

Prepared By: + Return To:
D. RANDALL BRILEY
BRILEY & DEAL, LLC
2215 South Third Street, Suite 101
Jacksonville Beach, FL 32250

DECLARATION OF COVENANTS AND RESTRICTIONS
FOR
PRESERVE AT WATERWAY ISLAND

INDEX OF DECLARATION OF COVENANTS AND RESTRICTIONS
FOR
PRESERVE AT WATERWAY ISLAND

ARTICLE I MUTUALITY OF BENEFIT AND OBLIGATION

- Section 1.1 Mutuality
- Section 1.2 Benefits and Burdens

ARTICLE II DEFINITIONS

- Section 2.1 Association
- Section 2.2 Board
- Section 2.3 Common Area
- Section 2.4 Developer
- Section 2.5 Limited Common Area
- Section 2.6 Lot
- Section 2.7 Owner
- Section 2.8 Property or Subdivision
- Section 2.9 Surface Water or Stormwater Management System
- Section 2.10 Underground Vault System

ARTICLE III PROPERTY SUBJECT TO THIS DECLARATION: ADDITIONS AND DELETIONS

- Section 3.1 No Implied Extension of Covenants
- Section 3.2 Additional Lands
- Section 3.3 Withdrawal of Lands

ARTICLE IV THE ASSOCIATION

- Section 4.1 Membership
- Section 4.2 Classes and Voting

ARTICLE V COMMON AREA RIGHTS

- Section 5.1 Conveyance of Common Area
- Section 5.2 Owners' Easement of Enjoyment
- Section 5.3 Right of the Developer to Designate Property as Common Area or to Withdraw Property from the Common Area
- Section 5.4 Maintenance of Common Area and Compliance with Applicable Permits
- Section 5.5 Easement for Maintenance Purposes
- Section 5.6 Community Amenity, if constructed

Section 5.7 Community Fence, if constructed

ARTICLE VI ARCHITECTURAL CONTROL

Section 6.1 Architectural Review and Approval
Section 6.2 Architectural Review Board
Section 6.3 Powers and Duties of the ARB
Section 6.4 Compensation of ARB
Section 6.5 Review of Initial Construction by Developer
Section 6.6 Variance
Section 6.7 Limited Liability

ARTICLE VII COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 7.1 Creation of the Lien and Personal Obligation of Assessments
Section 7.2 Purpose of Assessments
Section 7.3 Calculation and Collection of Assessments
Section 7.4 Effect of Non-Payment of Assessment: Lien, Personal Obligation, and Remedies of Developer
Section 7.5 Subordination of Lien to Mortgages
Section 7.6 Developer's Assessments

ARTICLE VIII EXTERIOR MAINTENANCE ASSESSMENT

Section 8.1 Exterior Maintenance
Section 8.2 Assessment of Costs
Section 8.3 Access

ARTICLE IX UTILITY PROVISIONS

Section 9.1 Water System
Section 9.2 Sewage System
Section 9.3 Garbage Collection
Section 9.4 Utility Service

ARTICLE X USE RESTRICTIONS AND RIGHTS AND EASEMENTS RESERVED BY DEVELOPER

Section 10.1 Residential Use
Section 10.2 Living Area and Height
Section 10.3 No Detached Buildings
Section 10.4 Setbacks
Section 10.5 Landscaping
Section 10.6 Motor Vehicles and Boats

- Section 10.7 Nuisances
- Section 10.8 Antenna
- Section 10.9 Insurance and Casualty Damages
- Section 10.10 Trees
- Section 10.11 Artificial Vegetation
- Section 10.12 Signs
- Section 10.13 Lighting
- Section 10.14 Animals
- Section 10.15 Maintenance of Lots and Limited Common Areas
- Section 10.16 Fences
- Section 10.17 Maintenance of Driveways
- Section 10.18 Window Air Conditioning
- Section 10.19 Compliance with Laws
- Section 10.20 Platting and Additional Restrictions
- Section 10.21 Above Ground Swimming Pools, Hot Tubs, Spas, Saunas and Associated Decking
- Section 10.22 Jurisdictional Areas and Permits
- Section 10.23 Private docks.
- Section 10.24 Swale Maintenance
- Section 10.25 Vegetative Natural Buffer

ARTICLE XI RIGHTS AND EASEMENTS RESERVED BY DEVELOPER

- Section 11.1 Easements for Ingress, Egress, Utilities and Drainage
- Section 11.2 Drainage Flow
- Section 11.3 Future Easements
- Section 11.4 Cable Television or Radio
- Section 11.5 Easements for Maintenance Purposes
- Section 11.6 Developer Rights Re: Temporary Structures, Etc.

ARTICLE XII GENERAL PROVISIONS

- Section 12.1 Remedies for Violations
- Section 12.2 Severability
- Section 12.3 Additional Restrictions
- Section 12.4 Titles
- Section 12.5 Termination or Amendment
- Section 12.6 Assignment of Permit Responsibilities and Indemnification
- Section 12.7 Conflict or Ambiguity in Documents
- Section 12.8 Usage
- Section 12.9 Effective Date
- Section 12.10 Disclaimers as to Water Bodies

Exhibit A - Property

Exhibit B - Articles of Incorporation
Exhibit C - Bylaws

DECLARATION
OF
COVENANTS AND RESTRICTIONS
FOR
PRESERVE AT WATERWAY ISLAND

THIS DECLARATION is made this 8th day of may, 2014, by **Hopkins Creek Real Estate Holdings, LLC**, a foreign Limited Liability Company (the "Developer"), which declares that the real property described on Exhibit A attached hereto and made a part hereof (the "Property"), which is owned by the Developer, shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges, liens and all other matters set forth in this Declaration which shall be deemed to be covenants running with the title to the Property and shall be binding upon the Developer and all parties having or acquiring any right, title or interest in the Property or any part thereof.

ARTICLE I
MUTUALITY OF BENEFIT AND OBLIGATION

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

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

ARTICLE II
DEFINITIONS

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

Section 2.1 **Association**. The **Preserve at Waterway Island Homeowners Association, Inc.**, a Florida corporation not-for-profit. This is the Declaration to which the Articles of Incorporation (the "Articles") and Bylaