Townhome Owners on an equal basis as part of the Lot Assessment.

(vii) Lawn and Landscape Maintenance for Townhome Lots. The Association shall maintain lawn areas, shrubbery, hedges and plant materials on the Townhome Lots, including mowing, edging, irrigating and fertilizing landscaped areas on the Townhome Lots as originally installed by the Developer. Subject to the prior approval of the ARB, Lot Owners may install landscaping anywhere on their respective Townhome Lots that does not unreasonably interfere with the Association's lawn maintenance obligations, or the rights of other Townhome Lots, subject to Article VIII, herein. No Townhome Lots shall make any modifications or alteration to the lawn or landscaped areas on the Common Property. The Developer may install a common irrigation system serving the Common Property and the Townhome Lots, including pumps, water distribution lines, sprinkler head and other related facilities (the "Community Well" or the "Irrigation System"), on and under the Common Property and the Townhome Lots, and shall operate, maintain, repair and replace any such Irrigation System. No Owner or Townhome Owner may make any alterations, modifications, or other changes to the Irrigation System. Each Owner or Townhome Owner shall be responsible to the Association for any damage or injury to the Irrigation System due to the negligence or intentional act or omission of the Lot Owner or Townhome Owner or any family member, tenant, guest or invitee of such Owner or Townhome Owner. Townhome Owners (not any other Lot Owner) shall be solely responsible for payment of all assessments imposed to comply with this subsection vii. An equitable portion of any Community Well expenses shall be allocated and assessed by the Board to the Townhome Owners.

Section 4.3 Easements

(a) Blanket Easement. Developer reserves for itself, its successors and assigns, a nonexclusive, perpetual, alienable blanket easement for the benefit of the Property upon, across, over, through, and under any Roadway, right of way or the Common Property for ingress, egress, installation, replacement, repair, use and maintenance of all utility and service lines and service systems, utility poles or equipment, public and private, including, but not limited to, water, sewer, drainage, irrigation systems, telephones, electricity, gas (propane or natural) television cable or communication lines and systems, and police powers and services, firefighting services, supplied by the local, state and federal governments. This easement shall in no way affect any other recorded easements on the Property.

(b) Lot Easement. Developer reserves for itself, its successors and assigns a perpetual, nonexclusive easement over, under and across a ten foot (10') strip at the front and rear of each Lot, and a five foot (5.0') strip at the side of each Lot for the installation, repair and maintenance of all utilities, including without limitation water, sewer, electrical, cable, telephone, drainage, and irrigation lines.

(c) Cable Easements. Developer reserves for itself, its successors and assigns, and grants to the Association and its designees, a perpetual, exclusive easement for the installation, maintenance, and supply of internet, telephone, radio and television cable over, under and across the rights of way and easement areas on any recorded plat of the Property. If the Association elects to enter into a "bulk rate contract" for cable television, cable television service shall be supplied to each Lot and each Owner shall be required to pay all costs in connection therewith.

(d) Right to future Easements. Developer shall be entitled to place further easements and restrictions on any Lot, Roadway, right of way and the Common Property while Developer owns any portion thereof, such additional or future easements shall not unreasonably interfere with the use and enjoyment of a Lot, Roadway, right of way or the Common Property, further, such additional or future easement shall not have significant detrimental effect on any improvements constructed thereon.

(e) Easement for the Purpose of Maintenance. The Developer or the Association, their successors or assigns shall have an easement on and over any Lot and the Common

Property as may be necessary to maintain the Common Property, the Roadways, right of way or the Storm Water Management System or such other property which the Developer or Association is required to maintain.

(f) Easement for Facilitation of Construction. The Developer reserves the right to itself, its successors and assigns to construct model homes, temporary sales offices, temporary construction offices, temporary storage facilities for construction materials on Developer's property as may be normally utilized in the construction and sale of homes in sub-divisions substantially similar to that being constructed on the Property. Further, Developer or any other builder owning a Lot shall be entitled to such access as may be reasonably necessary in order to construct improvements on any Lot owned by such Developer or builder.

(g) Developer's Rights. Developer, its successors and assigns, shall have the unrestricted right, without approval or joinder of any other person or entity: (i) to designate the use of, alienate, release, or otherwise assign the easements shown in any plat of the Property or described herein; (ii) to plat or re-plat all or any part of the Property owned by Developer; and (iii) to widen or extend any right-of-way shown on any plat of the Property or convert a Lot to use as a right-of-way, provided that Developer owns the lands affected by such changes. The Owners of Lots subject to easements shown on any plat of the Property shall acquire no right, title, or interest in any of the cables, conduits, pipes, mains, lines, or other equipment or facilities placed on, over, or under the easement area. The Owners of Lots subject to any easements shall not construct any improvements on the easement areas, alter the drainage flow of surface water, or landscape such areas with hedges, trees, or other landscape items that might interfere with the exercise of the easement rights. Any Owner who constructs any improvements or landscaping on such easement areas shall remove the improvements or landscape items upon written request of the Developer, the Association or the grantee of the easement. Developer and the Association shall have the right but not the obligation to take any reasonable action necessary to correct any condition which alters or affects the drainage flow of surface water.

(h) Blanket Easement over Townhome Lots for Maintenance, Repair and Replacement by the Association and over Townhome Lots for Landscape Maintenance by the Association. The Association is granted a perpetual non-exclusive easement for ingress and egress, at all times, over and across the Townhome Lots for the Association to fulfill its obligations as set forth in this Declaration, provided however, that if the Association is ever dissolved then all maintenance, repair and replacement obligations relating to the Townhome Lots shall be the responsibility and financial obligation of the Owners of each such Townhome Lot and the Townhome Units located on each Townhome Lot.

Section 4.4 Tracts Retained by Developer & Assigns. The Plat provides that the Developer or its successors and assigns shall retain ownership and be responsible for maintenance of Tracts A, B, C, D, E, F, G, I, J and K as indicated on the Plat, attached hereto as Exhibit "A". Developer or its successors and assigns shall be responsible for maintenance of those tracts listed in this Section 4.3 and the Assessments provide under Article VII shall be used for such maintenance.

ARTICLE V

STORM WATER MANAGEMENT SYSTEM

Section 5.1 Maintenance Easement. The plan for the development of the Property includes the construction of a Stormwater Management System including, without limitation, retention areas, swales, conduits, and berms on the Property. Developer reserves for itself, its successors and assigns, and conveys to the Association and the CDD, their designees, heirs, assigns and agents, a non-exclusive, perpetual, alienable blanket easement over, under and across the ground within the Property, including any platted easements and any easements reserved herein or otherwise, for ingress, egress, installation, replacement, repair, use and maintenance to maintain and correct the drainage of Stormwater Management System. Such right expressly includes the right to cut any trees, bushes or shrubbery, make any gradings of the soil, construct or modify any berms placed on the Lots as part of the Stormwater Management System, or to take any other similar action reasonably

necessary, following which Developer, the Association or the CDD, as the case may be, shall restore the affected property to its original condition as nearly as practicable; provided, however, that Developer, the Association or the CDD shall not be required to replace or repair fences, walks, structures, landscaping, or other improvements which are removed or damaged. Developer, the Association or the CDD shall give reasonable notice of intent to take such action to all affected Owners, unless, in the opinion of Developer, the Association or the CDD, an emergency exists which precludes such notice. This easement shall not unreasonably interfere with the use and enjoyment of the Property. The right granted hereunder may be exercised at the sole option of Developer, the Association or the CDD and shall not be construed to obligate Developer, the Association or the CDD to take any affirmative action in connection therewith.

Section 5.2 Maintenance Responsibility. The CDD shall be responsible for the operation, repair and maintenance of the Storm Water Management System, with the exception of the buffer areas and landscaping which shall be the responsibility of the Association. Such maintenance shall insure that the Storm Water Management System functions as permitted or approved by the SJRWMD and so as to provide adequate drainage, surface water flow and water storage as may be required.

Section 5.3 Improvements. In the event that Developer, an entity designated by Developer, or the Association or the CDD shall construct any bridges, docks, bulkheads or other improvements which may extend over onto a retention area within the Stormwater Management System or construct any similar improvements to support or enhance the Stormwater Management System, the Association or the CDD shall maintain all such improvements in good repair and condition. No Owner, except Developer, its designees, or the Association or the CDD shall be permitted to construct any improvements, permanent or temporary, on, over or under any portion of the Stormwater Management System without the written consent of the Association and the approval of the ARB, which consent or approval may be withheld for any reason. Any improvements to the Stormwater Management System permitted by the Association and installed by the Owner shall be maintained by such Owner in accordance with the maintenance provisions of this Declaration.

Section 5.4 Compliance with Stormwater Management System Permits. Stormwater Management System Permits have been issued authorizing construction and operation of the Stormwater Management System to serve the Property. No alteration to any part of the Stormwater Management System, including but not limited to, lakes, swales, and pipes, shall be allowed without the written consent of the Developer, the Association or the CDD or the permit issuing governmental body. All clearing, grading and other construction activities must comply with the terms and conditions of the permits. Specifically, the Owners of Lots requiring rear lot water treatment are required to install rear lot water treatment at the time of residence construction in accordance with the terms and conditions of said permits and said Owners or their heirs, successors or assigns shall be responsible for the continuing compliance with said permit. In the event any Owner fails to comply with the terms of permit, the Developer, the Association or the CDD shall have the right to enter upon the premises to bring any Lot into compliance and levy a special assessment against the Lot for cost incurred as a result thereof.

Section 5.5 Use and Access. Developer the Association or the CDD shall have the right to adopt rules and regulations from time to time in connection with the use of the surface waters of any portion of the Stormwater Management System, and shall have the right to deny such use to any person who, in the opinion of Developer the Association or the CDD, may create or participate in a disturbance or nuisance on any part of the Stormwater Management System. The use of such surface waters by the Owners shall be subject to and limited by the rules and regulations of Developer the Association and the CDD, all permits issued by governmental authorities, and any rights granted to other persons pursuant to the rules and regulations of Developer the Association and the CDD. The Owners shall have access to the Stormwater Management System only over that portion of the Common Property designated for such purpose by Developer the Association or the CDD. Only Developer the Association or the CDD shall have the right to pump or otherwise remove any water from any part of the Stormwater Management System for purposes of irrigation or any other use.

Section 5.6 Enforcement and Liability. In addition to the provisions of Section 13.4, the SJRWMD shall have the right to enforce, by a proceeding at law or in equity, the provisions

contained in these Covenants and Restrictions which relate to the maintenance, operation and repair of the surface water or Storm Water Management System. Developer, the Association nor the CDD shall have any liability whatsoever to Owners, guests, tenants, or invitees related to the use or access of or to the surface water or Storm Water Management System, including but not limited to any personal injury, loss or damage arising therefrom. Each Owner, for itself and its guests, tenants or invitees, hereby and by acceptance of a Deed to, or use of, any Lot releases Developer the Association and the CDD from any liability in connection with any usage of the surface water or Storm Water Management System.

DEVELOPER, THE ASSOCIATION NOR THE CDD ANY OF THEIR SUCCESSORS, ASSIONS, OFFICERS, DIRECTORS, COMMITTEE MEMBERS, EMPLOYEES, MANAGEMENT AGENTS, CONTRACTORS OR SUBCONTRACTORS (COLLECTIVELY, THE "LISTED PARTIES") SHALL BE LIABLE OR RESPONSIBLE FOR MAINTAINING OR ASSURING THE WATER QUALITY OR LEVEL IN ANY LAKE, POND, RETENTION AREA, CANAL, CREEK, OAKS AREA, STREAM OR OTHER WATER BODY WITHIN OR ADJACENT TO THE PROPERTY, EXCEPT AS SUCH RESPONSIBILITY MAY BE SPECIFICALLY IMPOSED BY AN APPLICABLE GOVERNMENTAL OR QUASI-GOVERNMENTAL AGENCY OR ENTITY AS REFERRED TO HEREIN. FURTHER, ALL OWNERS AND USERS OF ANY PORTION OF THE PROPERTY LOCATED ADJACENT TO OR HAVING A VIEW OF ANY OF THE AFORESAID AREAS SHALL BE DEEMED, BY VIRTUE OF THEIR ACCEPTANCE OF THE DEED TO OR USE OF SUCH PROPERTY TO HAVE AGREED TO HOLD HARMLESS THE LISTED PARTIES FOR ALL CHANGES IN THE QUALITY AND LEVEL OF THE WATER IN SUCH BODIES.

ALL PERSONS ARE HEREBY NOTIFIED THAT FROM TIME TO TIME ALLIGATORS AND OTHER WILDLIFE MAY INHABIT OR ENTER INTO WATER BODIES CONTAINED WITHIN OR ADJACENT TO THE PROPERTY AND MAY POSE A THREAT TO PERSONS, PETS AND PROPERTY, BUT THAT THE LISTED PARTIES ARE UNDER NO DUTY TO PROTECT AGAINST AND/OR 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 WITHIN THE PROPERTY, ALL OWNERS OR USERS OF SUCH PROPERTY SHALL BE DEEMED TO HAVE AGREED TO HOLD HARMLESS THE LISTED PARTIES FROM ALL LIABILITY OR DAMAGES ARISING FROM THE DESIGN, CONSTRUCTION OR TOPOGRAPHY OF ANY LAKE BANKS, SLOPES OR LAKE BOTTOMS.

ARTICLE VI

UTILITIES

Section 6.1 Water System. The central water supply system provided for the Property shall be used as the sole source of potable water for all water spigots and outlets located within or on all buildings and improvements located on each Lot. Each Owner shall pay water meter charges established or approved by the supplier thereof and shall maintain and repair all portions of such water lines located within the boundaries of such Owner's Lot. No individual water supply system or well for consumptive purposes shall be permitted on any Lot without the prior written consent of the Developer or the Association.

Section 6.2 Sewage System. The central sewage system provided for the Property, which shall be used as the sole sewage system for each Lot. No septic tank or drain field shall be allowed on the Property. Each Owner shall maintain and repair all portions of such sewer improvements and lines located within the boundaries of his Lot and shall pay when due the periodic charges or rates for the furnishing of such sewage collection and disposal service (including the initial hook-up) made by the operator thereof. No sewage shall be discharged onto the open ground or into any lake, pond, park, ravine, drainage ditch, canal or roadway.

Section 6.3 Trash Collection. All trash, garbage, refuse and rubbish shall be collected by persons, parties or entities approved by the Association. The owners shall be responsible for paying all fees associated with collection of trash, garbage, refuse and rubbish.

Section 6.4 Arrangement for Utility Service. The Owners shall be responsible for making any and all arrangements for the provision of utility service to his or her Lot.

Section 6.5 Tract H Pump Station. Tract H is dedicated to the IEA for use as a pump station, (see Exhibit A). IEA shall be responsible for maintenance of Tract H and the pump station.

ARTICLE VII

COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 7.1 Annual Assessments. For each Lot within the Property, Developer covenants, and each Owner, by acceptance of a deed or other conveyance, agrees to pay Annual Assessments levied by the Association for the improvement, maintenance and operation of the Common Property, the management and administration of the Association, and the furnishing of services as set forth in this Declaration, at a level sufficient to meet the Association's obligations, including contingencies and reserves. The Board of Directors shall set the date or dates such Annual Assessments shall become due and provide for collection of Assessments to be payable annually or in monthly, quarterly or semi-annual installments, provided, however, that upon default in the payment of any one or more installments, the entire balance of such Annual Assessment may be accelerated, at the option of the Board of Directors, and be declared due and payable in full. The Assessments shall be based on an annual budget with an equal amount due for each Lot. The Annual Assessments for Townhome Lots shall include the additional assessments provided for in this Declaration, all of which shall be considered a part of the Annual Assessments provided for in this Section 7.1. The assessments for Townhome Lots shall paid equally by the Townhome Owners

Section 7.2 Special Assessments. In addition to the Annual Assessments, the Association may levy in any fiscal year a Special Assessment applicable to that year and not more than the next four (4) succeeding years for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Property, including fixtures and personal property related thereto, provided any such Special Assessment shall have the consent of Owners holding two thirds of the votes, other than Developer, voting in person or by proxy at a regular meeting or special meeting called for that purpose at which a quorum of each class of membership is present. Special Assessments shall be collectible in advance in any manner established by the Board of Directors.

Section 7.3 Emergency Assessments. The Association may also levy an Emergency Assessment at any time by a majority vote of the Board of Directors, for the purpose of defraying, in whole or in part, the cost of any extraordinary or emergency matters, as determined by the Board of Directors in its sole discretion, that affect all the Common Property or Members of the Association, including, after depletion of any applicable reserves of this Article, any unexpected expenditures not provided by the Budget or unanticipated increases in the amounts budgeted. Any such Emergency Assessment shall be due and payable at the time and in the manner specified by the Board of Directors.

Section 7.4 Lot Assessments. In addition to the Annual and Special Assessments authorized above, the Board of Directors, by majority vote, may from time to time levy a Lot Assessment against a particular Lot and the Owner thereof for the purpose of defraying, in whole or in part, the cost of any repair, maintenance or restoration as provided in this Declaration; any construction, reconstruction, repair or replacement of a capital improvement upon or serving the specific Lot, including any additional special services to such Lot, the cost of which is not included in the Annual Assessment; or to reimburse the Association for any costs it incurs as a result of the Owner's failure to comply with this Declaration or any damage to the Common Property.

Section 7.5 Commencement of Annual Assessments. The Annual Assessments provided for herein shall commence with respect to each Lot on the date of conveyance of the Lot to an Owner, other than Developer. During the initial year of ownership, each Owner shall be responsible for the pro rata share of the Annual Assessments charged to each Lot prorated to the day of closing on a per diem basis. Any other Assessments shall be paid in full without proration.

Section 7.6 Nonpayment of Assessments and Remedies.

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

(b) Owner's Acceptance. The Assessment Charge is also the personal obligation of the person or entity which was the Owner of such Lot at the time when the Assessment was levied and of each subsequent Owner thereof. Each Owner of a Lot, by acceptance of a deed or other transfer document, whether or not it shall be so expressed in such deed or transfer document, is deemed to covenant and agree to pay to the Association the Assessment Charge established or described in this Article. The Association shall have the right and power to bring all actions against such Owner personally for the collection of such Assessment Charge as a debt and to enforce the aforesaid by all methods available for the enforcement of such liens, including foreclosure by an action brought in the name of the Association in a like manner as a mortgage lien on real property, and such owner is deemed to have granted to the Association a power of sale in connection with such lien. No Owner may waive or otherwise escape liability for the Assessment Charge by abandonment of his Lot or by waiving the right to use Common Property nor shall non-use of the Common Property relieve an owner of his liability for the Assessment Charge.

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

(d) Remedies. The Association may bring an action at law against the Owner or Owners personally obligated to pay such Assessment Charge or foreclose the lien against the Lot upon which the Assessment Charge is made in the manner provided below. The Association, acting on behalf of the Owners, shall have the power to bid for an interest in any Lot at such foreclosure sale and to acquire and hold, lease, mortgage and convey the same. The Board of Directors, by majority vote, shall have the right to assess fines pursuant to the guidelines and procedures set forth in Section 720.305 Florida Statutes and may suspend the voting rights and the right to the use of the Common Property by an Owner for any period during which any Assessment against his Lot that is more than ninety (90) days past due remains unpaid.

(e) Subordination of Lien to Mortgages. The lien of the Assessment Charge shall be inferior and subordinate to the lien of any Mortgage, but only to the extent of the Mortgage balance outstanding as of the date the notice of an Assessment Charge is first recorded against the Lot, plus interest and reasonable costs of collection accruing thereafter. The sale or transfer of any Lot shall not affect the Assessment Charge. No sale or transfer shall relieve the transferee of such Lot from liability for any Assessments.

Section 7.7 Certificate of Payment. The Treasurer of the Association or the management company authorized by the Board of Directors, upon demand of any Owner liable for an Assessment, shall furnish to such Owner a certificate in writing setting forth whether such Assessment has been paid. Such certificate shall be conclusive evidence of payment of any Assessment therein stated to have been paid. A reasonable charge for the services involved in preparing such certificate may be assessed by the Association or Management Company as applicable.

Section 7.8 CDD Assessments/Tax. The CDD may impose taxes and or assessments on each of the Lots. The taxes and or assessments shall be for the purpose of the operation, maintenance,

repair or construction of certain facilities of the CDD to include but not limited to the Storm Water Management System. Such taxes or assessments are in addition to all state, county or city taxes or assessments and in addition to the assessments and charges provided in this Declaration.

Section 7.9 Assessments on Developer Property. The Developer shall not be required to pay any Assessments or Special Assessments and shall not be subject to any lien for such assessments during the Development Period. During the Development Period the Developer shall pay the actual operating expenses incurred by the Association, excluding major repairs, replacements, reserves and deferred maintenance which cannot be paid by application of Assessments collected from the Owners other than the Developer. The Development Period shall be defined as the period of time beginning with conveyance of the first Lot to an Owner other than the Developer and ending on the later to occur of the date that the Developer notifies the Association that it will no longer pay for the shortfall between Assessments collected and the total operating expenses of the Association or the date that the Class B membership ceases to exist and converts to Class A Membership. At that time, the Developer shall pay Assessments on Lots owned by the Developer and at that time, the Developer shall no longer be required to pay the unfunded actual expenses of the Association.

Section 7.10 Townhome Landscape Assessments. Each Townhome Lot shall be subject to a Townhome Landscape Assessment, in addition to the Annual Assessments otherwise provided in this Declaration for the purpose of providing maintenance for the landscaping on the Townhome Lots. The Association shall be responsible for providing landscape maintenance for the landscaping on the Townhome Lots. The total costs of the maintenance of the Townhome Landscaping shall be included in the annual budget and shall be assessed against all Townhome Lot Owners. In addition to the Townhome Landscape Assessments, the Association may levy in any fiscal year a Special Assessment for Townhome Landscape maintenance or replacement for the purpose of defraying, in whole or in part, the cost of any maintenance, repair or replacement of Townhome Landscaping or for any purpose deemed desirable or appropriate by the Board; however, any such special assessment shall have the approval of a majority of the votes of the Townhome Lot Owners who are in attendance and vote in person or by proxy at a meeting duly called for the said purpose.

ARTICLE VIII

ARCHITECTURAL CONTROL

Section 8.1 Architectural Review Board. The Association shall establish an ARB which shall consist of either three (3) or five (5) members. Members of the ARB do not have to be members of the Association. For so long as Developer owns any Lot (and irrespective of whether the class B Membership has terminated), Developer shall have the sole right to appoint the members of the ARB. Thereafter, the members of the ARB shall be appointed by the Board of Directors, or, if the Board of Directors fails to so appoint an ARB, then the Board of Directors shall constitute the ARB. Any vacancies on the ARB shall be filled by appointment by the Board of Directors. A quorum shall be established by the presence of a majority of the ARB members at any ARB meeting and a majority vote by those ARB members present at an ARB meeting shall constitute the action of the ARB.

Section 8.2 ARB Authority & Duties. The ARB shall have the following authority:

1) In order to assist in making the Property a community of high standards and aesthetic beauty, the ARB shall be charged with making a recommendation to the Board of Directors to approve or disapprove all proposed construction and improvements to any Lot and any alteration, addition, change or modification thereto, other than initial construction constructed, erected, or placed upon any part of the Property. Such architectural control may include all architectural aspects of any such improvement including, without limitation, size, height, site planning, setbacks, exterior design, materials, colors, open space, landscaping, and aesthetic criteria. Plans and Specifications, including landscaping and driveways for the initial improvements on any Lot shall be submitted to the Developer for approval. No construction, modification, alteration or improvement of any nature whatsoever, shall be undertaken on any Lot, unless and until the Developer or the ARB, as the case

may be, has approved in writing the Plans and Specifications.

2) The ARB shall be authorized to require two (2) sets of plans and specifications for any proposed improvements, hereinafter the "Proposed Improvements" which are to be reviewed by the ARB. Additionally, the ARB may require submission of samples of building materials and any other information necessary to allow a complete assessment or evaluation of any proposed construction or improvements.

3) The ARB shall be authorized to set up a fee schedule charging reasonable fees for the processing and evaluation of submissions to the ARB. The fees are to be paid to the Association along with the submission to the ARB.

4) The ARB shall have the authority to recommend amendments to the architectural criteria to the Developer or the Board of Directors. Upon adoption of any such amendment, a complete copy of such amendment shall be provided to each member of the Association.

The architectural criteria and any amendments thereto shall not be recorded in the public record and failure to provide a copy of same or an amendment to same shall not be a condition precedent to the effectiveness or validity of the architectural criteria or an amendment thereto.

Section 8.3 Variance. The ARB and Developer, as applicable, may authorize variance from compliance with any of the architectural provisions of this Declaration, when circumstances such as topography, natural obstructions, hardships or aesthetic or environmental consideration require the same. Such a variance shall be evidenced by a document signed by at least a majority of the members of the ARB for a Proposed Improvement or by Developer for Initial Improvements, as applicable. If such a variance is granted, no violation of the covenants, conditions and restrictions contained in this Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not, however, operate to waive any of the terms and provisions of this Declaration for any purpose except as to the particular Lot and the particular provisions of this Declaration covered by the variance, nor shall it affect in any way the Owners' obligation to comply with all governmental laws and regulations, including but not limited to, zoning ordinances, and set back lines or requirements imposed by any governmental or municipal authority. Any variance given pursuant to this paragraph shall be given in recordable fashion and recorded in the public records of the County.

Section 8.4 Enforcement. The Board of Directors shall have the authority and standing on behalf of the Association to enforce, in courts of competent jurisdiction, the decisions of the ARB.

Section 8.5 Remedy for Violations. In the event any Proposed Improvement is constructed without first obtaining the approval of the ARB or Developer, as applicable, or is not constructed in strict compliance with any approval given or deemed given by the ARB or Developer, as applicable, or the provisions of this Article are otherwise violated, the ARB, as an authorized representative of the Association or the Board of Directors, shall have the specific right to injunctive relief to require the Owner to stop, remove, and alter any improvements in order to comply with the requirements hereof, or the ARB may pursue any other remedy available to it. In connection with this enforcement action, the ARB and Developer shall have the right to enter into any Lot or Residence and make any inspection necessary to determine that the provisions of this Declaration have been complied with. The failure of the ARB or Developer to object to any Proposed Improvements prior to completion shall not constitute a waiver of the ARB's or Developer's right to enforce this Article. The foregoing rights shall be in addition to any other remedy set forth herein for violations of this Declaration.

Section 8.6 Reservation of Rights to Release Restrictions. In each instance where a structure has been erected, or construction thereof has substantially advanced, in such manner that some portion of the structure encroaches an any lot line, setback line, or easement area, Developer reserves for itself, its successors, assigns and designees, the right to release such Lot from the encroachment and to grant an exception to permit the encroachment without the consent or joinder of any person, irrespective of who owns the burdened Lot or easement areas, so long as Developer, in the exercise of its sole discretion, determines that the release or exception will not materially or adversely affect the value of the adjacent Lot and the overall appearance of the Property. This reserved right shall

automatically pass to the Association when Developer no longer owns any portion of the Property. Upon granting of an exception to an Owner, the exception shall be binding upon all subsequent Owners of the affected Lots and shall be recorded in the public records of the County.

Section 8.7 No Liability. Notwithstanding anything contained herein to the contrary, the ARB and Developer shall merely have the right, but not the obligation, to exercise architectural control, and shall not be liable to any owner, its successors, assigns, personal representatives, or heirs, due to the exercise or non-exercise of such control or the approval or disapproval of any Proposed Improvement. Furthermore, the approval of any plans and specifications or any Proposed Improvements shall not be deemed to be a determination or warranty that such plans and specifications or Proposed Improvements are complete, do not contain defects, or in fact meet any standards, guidelines, or criteria of the ARB or Developer, or are in fact architecturally or aesthetically appropriate, or comply with any applicable governmental requirements, and neither the ARB, the Association, nor Developer shall be liable for any defect or deficiency in such plans and specifications or Proposed Improvements, or any injury to persons or property resulting therefrom.

Section 8.8 Compensation. The Board of Directors shall have the authority to pay reasonable compensation to the members of the ARB.

Section 8.9 Initial Construction. All proposed initial construction shall be submitted to the Developer in writing. Submissions shall be made as provided in Section 8.2(b). The proposed construction shall be evaluated giving due consideration to the overall development scheme and the architectural criteria. Developer shall have the right to approve or disapprove such proposed construction in its sole discretion.

Section 8.10 Exclusive Authority. The ultimate, sole and exclusive right to approve or disapprove proposed construction shall belong to the Developer and/or the Association. The CDD shall have no rights with regard to architectural review.

Section 8.11 Changes to Townhomes. Neither the Association nor any Owner shall make or permit any structural modifications or alterations of any Common Structural Elements of any Townhome except with the prior written consent of the ARB or its successor, and all Institutional Mortgagees holding a mortgage on the Townhome. Notwithstanding the foregoing, maintenance and/or repair of such structures in a manner consistent with the original construction shall not require the foregoing consents. Consent may be withheld if, in the sole discretion of the party requested to give same, it appears that such modification or alteration would affect or in any manner endanger other Townhomes or property located on any other Lot or on Common Property. No Townhome may be demolished or removed without the prior consent of all the Townhomes sharing Common Structural Elements and all Institutional Mortgagees holding a mortgage on any other Townhome sharing Common Structural Elements and the Developer or its successors. Developer shall have the right to assign all of its rights and privileges under this Article to the Association.

ARTICLE IX

USE OF PROPERTY

Section 9.1 Protective Covenants. In order to keep the Property a desirable place to live for all Owners, the following protective covenants are made a part of this Declaration. Without limiting any of the provisions or requirements of Article VIII, the specific references to the ARB approval set forth in this article or elsewhere in this Declaration shall not be construed as a limitation of the requirements of this article.

(a) Lot Re-subdivision. No Lot shall be further subdivided, re-platted or separated into smaller Lots by any Owner. Provided however, this restriction shall not prohibit corrective deeds or similar corrective instruments. Developer shall have the right to modify subdivision plats of the property if all owners of Lots which are included within the portion of the plat to modified consent to such modification, which consent shall not be unreasonably withheld or delayed.

(h) Residential Use. Each Lot shall be used, improved and devoted exclusively to residential use, and for no commercial purpose. No time-share ownership of Lots is permitted without Developer's approval. Nothing herein shall be deemed to prevent the Owner from leasing a Residence, subject to the provisions of the Declaration, the Articles, and the Bylaws nor from preventing Developer from converting the use of a Lot to be used as a road for ingress and egress from an adjacent Lot or land. Any and all Residential Leases shall not be less than one (1) year in term. The foregoing restriction shall not operate to prevent Developer or its designees from using one or more Residences for a model home or sales center during the development and sale of the Property. No other business or commercial use may be made of any part of the Property. Provided, however, an occupant of a Residence who maintains a personal or professional library, keeps personal or professional books or accounts, conducts personal business (provided that such use does not involve customers, clients, employees, licensees or invitees regularly visiting the Residence), or makes professional telephone calls or correspondence in or from a Residence is engaging in a residential use and shall not be deemed to be in violation of this Section by reason thereof.

(i) Nuisance; Other Improper Use. No nuisance shall be permitted to exist on any Lot or Common Property so as to be detrimental to any other Lot in the vicinity thereof or to its occupants, or to the Common Property. Any activity on a Lot which interferes with television, cable, or radio reception on another Lot shall be deemed a nuisance and a prohibited activity. No immoral, offensive, or unlawful use shall be made of the Property or any part thereof. All laws, zoning ordinances, orders, rules, regulations, or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be complied with, by and at the sole expense of the Owner or the Association, whichever shall have the obligation to maintain or repair such portion of the Property. If a dispute or question arises as to what may be or become a nuisance, the issue shall be determined by the Board of Directors.

(j) Work Hours. All work done by contractors, subcontractors and domestic workers must be done during daylight hours.

(k) Access. Owners shall allow the Board of Directors or the agents and employees of the Association to enter any Lot for the purpose of maintenance, inspection, repair, replacement of the improvements within the Lot, or in case of emergency, for any lawful purpose, or to determine compliance with this Declaration.

(l) Pets. No animals, livestock or poultry of any kind shall be raised bred or kept on any Lot, except that three (3) household pets may be kept provided they are not kept, bred or maintained for any commercial use and do not create safety, health or nuisance problems. The Association further reserves the right, but not the obligation, to demand that an Owner permanently remove from property all pets which create disturbances or annoyances that constitute nuisances to the sole discretion of the Board of Directors.

(m) Signs. No sign, advertisement or notice of any type or nature whatsoever including, without limitation, "For Sale" and "For Lease" signs, shall be created or displayed upon any Lot, Residence, Common Property or from any window, unless express prior written approval of the size, shape, content, appearance and location has been obtained from the Board of Directors and the ARB, which approval may be arbitrarily withheld, except standard 18" x 24" typical printed real estate signs shall be allowed without prior approval. Notwithstanding the foregoing, Developer, and those persons or entities specifically designated by Developer, shall be permitted to post and display advertising signs on the Property for the marketing, sale or rental of Lots.

(n) Parking. All vehicles shall be parked and stored within the garages or on driveways on the Lots. No boats or recreational vehicles may be stored, parked or kept within the Property. Only automobiles bearing current license and registration tags, as required pursuant to state law, shall be permitted to be parked on any of the Property except wholly within a garage. All parking within the Property shall be in accordance with rules and regulations adopted by the Association. No parking is allowed on the street, rights-of-way, park areas, or other Common Property. No more than two (2) automobiles or other gas powered motor vehicles per Townhome shall be parked or stored on any Townhome Lot. Further, each Townhome shall be constructed with a garage large enough to

accommodate one (1) such motor vehicle. Each Townhome may have one motor vehicle parked on the driveway associated with that Townhome.

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

(m) Clotheslines. No clotheslines or other clothes-drying facility shall be permitted on the Property.

(n) Garbage and Trash Containers. All garbage and trash containers must be placed and maintained in accordance with rules and regulations adopted by the County. No garbage or trash shall be placed elsewhere and no portion of the Property shall be used for dumping refuse. All garbage and trash containers shall be kept within an enclosed area in a location approved by the ARB.

(o) Satellite Dishes and Antennas. No satellite dishes, or antenna shall be installed in or at any Residence without the prior approval of the ARB or the Developer. Further, any antennas, satellite dishes or other similar devices approved by the ARB or the Developer shall comply with any applicable governmental laws, statutes or regulations.

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

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

(r) Removal of Trees. In order to preserve the environment and migratory bird populations, no trees which remain on a Lot at the time of completion of the Initial Construction thereon shall be felled, removed, or cut down unless such tree represents a hazard to the Residence or other improvements on the Lot, or to persons occupying or utilizing the Property, without the consent and approval of the ARB, the obtaining of any and all governmental approvals as may be required by governmental authorities having jurisdiction over the Property. Should any Owner remove a tree without the approval of the ARB and all appropriate governmental authorities, such Owner shall be subject to fines imposed by the Association pursuant to Section 720.305 Florida Statutes and shall reimburse the Association for any fines, costs or expenditures imposed on the Association by any such governmental authorities.

(s) Garages and Detached Structures. Garage doors shall be kept closed except when automobiles are entering or leaving the garage. No garage shall at any time be used as a residence or converted to become part of a residence, except if another garage is constructed in compliance with the provisions hereof. Provided, however, a garage may be used by Developer as a sales office during the marketing of the Property. There shall be no detached buildings constructed on any Lot without the prior consent of the Developer.

(t) Soliciting. No soliciting will be allowed at any time within the Property.

(u) Building Restrictions. No residence shall be constructed within any easement area shown on any Plat, Map or outlined in this Declaration. Landscaping shall be installed on each Lot at the time the residence is constructed and shall comply with the architectural criteria as approved by the Developer. There shall be no wells for irrigation or any other purpose installed on any Lot.

(s) Fences, Lighting and Mailboxes. No fences shall be allowed except as approved by the Developer or the ARB. All mailboxes shall be cluster mailboxes installed by the Developer and no other mailboxes shall be installed on the Property. No lighting shall be allowed which alters the residential nature of the Property.

(t) Sidewalks. Any Owner of a Lot developing a Residence on such Lot shall construct any sidewalk on or in front of such Lot, in accordance with the subdivision construction plans submitted to and approved by the County. Such sidewalk shall be completed prior to the issuance of a certificate of occupancy for such Lot.

(u) Exterior Maintenance. The exterior of all residences shall be maintained such that all residences have a clean, well-cared for appearance. The Lots shall be maintained in a neat, clean, orderly and attractive manner. Weeds and underbrush shall be removed and all grass plants, trees, bushes, flower beds and other similar landscaping shall be mowed, edged, pruned and maintained so as to maintain the overall beauty of the Property. No trash, garbage, rubbish or refuse shall accumulate on any Lot. Any driveways, sidewalks and other similar paved surfaces on any Lot shall be maintained in an appropriate manner. Should the Board of Directors in its sole discretion deem that any condition on any Lot exists which detracts from the appearance of the Property or causes a safety risk, the Board of Directors, its agents, employees or contractors shall have the right to enter upon any Lot for the purpose of correcting any such deficiency or condition and shall be entitled to assess the cost to the Owner. The costs of such maintenance shall be assessed against such Lot and this assessment shall not be considered to be a part of the annual or special assessments. The costs of this maintenance shall be a lien against the Lot and shall be payable along with any interest, attorney fees and costs of collection as provided in Article VII.

(v) Wetlands and Jurisdictional Land. This Declaration is subject to the rights of the State of Florida and other governmental entities having jurisdiction over portions of the Property which may be considered wetlands, and every Owner shall obtain any permit necessary prior to undertaking any dredging, filling, improving, landscaping or removal of plant life existing on his Lot. A conservation easement shall be emplaced over all lands waterward of any jurisdictional wetlands line as established on the plat. No Owner shall conduct any clearing, filling, improving, landscaping, or removal of plant life within any conservation easement area without the prior written permission of the County, Florida, the SJRWMD, ACOE and all other applicable governmental entities, and the ARB. OWNERS WHO OWN A LOT ADJACENT TO ANY WETLANDS OR CONSERVATION AREA ESTABLISHED BY THE SJRWMD OR THE ACOE OR ESTABLISHED IN ANY OTHER MANNER, SHALL, BY ACCEPTING CONVEYANCE OF SUCH LOT BE DEEMED TO HAVE AGREED TO MAINTAIN SUCH WETLANDS OR CONSERVATION AREAS IN ACCORDANCE WITH ANY SUCH PERMITS OR REQUIREMENTS. SUCH OWNERS SHALL INDEMNIFY AND HOLD HARMLESS, THE DEVELOPER, THE ASSOCIATION AND THE CDD FROM ANY AND ALL COSTS, TO INCLUDE BUT NOT LIMITED TO ATTORNEY FEES AND COSTS, FINES AND ALL OTHER SANCTIONS. NO PERSON SHALL ALTER ANY PART OF ANY WETLANDS OR CONSERVATION AREA AND SHALL NOT TAKE ANY ACTIONS WHICH WILL AFFECT THE DRAINAGE FLOW OF ANY SURFACE WATER. OWNERS SHALL INSURE THAT ALL SJRWMD AND ACOE PERMITS ARE ADHERED TO. THE ASSOCIATION SHALL HAVE THE RIGHT TO BRING ANY APPROPRIATE LEGAL ACTION AGAINST ANY OWNER WHO VIOLATES ANY SUCH SJRWMD OR ACOE PERMIT.

(x) Multi-Unit Buildings. No multi-unit buildings shall be constructed on any Lot, except that Townhomes may be constructed on the specifically designated Townhome Lots.

(y) Natural Conditions.

(i) The Sub-division may contain a number of manmade, natural, and environmentally sensitive areas that may serve as habitats for a variety of native plants and wildlife, including, without limitation, insects, venomous and non-venomous snakes and other reptiles, alligators, and other animals, some of which may pose hazards to persons or pets coming in contact with them. Each Owner and occupant of any Lot, and every Person entering the Sub-division (i) acknowledges that such plants and wildlife are indigenous to the area and are not restrained or restricted in their movements within or through the Sub-division; and (ii) assume all

risk of personal injury arising from the presence of such plants and wildlife within the Sub-division. Neither the Association, Developer, any predecessor Developer, any builder, the CDD nor the members, partners, affiliates, officers, directors, shareholders, attorneys, agents, or employees of any of the foregoing, shall have any duty to take action to control, remove, or eradicate any plant or wildlife in the Sub-division, nor shall they have any liability for any injury resulting from the presence, movement, or propagation of any plant or wildlife within or through the Sub-division.

(ii) The natural areas described in subsection (a) above may also contain creeks, ponds, or intermittent pools of water, muddy areas, and underbrush, among other things, all of which are important to the ecological balance and maintenance of the area as a wildlife habitat. No Owner or occupant of a Lot shall enter upon, or permit their guests or any other person acting on their behalf to enter upon, or disturb such areas in any way without the Association's or Developer's prior written approval.

(c) Conservation Tracts, Easements or Areas. As may be depicted on the Plat, certain tracts may be identified as "Conservation Tracts, Conservation Easements or Conservation Areas", hereinafter collectively referred to as "Conservation Areas" Unless otherwise approved in writing by Developer, the County and any other governmental authorities having jurisdiction, the Conservation Areas shall be maintained in their natural state in perpetuity. No Owner, member of an Owner's household, or any other Person acting, or purporting to act, on behalf of any Owner, or for whom any Owner shall be responsible pursuant to this Declaration, shall disturb the natural environment of the Conservation Areas in any way without first obtaining the written consent of the Board properly approved by the adoption of a resolution describing in detail the exact activities to be conducted within the Conservation Areas, the times and dates when such activities are authorized to occur, and the identities of the Persons who are authorized to so act, together with the written consent of Developer and any governmental authority having jurisdiction over the proposed activity.

This restrictive covenant is intended in the broadest sense, and includes, but is not limited to, trimming, cutting, or mowing grass, shrubs, trees or other plants; placing grass clippings, landscape debris, household trash or other materials; storing materials, equipment, vehicles, boats, motor homes, trailers, or other items; erecting children's playhouses, tree houses, swings, or other permanent or temporary improvements; planting trees, shrubs, grass, or ground cover; releasing birds, snakes, reptiles, insects, or other animals; grading or excavating; cultivating or gardening; or dumping dirt, sand, rocks, gravel, or other inorganic or organic material on any part of a Preserve area. No hunting or animal trapping, carrying or discharging of firearms, overnight camping or campfires, operation of motorcycles or so-called "all-terrain vehicles," "dirt bikes," or other motorized vehicles, implements, equipment, or conveyances are permitted within the Conservation Areas at any time.

Any Owner who violates the foregoing restrictive covenants shall be responsible for the cost of restoring the affected Conservation Areas to the satisfaction of the Association, Developer, and any governmental authority having jurisdiction thereof, and the Association shall have the right to prohibit the offending party from further use or enjoyment of the Conservation Areas after prior notice and hearing before the Board.

BECAUSE THE CONSERVATION AREAS, IF ANY, ARE TO BE RETAINED IN THEIR NATURAL STATE, SUCH AREAS SHOULD BE CONSIDERED HAZARDOUS FOR RECREATIONAL ACTIVITIES.

NEITHER THE ASSOCIATION, NOR DEVELOPER, NOR ANY OF THEIR AFFILIATES, NOR THE CDD HAS ANY OBLIGATION TO PROVIDE SECURITY OR SUPERVISION FOR ANY PERSON USING A CONSERVATION AREA, AND ALL PERSONS USING A PRESERVE AREA DO SO AT THEIR OWN RISK.

INSECTS, SNAKES, AND ANIMALS THAT MAY BE DANGEROUS TO HUMANS MAY INHABIT THE CONSERVATION AREAS.

OWNERS SHOULD NOT ALLOW CHILDREN OR PETS TO ENTER THE CONSERVATION AREA WITHOUT ADULT SUPERVISION.

NEITHER THE ASSOCIATION, NOR DEVELOPER NOR ANY OF THEIR AFFILIATES, NOR THE CDD SHALL HAVE ANY LIABILITY WHATSOEVER FOR ANY CONDITION OF A CONSERVATION AREA OR ANY INJURY OR DEATH OCCURRING THEREON.

THE ASSOCIATION SHALL HAVE THE RIGHT TO IMPOSE ADDITIONAL RULES

AND REGULATIONS GOVERNING THE USE OF THE CONSERVATION AREAS OR FOR ANY INJURY OR DEATH OCCURRING THEREON.

IF THE CONSERVATION AREAS, OR THE TREES OR VEGETATION THEREON, ARE DAMAGED OR DESTROYED BY FIRE, WINDSTORM, FLOOD, DISEASE, OR OTHER NATURAL OR MANMADE EVENT, NEITHER THE ASSOCIATION, NOR DEVELOPER, NOR ANY OF DEVELOPER'S AFFILIATES NOR THE CDD SHALL HAVE ANY OBLIGATION TO REPAIR OR RESTORE THE DAMAGE OR DESTRUCTION, OR TO REMOVE ANY DEAD OR DAMAGED TREES OR OTHER VEGETATION.

Section 9.2 Amendments and Modifications of Rules. The Board of Directors may from time to time adopt and amend rules and regulations governing the details of the operation, use, maintenance and control of the Residences, Lots, Common Property, and any facilities or services made available to the Owners. A copy of the rules and regulations adopted from time to time as herein provided shall be available to each Owner.

Section 9.3 Compliance.

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

(b) **Violation.** Upon violation of any of the rules or regulations adopted as herein provided, or upon violations of any of the provisions of this Declaration by an Owner, or his family, tenants, or guests, the Association may levy fines as determined by the Board of Directors. To enforce the rules and regulations and the provisions of this Declaration, the Association or any Owner may bring an action for specific performance, declaratory decree or injunction, and the successful prevailing party may recover its costs and attorneys' fees in such suit.

Section 9.4 Personal Services. Employees of the Association shall not be required to attend to any personal matters or business of Owners, nor shall they be permitted to leave the Property on any private business of Owners. The uses and functions of such employees shall be governed by the Board of Directors of the Association. In the event personal services are provided to Owners by any of the employees of the Association, the Association will not assume any responsibility or be liable for, in any manner, the quality of such services or work provided, nor do they warrant such services or work. In addition, the Association shall not be liable for any injury to persons or damage to property resulting from any act or omission by those performing such personal work or services for Owners.

ARTICLE X

INSURANCE

Section 10.1 Types of Coverage.

(a) **Insurance of Common Property.** The Board of Directors shall obtain all appropriate insurance on the Common Property and, if additional Common Property with significant insurable improvements are added to the Property, the Board of Directors may obtain additional insurance and increase the amounts of insurance, coverage as is consistent with prudent business judgment.

(b) **Director and Officer Liability Insurance.** The Board of Directors may obtain as a matter of common expense, payable from the Annual Assessments, liability insurance against personal loss for actions taken by members of the Board of Directors and Officers of the Association in the performance of their duties. Such insurance shall be of the type and amount determined by the Board of Directors, in its discretion.

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

Section 10.2 Repair and Reconstruction After Fire or Other Casualty.

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

(b) Residences. Any Owner whose Residence is destroyed or damaged by fire or other casualty shall immediately proceed to build and restore his Residence to the conditions existing immediately prior to such damage or destruction, unless other plans are approved in accordance with the provisions of Article VIII above. Provided, however, if the damage is so extensive that the owner determines not to rebuild the Residence, the owner may remove all remaining improvements and debris and sod the Lot. In such event, all landscaping obligations on the part of Owner shall remain in effect.

Section 10.3 Townhome Insurance.

(a) Townhome Owners' Insurance Coverage.

(i) Insurance Coverage. Each Townhome Owner shall be required to obtain and maintain adequate insurance on his Townhome which shall insure the Townhome for its full replacement value, with no deduction for depreciation, against loss by fire, storm or other hazards or casualty. Such insurance shall name the Association an additional insured and shall be sufficient to cover the full replacement value, or to cover necessary repair or reconstruction work including the Common Structural Elements, Foundation, Roofing and Party Walls. Such insurance shall be written in the manner acceptable to the Board of Directors of the Association and shall contain a clause which provides three (3) days prior written notice to the Board of Directors of the Association before the policy can be cancelled. Each Owner shall be required, upon purchase of a Townhome and on an annual basis, concurrent with the payment of annual assessments, to supply the Board of Directors with evidence of insurance coverage on his Townhome which complies with the provisions of this Section. Each Townhome Owner shall also be responsible for the purchasing of liability insurance for accidents occurring on his or her Townhome Lot.

(ii) Action by Board. If the insurance provided under this Section has not otherwise been adequately obtained by each Townhome Owner, as determined by the Board of Directors, then the Board may obtain such insurance coverage. Insurance obtained by the Board of Directors shall be written in the name of the Association as Trustee for the benefit of the applicable Townhome Owner. However, the Association shall have no obligation to obtain such insurance, and failure to do so shall not relieve any Townhome Owner of its obligation to pay to repair casualty damage to its Townhome Unit, or to perform such repairs.

(iii) Payment of Premium. Premiums for insurance obtained by the Board of Directors for the benefit of an individual Townhome Owner, as provided

hereinafter, shall not be an Operating Expense, but shall be an individual assessment (special assessment) payable in accordance with the provisions of Article VII of this Declaration.

(iv) Repair or Replacement of Damaged or Destroyed Property. Subject to the provisions of subsection (b) below, each Townhome Owner shall be required to reconstruct or repair any Townhome or any portion thereof destroyed by fire or other casualty, regardless of whether insurance is obtained by the Townhome Owner, or if the Townhome is covered by insurance written in the name of the Association as Trustee. If no repair or rebuilding has been contracted for, or otherwise substantially started by the Townhome Owner within thirty (30) days of the receipt of the insurance proceeds, the Board of Directors may itself initiate the repair or rebuilding of the damaged or destroyed portions of the structure and/or exterior of the Townhome pursuant to Section 2(b) herein below.

(b) Association Action. Notwithstanding the provisions of the above subsection (a) of this Section 10.3, the following provisions shall also apply to the Common Structural elements of the Townhomes:

(i) Association Approval. The insurance referred to in subsection (a) of this Section shall be written in a manner acceptable to the Association. The Association shall carry out the functions set forth hereafter.

(ii) Insurance Terms. Each policy shall contain loss payment provisions which provides that the proceeds of any loss affecting Common Structural Elements shall be payable to the Association who shall hold such funds in trust to insure that repairs are made as hereinafter set forth. Each policy shall also contain a clause that it is non-cancelable within ten (10) days prior written notice to the Association. Each Townhome Owner shall be required to supply the Association with evidence of insurance coverage on his Townhome which complies with the provisions of this Section.

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

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

(v) Repair or Replacement of Damaged or Destroyed Property. Each Townhome Owner shall, subject to the approval of the Board of Directors and the Board of Directors of the Association be required to reconstruct or repair any Townhome destroyed by fire, storm or other casualty in accordance with the requirements of Article X of this Declaration.

(vi) Exterior Townhome Building Surfaces or Common Structural Elements. If Exterior Townhome Building Surfaces or Common Structural Elements are damaged by any such casualty, the Association shall manage and facilitate all such reconstruction or repair of Exterior Multi Unit Building Surfaces or Common Structural Elements on behalf of the Owner(s). In the event such

casualty affects more than one Dwelling Unit, the Association shall have the authority to reasonably allocate the respective shares and financial obligations of the affected Owners in order to fully complete the required replacement and repairs.

Any and all insurance proceeds issued for the repair of Exterior Townhome Building Surfaces or Common Structural Elements shall be issued in the name of the Association, as Trustee. The insurance proceeds, together with any and all deductibles and all other sums payable by the Owners of such insurance policies, shall be deposited in a bank or other financial institution, subject to withdrawal only by the signature(s) of an agent(s) duly authorized by the Board of Directors of the Association. The Association shall use the proceeds for the reconstruction and replacement of the Townhome's Exterior Townhome Building Surfaces or Common Structural Elements. Townhome Owners shall be responsible for repairing all other damage to their Townhomes and the Association shall not be obligated in any manner whatsoever to repair, replace or reconstruct any other damage to Townhomes. Once a Townhome Owner has paid to the Association the insurance proceeds and deductibles allocated for repair and reconstruction of Exterior Townhome Building Surfaces or Common Structural Elements, the Association shall have no further claims to Townhome Owner's insurance claims covering internal damage to the Townhome which may be paid to Townhome Owner as to that particular event or casualty. Repairs should be done in a good and workmanlike manner in conformance with the original plans and specifications of each Townhome. The Board of Directors of the Association may advertise for sealed bids from any licensed contractors and may then negotiate with said contractors. The contractor or contractors selected to perform the work shall provide full performance and payment bonds for such repair or rebuilding, unless such requirement is waived by the Board of Directors of the Association. If the insurance proceeds are insufficient to fully pay the cost of repairing and/or rebuilding the damaged or destroyed portions in a good and workmanlike manner, the Board of Directors of the Association shall levy a special assessment against the Townhome Owner(s) in whatever amount is required to make up the deficiency. If the insurance proceeds exceed the cost of repairing and/or rebuilding, such excess shall be paid over to the respective Townhome Owner and/or the Townhome Owner's mortgagee in such portions as shall be independently determined by those parties.

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

(viii) Association Liability. Notwithstanding anything to the contrary in this Article, the Association, its Director or officers, shall not be liable to any person should it not for any reason provide insurance coverage on any Townhome Unit.

ARTICLE XI

ASSOCIATION LIABILITY

Section 11.1 Disclaimer of Liability. Notwithstanding anything contained herein, in the Articles, or the Bylaws of the Association, or any other document governing or binding the Association (jointly referred to herein as "Association Documents"), the provisions hereof shall not be construed to mean that the Developer or the Association shall be liable or responsible for in any manner as a guarantor or insurer of, the health, safety nor welfare of any Owner, occupant or user of any portion

of the Property, including, without limitation, Owners, residents, their families, guests, invitees, agents, servants, contractors or subcontractors, nor for any property of such persons.

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

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

2) Neither Developer nor the Association is empowered nor have they been created to act as an entity which enforces or insures compliance with the laws of the United States of America, State of Florida, County, or any other jurisdiction, or prevents tortious or criminal activities.

3) The provision of the Association Documents setting forth the uses of Assessments which may relate to health, safety, and welfare shall be attributed and implied only as limitations on the usage of such funds and not as creating an obligation of the Association or Developer to protect the health, safety or welfare of any persons.

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

ARTICLE XII

PROPERTY SUBJECT TO DECLARATION AND ANNEXATION

Section 12.1 Existing Property. The Property which initially is and shall be held, transferred, sold, conveyed, encumbered, and occupied subject to this Declaration consists of that land described in the Recitals above and as further attached hereto on Exhibits A and B, which is by reference incorporated herein.

Section 12.2 Additions/Withdrawals of Existing Property. Additional lands may become subject to this Declaration as follows:

- 1) Developer shall have the right to add property to this Subdivision and make such property subject to this Declaration. Developer shall have the right to add property to this Declaration without the consent and joinder of any other person.
- 2) Upon a vote of the majority of the Owners, any owner of land may add such land to the Subdivision and make such land subject to this Declaration by recording a supplemental Declaration along with the legal description of the land to be added.
- 3) Should the Association merge or be consolidated into another association, then the successor association shall be entitled to administer the terms of the Declaration along with the covenants, conditions and restrictions of any other property which the successor association may be entitled to administer. However, no such merger or consolidation shall change, alter, or revoke the covenants, conditions and restrictions of the Declaration.
- 4) The Developer shall have the right to withdraw land from the Subdivision as a result of a change to the development plan for the Subdivision. Developer shall not be required to seek the approval of any Person. Should any withdrawal be proposed for any land not owned by the Developer, then the owners and mortgagees must consent in writing. However, no withdrawal of land which impacts upon the Stormwater

Management System shall be allowed without prior written consent of SJRWMD.

ARTICLE XIII

GENERAL PROVISIONS

Section 13.1 Duration. This Declaration, as amended and supplemented from time to time, shall run with and bind the Property and shall inure to the benefit of and be binding upon Developer, the Association, the Owners, and their respective legal representatives, heirs, successors or assigns, for a term of thirty (30) years from the date this Declaration is recorded in the public records of the County, after which time all of said provisions shall be extended automatically for successive periods of ten (10) years each unless an instrument or instruments signed by the then Owners of seventy five percent (75%) of the Lots subject to this Declaration agreeing to terminate all of said provisions as of a specified date. Unless this Declaration is terminated as provided above, the Association shall reword this Declaration or other notice of its terms at intervals necessary under Florida law to preserve its effect.

Section 13.2 Condemnation. In the event all or part of the Common Property or the Common Roads shall be taken or condemned by any authority having the power of eminent domain, all compensation and damages shall be paid to the Association. The board of Directors shall have the right to act on behalf of the Association with respect to the negotiation in litigation of the taking or condemnation affecting such Property. The Owners holding seventy five percent (75%) of the votes may agree to distribute the proceeds of any condemnation or taking by eminent domain, and if the owners shall not so agree, such proceeds shall be added to the funds of the Association.

Section 13.3 Notices. Any notice required to be sent to the Owner of any Lot under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postage prepaid, or hand delivered to the Lot and to the last known address of the person who appears as Owner of such Lot on the records of the Association at the time of such mailing, if different.

Section 13.4 Enforcement.

(a) Who may Enforce. In addition to the enforcement provisions previously set forth in this Declaration, the provisions of this Declaration may be enforced by any Owner, the Association, or by Developer (as long as it owns any interest in the Property) against any person, firm, corporation, trust, or other entity which violates or attempts to violate any of the covenants or restrictions hereof, by prosecuting any proceeding at law or in equity for the recovery of damages, injunctive relief or any other applicable remedy, for the purpose of preventing or enjoining all or any such violations or attempted violations, or for the enforcement of any lien created by this Declaration. SJRWMD and ACOE shall have the right to enforce by prosecuting any proceeding at law or in equity for the recovery of damages, for enforcement or for an injunction with regard to any provisions contained herein which involve the maintenance, repair or reconstruction of the Surface Water or Storm Water Management System, wetlands or conservation areas.

(b) Other Remedies. In addition to all other remedies, the Board of Directors shall have the authority, in its sole discretion, to impose a fine or fines upon any Owner for failure of the owner, his family, guests or invitees, tenants, or occupants, to comply with the covenants, restrictions, rules, and regulations contained in this Declaration, the Articles, or the Bylaws, provided the following procedures are adhered to:

- 1) The Association shall notify the Owner or occupant of the infraction(s).
- 2) Such Owner or occupant shall be given notice and opportunity to be heard by a Fine Committee pursuant to Section 720.305 Florida Statutes.
- 3) Upon recommendation of the Fine Committee, the Board of Directors may impose fines against the applicable Lot of up to Fifty Dollars (\$50.00) per incident. The maximum permitted fine may be increased from time to time by the Board of Directors, as it in its discretion may deem necessary or convenient. The total amount of any fine imposed may exceed One Thousand Dollars

(\$1,000.00).

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

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

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

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

The remedies contained in this Section 13.4 shall be construed as cumulative of all other remedies now or hereafter provided by law. The failure of Developer, the Association, or any Owner, or their respective successors or assigns, to enforce any covenant, restriction, obligation, right, power, privilege, authority, or reservation herein contained, however long continued, shall not be deemed a waiver of the right to enforce the same thereafter as to the same breach or violation, or as to any other breach or violation occurring prior or subsequent thereto.

Section 13.5 Interpretation. Unless the context expressly requires otherwise, the use of the singular includes the plural and vice versa; the use of all genders; the use of the terms "including" or "include" is without limitation; and the use of the terms "will", "must", and "should" shall have the same effect as the use of the term "shall", wherever any time period is expressed in days, if such time period ends on a Saturday, Sunday, or legal holiday, it shall be extended to the next succeeding calendar day that is not a Saturday, Sunday or legal holiday. The terms "Lot" and "Property" mean all or any portion applicable to the context, and include all improvements, fixtures, trees, vegetation, and other property from time to time situated thereon, and the benefit of all appurtenant easements. The terms of this Declaration shall be liberally construed in favor of the party seeking to enforce its provisions to effectuate their purpose of protecting and enhancing the value, marketability, and desirability of the Property by providing a uniform and consistent plan for the development and enjoyment thereof. Headings and other textual divisions are for convenience only and are not to be used to interpret, construe, apply, or enforce any substantive provisions. The provisions of this subparagraph apply also to the interpretation, construction, application, and enforcement of all the Association Documents.

Section 13.6 Invalidity. The invalidity of any part of this Declaration shall not impair or affect in any manner the validity, enforceability or effect of the balance of the Declaration, which shall remain in full force and effect.

Section 13.7 Amendment. This Declaration may be amended at any time by an instrument signed by the President or Vice President and Secretary or Assistant Secretary of the Association, certifying that such amendment has been adopted by Owners holding two thirds (2/3) of the voting interests in the Association, either in person or by proxy at a duly called meeting, or by written consent without meeting in a manner permitted by law by Owners holding two thirds (2/3) of the votes in the Association, which amendment shall become effective upon its filing in the public records of the County; provided, however, that:

1) As long as Developer is an Owner of any Lot, no amendment shall become effective without the written consent of Developer.

2) Developer specifically reserves the absolute and unconditional right so long as it owns any of the Property to amend this Declaration without the consent or joinder of any party (i) to conform to the requirements of any holder of a mortgage or (ii) to conform to the requirements of title insurance companies, (iii) to conform to the requirements of any governmental entity having

control over or jurisdiction over the Property, (iv) to clarify the provisions hereof, or (v) in such other manner as developer deems necessary and convenient.

3) Any amendment to this Declaration which alters the Stormwater Management System, beyond maintenance in its original condition, including the water management portions of the Common Property, must have prior approval of the SJRWMD.

4) Any amendment of this Declaration prior to turnover of the Association by the Developer, shall be reasonable, shall not be arbitrary, capricious, made in bad faith or destroy the general plan of development, prejudice the rights of existing non-developer Members to use and enjoy the benefits of the Common Property and shall not materially shift the economic burdens from the Developer to non-developer Members.

Section 13.8 Rights of Mortgagees. All Mortgagees shall have the following rights:

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

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

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

4) By written notice to the Secretary of the Association, and upon payment to the Association of any reasonable, uniform annual fee established from time to time by the Association to defray its costs, to receive: (i) any notice that is required to be given to the Class A Members under any provision of the Association Documents; (ii) written notice of any condemnation or casualty loss affecting a material portion of the Property or any Lot encumbered by its Mortgage; (iii) any sixty (60) day delinquency in the payment of Assessment Charges imposed upon any Lot encumbered by its Mortgage; (iv) the lapse, cancellation, or material modification of any insurance coverage or fidelity bond maintained by the Association; and (v) any proposed action requiring the consent of a specified percentage of Mortgagees.

Section 13.9 Legal Fees and Costs. The prevailing party in any dispute arising out of the subject matter of this Declaration or its subsequent performance shall be entitled to reimbursement of its costs and attorney's fees, whether incurred before or at trial, on appeal, in bankruptcy, in post-judgment collection, or in any dispute resolution proceeding, and whether or not a lawsuit is commenced.

Section 13.10 Action Without Meeting. Any action required to be taken hereunder by vote or assent of the Members may be taken in the absence of a meeting by obtaining the written approval of the requisite percentage of all of the votes in the Association. Any action so approved shall have the same effect as though taken at a meeting of the Members, and such approval shall be duly filed in the minute book of the Association.

Section 13.11 Law to Govern. This Declaration shall be construed in accordance with the laws of the State of Florida.

Section 13.12 Conflict and Enforcement. If in the event these deed restrictions conflict with any existing County Building Code Ordinance and/or jurisdictional obligation, or the CDD, the more restrictive of the two shall apply.

Section 13.13 Additional Restrictions. No Owner shall impose any additional covenant, condition or restriction on any Lot or any part of the Property without the prior written consent of the

Developer. The provisions of this Section 13.13 shall not preclude the Developer from including in any deed, agreement or contract additional covenants, conditions and restrictions.

Section 13.14 Assignment of Permits. If the Developer has responsibilities and obligations in connection with permitting through the ACOE, Developer hereby assigns those responsibilities and obligations to the Association. Upon termination of the Class B Membership, Association shall indemnify and hold Developer harmless from all lawsuits, actions, causes of action, claims, demands, liens, liabilities and expenses in connection with the operation of the Surface Water and Storm Water Management System.

IN WITNESS WHEREOF, the Developer has executed this Declaration of Easements, Covenants, Conditions and Restrictions for DFH Land, LLC, this 9th day of February, 2015.

Signed, sealed and delivered in the presence of:

DFH Land, LLC (Developer) a Florida limited liability company

Kate Johnson
Print Name

[Signature]
By: Patrick Zalupski
its Manager

[Signature]
Print Name Linda J. Richardson

COPY

STATE OF FLORIDA
COUNTY OF Clay

The foregoing instrument was acknowledged before me this 9th day of February, 2015 by Patrick Zalupski, as Manager of DFH Land, LLC, a Florida limited liability company, on behalf of the company, who is personally known to me or who has produced a driver's license as identification and who did/did not take an oath.

[Signature]
Notary Public, State and County aforesaid

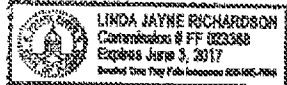
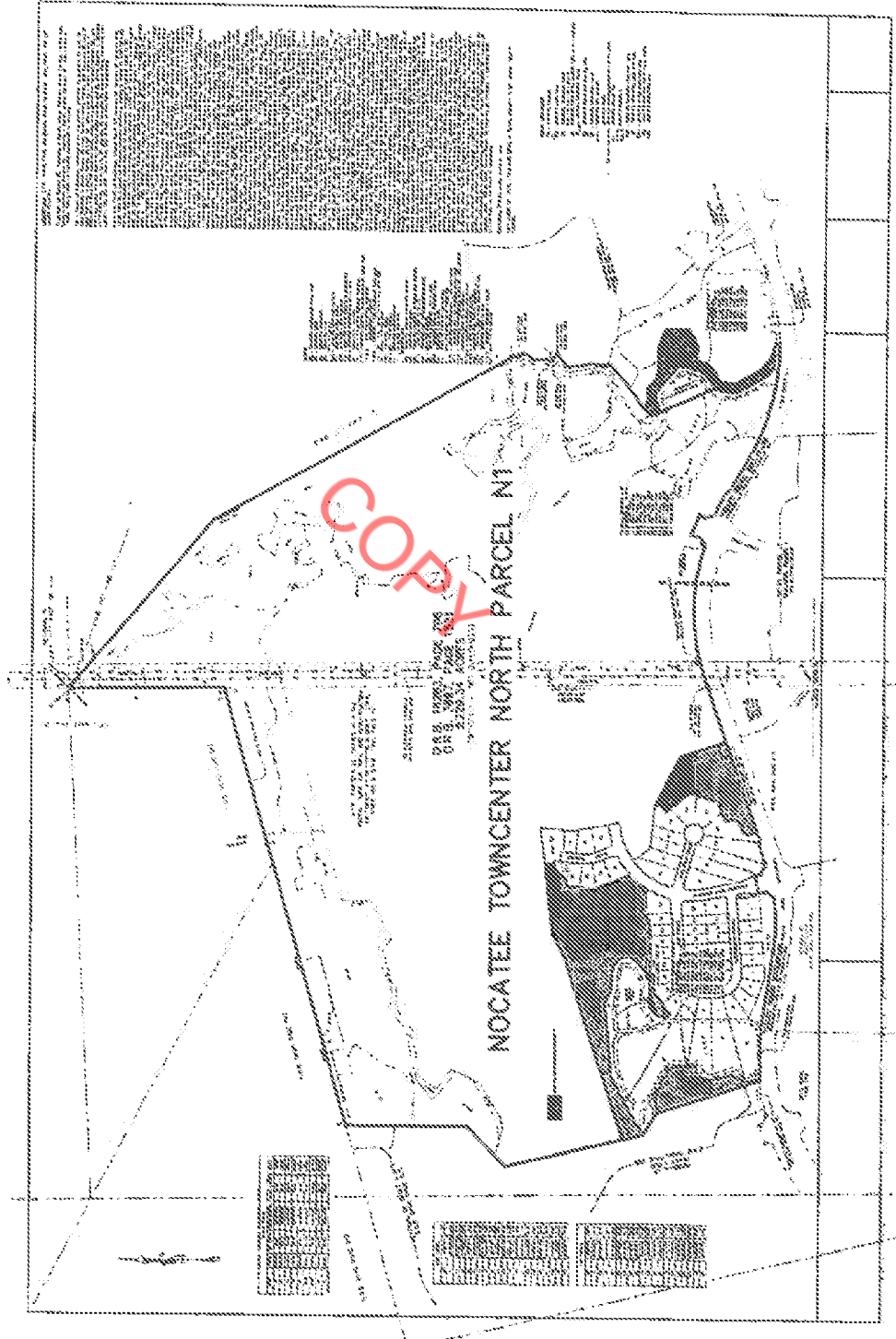
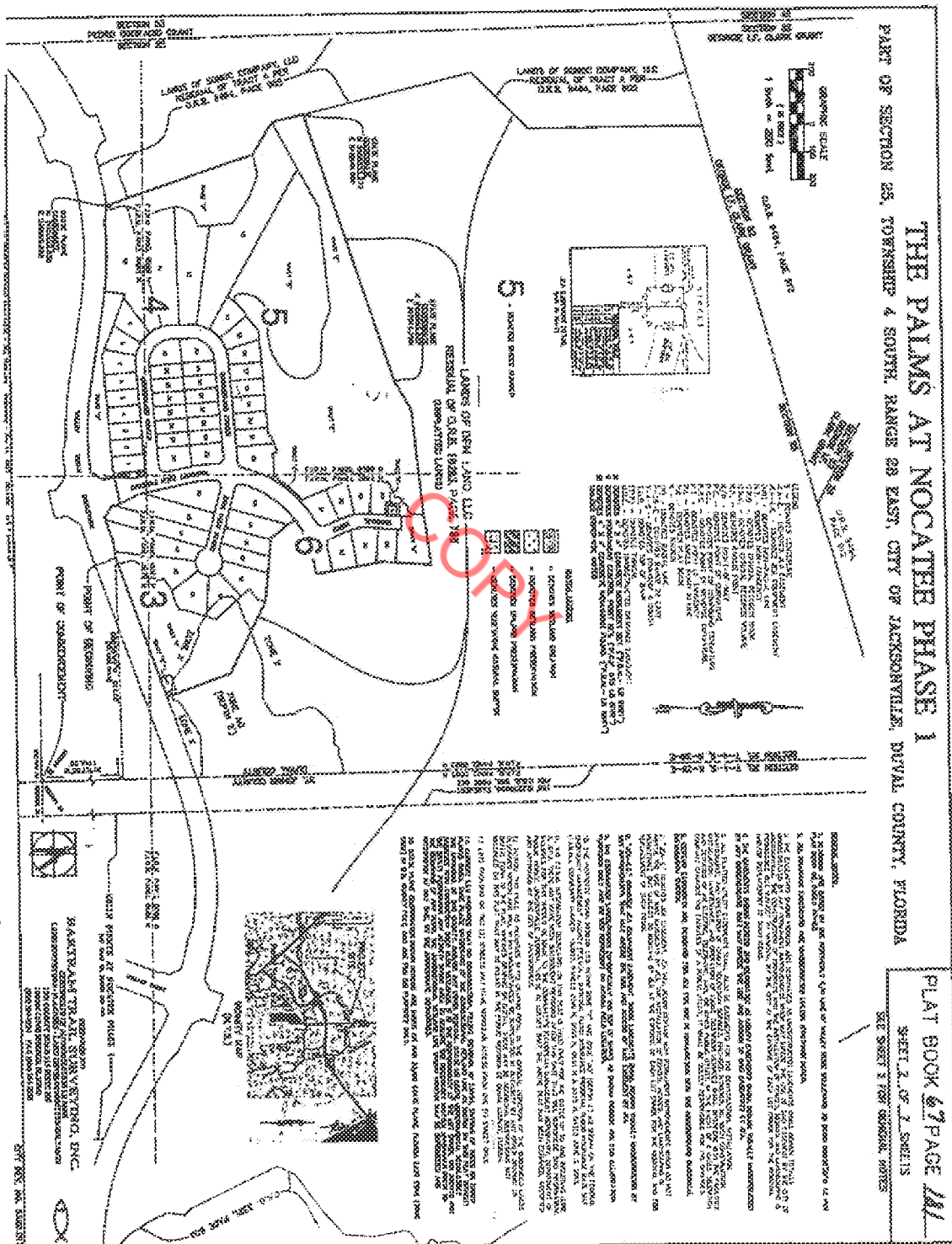


EXHIBIT A





THE PALMS AT NOCATEE PHASE 1
 PART OF SECTION 25, TOWNSHIP 4 SOUTH, RANGE 88 EAST, CITY OF JACKSONVILLE, DUVAL COUNTY, FLORIDA

PLAT BOOK 67 PAGE 111
 SHEET 2 OF 2 SHEETS
 SEE SHEET 1 FOR REMAINING PORTION

PROVISIONS:

1. THIS PLAN IS THE PROPERTY OF THE CITY OF JACKSONVILLE, FLORIDA AND IS NOT TO BE REPRODUCED OR COPIED IN ANY MANNER WITHOUT THE WRITTEN PERMISSION OF THE CITY ENGINEER.
2. THE ENGINEER HAS CONDUCTED A VISUAL INSPECTION OF THE SITE AND HAS FOUND THAT THE PROPOSED IMPROVEMENTS ARE IN ACCORDANCE WITH THE CITY ENGINEERING DEPARTMENT STANDARDS AND SPECIFICATIONS.
3. THE ENGINEER HAS CONDUCTED A VISUAL INSPECTION OF THE SURROUNDING AREAS AND HAS FOUND THAT THE PROPOSED IMPROVEMENTS ARE IN ACCORDANCE WITH THE CITY ENGINEERING DEPARTMENT STANDARDS AND SPECIFICATIONS.
4. THE ENGINEER HAS CONDUCTED A VISUAL INSPECTION OF THE PROPOSED IMPROVEMENTS AND HAS FOUND THAT THEY ARE IN ACCORDANCE WITH THE CITY ENGINEERING DEPARTMENT STANDARDS AND SPECIFICATIONS.
5. THE ENGINEER HAS CONDUCTED A VISUAL INSPECTION OF THE PROPOSED IMPROVEMENTS AND HAS FOUND THAT THEY ARE IN ACCORDANCE WITH THE CITY ENGINEERING DEPARTMENT STANDARDS AND SPECIFICATIONS.
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7. THE ENGINEER HAS CONDUCTED A VISUAL INSPECTION OF THE PROPOSED IMPROVEMENTS AND HAS FOUND THAT THEY ARE IN ACCORDANCE WITH THE CITY ENGINEERING DEPARTMENT STANDARDS AND SPECIFICATIONS.
8. THE ENGINEER HAS CONDUCTED A VISUAL INSPECTION OF THE PROPOSED IMPROVEMENTS AND HAS FOUND THAT THEY ARE IN ACCORDANCE WITH THE CITY ENGINEERING DEPARTMENT STANDARDS AND SPECIFICATIONS.
9. THE ENGINEER HAS CONDUCTED A VISUAL INSPECTION OF THE PROPOSED IMPROVEMENTS AND HAS FOUND THAT THEY ARE IN ACCORDANCE WITH THE CITY ENGINEERING DEPARTMENT STANDARDS AND SPECIFICATIONS.
10. THE ENGINEER HAS CONDUCTED A VISUAL INSPECTION OF THE PROPOSED IMPROVEMENTS AND HAS FOUND THAT THEY ARE IN ACCORDANCE WITH THE CITY ENGINEERING DEPARTMENT STANDARDS AND SPECIFICATIONS.

HAZARD & TRAIL SURVEYING, INC.
 1200 UNIVERSITY BLVD. SUITE 100
 JACKSONVILLE, FLORIDA 32202
 PHONE: 904-766-1111
 FAX: 904-766-1112

PART OF SECTION 33, TOWNSHIP 4 SOUTH, RANGE 33 EAST, CITY OF JACKSONVILLE, DUVAL COUNTY, FLORIDA

THE PALMS AT NOCATTEE PHASE 1

PLAT BOOK 67 PAGE 186

SHEET 2 OF 2 SHEETS

SEE SHEET 1 FOR GENERAL NOTES

THIS PLAT BOOK, SHOWING THE LOTS, BLOCKS, AND SUBDIVISIONS OF THE PALMS AT NOCATTEE PHASE 1, IS HEREBY CERTIFIED TO BE A TRUE AND CORRECT COPY OF THE ORIGINAL PLAT AS FILED IN THE PUBLIC RECORDS OF THE COUNTY OF DUVAL, FLORIDA, ON THE 15TH DAY OF FEBRUARY, 1995, AT 10:00 A.M.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of said County at Jacksonville, Florida, this 15th day of February, 1995.

COPY

1. The Palms at Nocatee Phase 1 is a subdivision of land in Section 33, Township 4 South, Range 33 East, City of Jacksonville, Duval County, Florida, as shown on the attached plat. The total area of the subdivision is approximately 100 acres, more or less, and is divided into lots, blocks, and subdivisions as shown on the plat. The subdivision is subject to the provisions of the Florida Subdivided Land Act, Chapter 218, Florida Statutes, and the rules and regulations of the Florida Department of Community Affairs.

2. The Palms at Nocatee Phase 1 is a subdivision of land in Section 33, Township 4 South, Range 33 East, City of Jacksonville, Duval County, Florida, as shown on the attached plat. The total area of the subdivision is approximately 100 acres, more or less, and is divided into lots, blocks, and subdivisions as shown on the plat. The subdivision is subject to the provisions of the Florida Subdivided Land Act, Chapter 218, Florida Statutes, and the rules and regulations of the Florida Department of Community Affairs.

BLAIR & BURNETT, INC.
PLANNING AND ENGINEERING
1000 WEST 10TH STREET, SUITE 100
JACKSONVILLE, FLORIDA 32202
(904) 766-1000

8577 002 001 1000/00

Electronic Articles of Incorporation
For

N14000010051
FILED
October 29, 2014
Sec. Of State
tscott

THE PALMS AT NOCATEE HOMEOWNERS ASSOCIATION, INC.

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

Article I

The name of the corporation is:

THE PALMS AT NOCATEE HOMEOWNERS ASSOCIATION, INC.

Article II

The principal place of business address:

360 CORPORATE WAY
ORANGE PARK, FL. 32073

The mailing address of the corporation is:

360 CORPORATE WAY
ORANGE PARK, FL. 32073

Article III

The specific purpose for which this corporation is organized is:

HOMEOWNERS ASSOCIATION

Article IV

The manner in which directors are elected or appointed is:

AS PROVIDED FOR IN THE BYLAWS.

Article V

The name and Florida street address of the registered agent is:

BLAKE F DEAL III
2215 SOUTH THIRD STREET
SUITE 101
JACKSONVILLE BEACH, FL. 32250

I certify that I am familiar with and accept the responsibilities of registered agent.

Registered Agent Signature: BLAKE F. DEAL, III

EXHIBIT C

N14000010051
FILED
October 29, 2014
Sec. Of State
tscott

Article VI

The name and address of the incorporator is:

PATRICK ZALUPSKI
360 CORPORATE WAY

ORANGE PARK, FL 32073

Electronic Signature of Incorporator: PATRICK ZALUPSKI

I am the incorporator submitting these Articles of Incorporation and affirm that the facts stated herein are true. I am aware that false information submitted in a document to the Department of State constitutes a third degree felony as provided for in s.817.155, F.S. I understand the requirement to file an annual report between January 1st and May 1st in the calendar year following formation of this corporation and every year thereafter to maintain "active" status.

Article VII

The initial officer(s) and/or director(s) of the corporation is/are:

Title: P
PATRICK ZALUPSKI
360 CORPORATE WAY
ORANGE PARK, FL 32073

Title: S
JENNIFER COOPER
360 CORPORATE WAY
ORANGE PARK, FL 32073

Title: T
JOHN BLANTON
360 CORPORATE WAY
ORANGE PARK, FL 32073

COPY

BYLAWS
OF
THE PALMS AT NOCATEE HOMEOWNERS ASSOCIATION, INC.

I. DEFINITIONS.

All defined terms contained herein which are defined in the Declaration of Easements, Covenants, Conditions and Restrictions for The Palms At Nocatee ("Declaration") to be recorded in the public records of St. Johns and Duval County, Florida, and in the Articles of Incorporation of the Association, shall have the same meanings as such terms are defined in the Declaration and Articles of Incorporation.

II. LOCATION OF PRINCIPAL OFFICE.

The office of the The Palms At Nocatee Homeowners Association, Inc. ("Association") shall be located at 360 Corporate Way, Orange Park, FL 32073, or at such other place as may be established by the Board of Directors of the Association from time to time.

III. VOTING RIGHTS AND ASSESSMENTS.

A. Every person, group of persons, corporation, limited liability company, limited liability partnership or other entity who is a record fee simple owner of a Lot or any other portion of the Property, and the Developer as long as it owns any Property subject to the Declaration, shall be a member of the Association (the "Members") as provided in the Articles of Incorporation of the Association, and shall have the voting rights as set forth in the Articles of Incorporation, provided that any such person group of persons, corporation, limited liability company, limited liability partnership or other 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 shall not be separated from, ownership of any Lot or parcel within the Property.

B. Assessments and installments thereon not paid when due shall bear interest from the date when due until paid at the highest lawful rate and shall result in the suspension of voting privileges during any period of such non-payment.

IV. BOARD OF DIRECTORS.

A. A majority of the Board of Directors of the Association (the "Board") shall constitute a quorum to transact business at any meeting of the Board, and the action of the majority present at a meeting at which a quorum is present shall constitute the action of the Board.

B. Any vacancy occurring on the Board because of death, resignation, or other termination of services of any Director, shall be filled by the Board, except that the Developer shall be entitled to fill any vacancy created by the death, resignation, removal or other termination of services of any Director appointed by the Developer. A Director elected or appointed to fill a vacancy shall be elected or appointed for the unexpired term of his predecessor

EXHIBIT D

in office and thereafter until his successor shall have been elected or appointed, and shall have qualified to sit on the Board.

V. ELECTION OF DIRECTORS.

A. Nominations for the election of Board members (other than Board members appointed by the Developer) shall be made by the Members and any Member may nominate himself or herself at any time up to and including at the meeting in which the election is to be held.

B. The Developer shall, within fourteen (14) days of the date set for the annual meeting of the Association, provide the Secretary of the Association with the names of the Directors that the Developer is appointing to the Board.

C. Nominations and notification of the vacancies being filled by the Developer shall be placed on the written ballot referenced in Section D of this Article V.

D. All elections to the Board shall be made on written ballots to be voted at the annual meeting, or if the Board shall so elect, by mail, provided such ballots are mailed to the Members not less than fifteen (15) days prior to the date fixed for the annual meeting. The ballots shall (i) describe the vacancies to be filled by the Class A Members, (ii) list the names of those nominated for each vacancy, and (iii) list the names of those appointed to the Board by the Developer. Each Member may cast the number of votes to which such Member is entitled as provided in the Articles of Incorporation.

E. A quorum must be present at a meeting of members in order for an election of members of the Board to be valid and binding. If the election is conducted by mail, then a sufficient number of ballots to represent a quorum must be received by the Association on or before the date established by the Board for receipt of ballots. If voting is by mail and in person, the number of Members present and those voting via mail must represent a quorum.

F. The members of the Board elected or appointed in accordance with the procedures set forth in this Article V shall be deemed elected or appointed as of the date of the annual meeting of the Members.

G. The Board of Directors shall be composed of three (3) directors, one (1) of the directors shall be elected by the townhome owners, one (1) director shall be elected by the single family home owners, and one (1) director shall be elected by all of the owners, both single family home owners and townhome owners and he or she shall be referred to as the "At Large Director".

VI. POWERS AND DUTIES OF THE BOARD OF DIRECTORS.

- A. The Board of Directors shall have power:
1. To call meetings of the Members.
 2. To appoint and remove at its discretion officers, agents and employees of the Association; and to prescribe their duties, fix their compensation, and require of them such security or fidelity bond as it may deem necessary. Nothing contained in these Bylaws shall be

construed to prohibit the employment of any Member, Officer or Director of the Association in any capacity whatsoever.

3. To establish, levy and assess, and collect the annual and special assessments necessary to operate the Association and carry on its activities, and to create such reserves as may be deemed appropriate by the Board.

4. To collect assessments on behalf of any other property owners association entitled to establish, levy and collect assessments from the Members of the Association.

5. To appoint committees, adopt and publish rules and regulations governing the use of the Common Areas or any portion thereof and the personal conduct of the Members and their guests thereon, including reasonable admission charges if deemed appropriate.

6. To authorize and cause the Association to enter into contracts for the day-to-day operation of the Association and the discharge of its responsibilities and obligations.

7. To cause the financial records of the Association to be compiled, reviewed, or audited by an independent certified public accountant at such periodic intervals as the Board may deem appropriate.

8. To exercise all powers, duties and authority vested in or delegated to the Association, except those reserved to Members in the Declaration or the Articles of Incorporation of the Association.

B. It shall be the duty of the Board of Directors:

1. To cause to be kept a complete record of all of its acts and corporate affairs.

2. To supervise all officers, agents and employees of this Association to insure that their duties are properly performed.

3. With reference to assessments of the Association:

(i) To fix the amount of annual assessments against each Class A Member for each annual assessment period at least thirty (30) days in advance of such date or period;

(ii) To prepare and maintain a roster of the Members and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Member; and

(iii) To send written notice of each assessment to every Member subject thereto.

VII. DIRECTORS MEETINGS.

A. Regular meetings of the Board shall be held quarterly, the date and time for Board Meetings shall be determined by the Board. Notice of such meetings is hereby waived.

B. Special meetings of the Board shall be held when called by the President or Vice President of the Association or by any two (2) Directors, upon three (3) days prior notice to each Director shall be required.

C. Meetings of the Board of Directors shall be open to the Members. Notices of meetings shall be posted in a conspicuous place within the Property at least forty-eight (48) hours in advance, or mailed to the Membership in accordance with the statute, except in an emergency. Notice of any meeting of the Board of Directors during which assessments are to be established, shall specifically contain a statement that the assessments shall be considered a statement of the nature of such assessments.

D. The transaction of any business at any meeting of the Board, shall be as valid as though made at a meeting duly held after regular call and notice, if a quorum is present and, if either before or after the meeting, each of the Directors not present signs a waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents and approvals shall be filed with the corporate records of the Association and made a part of the minutes of the meeting.

VIII. OFFICERS.

A. The Officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, and such other officers as may be determined from time to time by the Board, in accordance with the Articles of Incorporation of the Association. The President shall be a member of the Board, but the other Officers need not be.

B. The Officers of the Association shall be elected by the Board at the annual meeting of the Board, which shall be held immediately following the annual meeting of the Association. New offices may be created and filled at any meeting of the Board. Each Officer shall hold office until his successor shall have been duly elected.

C. A vacancy in any office because of death, resignation, or other termination of service, may be filled by the Board for the unexpired portion of the term.

D. All Officers shall hold office for terms of one (1) year.

E. The President shall preside at all meetings of the Board, shall see that orders and resolutions of the Board are carried out and shall sign all notes, checks, leases, mortgages, deeds and all other written instruments.

F. The Vice President, or the Vice President so designated by the Board if there is more than one Vice President, shall perform all the duties of the President in his absence. The Vice President(s) shall perform such other acts and duties as may be assigned by the Board.

G. The Secretary shall be the secretary of the Board, and shall record the votes and keep the minutes of all meetings of the Members and of the Board of Directors in a book to be kept for that purpose. The Secretary shall keep all records of the Association and shall record in the book kept for that specific purpose all of the names of the Members of the Association together with their addresses as registered by such members.

H. The Treasurer shall establish bank accounts for the Association and shall receive and deposit in the Association bank accounts all of the monies of the association, and shall disburse such funds as directed by resolution of the Board, provided however, that a resolution of the Board shall not be necessary for disbursement made in the ordinary course of business conducted within the limits of a budget adopted by the Board. The Treasurer may, but need not, be a required signatory on checks and notes of the Association.

I. The Treasurer, or his appointed agent, shall keep proper books of account and cause to be prepared at the completion of each fiscal year an annual budget and an annual balance sheet statement, and the budget and balance sheet statement shall be open for inspection upon reasonable request by any Member.

J. With the approval of the Board of Directors, any or all of the Officers of the Association may delegate their respective duties and functions to a licensed and qualified property manager, provided, however, such property manager shall at all times be subject to the supervision and control of the Board of Directors.

IX. COMMITTEES.

A. Initially the only standing committee of the Association shall be the Architectural Review Board. The Architectural Review Board shall have the duties, authorized and functions as described in the Declaration and as elsewhere described in these Bylaws.

B. The Board shall have the power and authority to appoint such other committees as it deems advisable. Any committee appointed by the Board shall consist of a Chairman and two (2) or more other members and shall include a member of the Board. Committee members shall serve at the pleasure of the Board, and shall perform such duties and functions as the Board may direct.

X. BOOKS AND RECORDS.

The books, records and papers of the Association shall at all times, during reasonable business hours be subject to inspection by any Member. The Association shall at all times maintain the Declaration, Articles of Incorporation, these Bylaws, and any architectural criteria or rules and regulations, and all amendments thereto as a part of its official records. The Association shall retain the minutes of all meetings of the Members and the Board of Directors and all of its budgets and financial records and reports for not less than seven (7) years.

XI. MEETINGS OF MEMBERS.

A. The annual meeting of the Members shall be held prior to April 30th of each year, at such time as the Board may designate, or at such other date and time as may be selected by the Board.

B. Special meetings of the Members for any purpose may be called at any time by the President, the Vice President, the Secretary or Treasurer, by any two or more members of the Board or upon the written request of Members holding a majority of all the votes allocated to the entire Membership.

C. Notice of all meetings of the Members shall be given to the Members by the Secretary. Notice may be given to the Member either personally, by sending a copy of the notice through the mail, postage fully prepaid, to his address appearing on the books of the Association or via e-mail at the e-mail address appearing on the books of the Association. Each Member shall be responsible for registering his address and telephone number with the Secretary and notice of the meeting shall be mailed to him at such address. Notice of the annual meeting of the Members shall be delivered at least forty-five (45) days in advance. Notice of any other meeting, regular or special, shall be mailed at least thirty (30) days in advance of the meeting and shall set forth in general the nature of the business to be transacted; provided, however, that if the business of any meeting shall involve any action as governed by the Articles of Incorporation or the Declaration in which other notice provisions are provided for, notice shall be given or sent as therein provided.

D. The presence, in person or by proxy, of the Members holding not less than thirty percent (30%) of the total votes in the Association as established by the Articles of Incorporation, shall constitute a quorum of the Membership for any action governed by the Declaration, the Articles of Incorporation, or these Bylaws.

XII. PROXIES.

A. Except for elections of the Board of Directors, at all meetings of the Members, each Member may vote in person or by limited or general proxy.

B. All proxies shall be in writing and shall state the date of the proxy and the date, time and place of the meeting for which the proxy is given, and must be signed by the authorized Member giving the proxy. A proxy shall be effective only for the specific meeting for which it is given, as such meeting may be lawfully adjourned and reconvened from time to time. No proxy shall extend beyond a period of ninety (90) days from the date of the meeting for which it was originally given, and every proxy shall automatically cease upon the sale by the Member of his interest in the Property. All proxies shall be revocable at any time at the pleasure of the Member who executes same, and may include powers of substitution.

C. For elections of the Board of Directors, the Members shall vote in person at a meeting of the Members, or by a written ballot that each Member personally casts.

XIII. SEAL.

The Association shall have a seal in circular form having within its circumference the words: THE PALMS AT NOCATEE HOMEOWNERS ASSOCIATION, INC., not for profit, 2014.

XIV. AMENDMENTS.

These Bylaws may be amended, altered, or rescinded by majority vote of the Board of Directors at a duly constituted meeting of the Board. Amendments shall be effective on the date of passage by the Board and no amendment need be recorded in the public records of St. Johns and Duval County, Florida. For so long as the Class B Membership shall exist, HUD and VA shall have the right to veto amendments to these Bylaws.

XV. INCONSISTENCIES.

In the event of any inconsistency between the provisions of these Bylaws and the Declaration or Articles of Incorporation, the provisions of the Declaration and Articles of Incorporation shall control.

Adopted by the Board of Directors of The
Palms At Nocatee Home Owners
Association, Inc., a Florida corporation not-
for-profit effective the 9th day of
February, 2015.

COPY

JOINDER AND CONSENT TO DECLARATION OF EASEMENTS, COVENANTS,
CONDITIONS AND RESTRICTIONS FOR THE PALMS AT NOCATEE
BY DFH LAND, LLC

KNOW ALL MEN BY THESE PRESENTS, that Medley Capital Corporation, a Delaware corporation, ("the Lender"), the owner and holder of the following described loan documents ("the Loan Documents"):

Mortgage, Security Agreement, Assignment of Rents and Fixture Filing from DFH Land, LLC, a Florida limited liability company, to Lender, its successors and/or assigns, dated September 13, 2013, and recorded September 19, 2013 in O.R. Book 16532, Page 1806; Amended and Restated Mortgage, Security Agreement, Assignment of Rents and Fixture Filing from Dream Finders Homes, LLC, a Florida limited liability company, to Lender, its successors and/or assigns, dated September 13, 2013, and recorded September 19, 2013 in O.R. Book 16533, Page 610; Subordination Agreement dated June 30, 2014 recorded July 8, 2014 in Official Records Book 16837, Page 2343; Agreement of Spreader and Modification of Mortgage dated June 30, 2014, recorded July 8, 2014 in O.R. Book 16837, Page 2359; Modification Agreement dated June 30, 2014, recorded July 8, 2014 in O.R. Book 16837, Page 2377; Modification Agreement dated June 30, 2014, recorded July 8, 2014 in O.R. Book 16837, Page 2401; Assignment of Leases and Rents and Security Deposits to Medley Capital Corporation dated September 13, 2013 and recorded September 19, 2013, in O.R. Book 16532, Page 1841; Assignment of Leases and Rents and Security Deposits dated September 13, 2014, recorded September 19, 2013 in Official Records Book 16533, Page 635; Mortgage Spreader Agreement dated August 8, 2014, recorded August 13, 2014, in O. R. Book 16876, Page 1009; Agreement of Spreader and Modification of Mortgage and Security Agreement dated November 21, 2014, recorded November 24, 2014 in O.R. Book 16985, Page 2164; Agreement of Spreader and Modification of Mortgage and Security Agreement, Assignment of Rents and Fixture Filing dated January 30, 2015, recorded February 2, 2015 in O.R. Book 17052, Page 2424; Agreement of Spreader and Modification of Mortgage and Security Agreement, Assignment of Rents and Fixture Filing dated February 6, 2015, recorded February 9, 2015 in O.R. Book 17061, Page 1; UCC-1 Financing Statement recorded September 19, 2013 in O.R. Book 16532, Page 1866; Amendment to UCC-1 Financing Statement recorded July 8, 2014 in O.R. Book 16837, Page 2427; UCC-1 Financing Statement recorded November 24, 2014 in O.R. Book 16985, Page 2184; all of the Current Public Records of Duval County, Florida.

hereby joins in and consents to the terms and conditions of that certain DECLARATION OF EASEMENTS, COVENANTS, CONDITIONS AND RESTRICTIONS, FOR THE PALMS AT NOCATEE ("the "Declaration") by DFH LAND, LLC, a Florida limited liability company, to which Declaration this joinder is attached for the purpose of acknowledging its consent to the covenants, conditions, restrictions, and easements of the Declaration and the imposition of the same upon the property subject to the Loan Documents.

EXHIBIT E

IN WITNESS WHEREOF, the Lender has caused this presents to be executed as of the
10th day of February, 2015

Witness:
[Signature]
First Witness:
[Signature]
Print Name:
Roseann Eff
Second Witness:
[Signature]
Print Name:
Roseann Eff

Medley Capital Corporation,
a Delaware corporation

By: [Signature]
Name: Richard Allorto
In: Chief Financial Officer

STATE OF NEW YORK
COUNTY OF New York

The foregoing instrument was acknowledged before me on this 10th day of February
2015, before me personally appeared Richard Allorto, as Chief Financial Officer of Medley
Capital Corporation, on behalf of said corporation.

WITNESS my signature and official seal at 375 Park, in the County and State
aforesaid, the day and year last aforementioned.

My Commission Expires 6/17/2017

[Signature]
NOTARY PUBLIC - State of New York

Rachel Cross
Print Name

Personally known OR Produced identification
Type of Identification Produced _____

Rachel Cross
Notary Public, State of New York
No. 81CR628-6283
Qualified in New York County
My Commission Expires June 17, 2017

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**JOINDER AND CONSENT TO DECLARATION OF EASEMENTS, COVENANTS,
CONDITIONS AND RESTRICTIONS FOR THE PALMS AT NOCATEE
BY DFH LAND, LLC**

KNOW ALL MEN BY THESE PRESENTS, that Texas Capital Bank, National Association, a Texas corporation, ("the Lender"), the owner and holder of the following described loan documents ("the Loan Documents").

Assignment to Lender of the Amended and Restated Mortgage, Security Agreement, Assignment of Rents, Fixtures Filing and Spreader Agreement from DFH Land, LLC, a Florida limited liability company, to Medley Capital, its successors and/or assigns, (dated September 13, 2013, recorded September 19, 2013 in O. R. Book 16533, page 610) dated June 30, 2014, recorded July 8, 2014 in O.R. Book 16837, Page 2293; Further Amended and Restated Mortgage, Security Agreement, Assignment of Rents, Fixtures Filing and Spreader Agreement from DFH Land, LLC, a Florida limited liability company, to Lender, its successors and/or assigns, dated June 30, 2014, recorded July 8, 2014 in O.R. Book 16837, Page 2304; Mortgage Spreader Agreement dated August 8, 2014, recorded August 13, 2014 in O.R. Book 16876, Page 1009, Mortgage Spreader Agreement dated November 3, 2014 recorded November 7, 2014 in Official Records Book 16970, Page 1396; Assignment of Leases and Rents and Security Deposits recorded September 19, 2013 in Official Records Book 16533, Page 635 as assigned to Texas Capital Bank by Assignment of Assignment of Leases and Rents and Security Deposits recorded July 8, 2014 in Official Records Book 16837, Page 2299; Mortgage Spreader Agreement dated November 19, 2014, recorded November 24, 2014 recorded in O.R. Book 16985 Page 2145; Mortgage Spreader Agreement dated November 26, 2014, recorded December 4, 2014 recorded in O.R. Book 16995 Page 501; Mortgage Spreader Agreement dated December 4, 2014, recorded December 5, 2014 recorded in O.R. Book 16997 Page 302; Mortgage Spreader Agreement dated December 19, 2014, recorded December 22, 2014 recorded in O.R. Book 17013 Page 946; Partial Release of Mortgage dated November 28, 2014, recorded January 2, 2015, in O. R. Book 17022, Page 2421; Mortgage Modification Agreement and Notice of Future Advances dated January 28, 2015, recorded January 30, 2015, in O. R. Book 17051, Page 380; UCC-1 Financing Statement recorded September 19, 2013 in Official Records Book 16533, Page 649 as assigned to Texas Capital Bank by document recorded July 8, 2014 in Official Records Book 16837, Page 2358; all of the Current Public Records of Duval County, Florida,

hereby joins in and consents to the terms and conditions of that certain DECLARATION OF EASEMENTS, COVENANTS, CONDITIONS AND RESTRICTIONS, FOR THE PALMS AT NOCATEE ("the Declaration") by DFH LAND, LLC, a Florida limited liability company, to which Declaration this joinder is attached for the purpose of acknowledging its consent to the covenants, conditions, restrictions, and easements of the Declaration and the imposition of the same upon the property subject to the Loan Documents.

IN WITNESS WHEREOF, the Lender has caused this presents to be executed as of the 18th day of February, 2015.

Witnesses:

TEXAS CAPITAL BANK, NATIONAL ASSOCIATION,
as Administrative Agent

[Signature]
First Witness
Serry Schillaci
Print Name

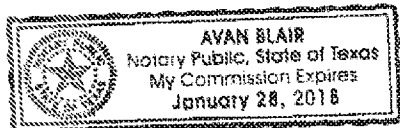
By: [Signature]
Name: Joe Hardy
Its: Senior Vice President

[Signature]
Second Witness
Cassidy Mulligan
Print Name

STATE OF TEXAS
COUNTY OF Harris

The foregoing instrument was acknowledged before me on this 10th day of February, 2015, before me personally appeared Joe Hardy, as Senior Vice President of TEXAS CAPITAL BANK, NATIONAL ASSOCIATION, as Administrative Agent, on behalf of said corporation.

WITNESS my signature and official seal at Houston, in the County and State aforesaid, the day and year last aforementioned.



[Signature]
NOTARY PUBLIC - State of Texas

My Commission Expires: _____

Print Name: _____

Personally known OR Produced identification
Type of Identification Produced 00768519-6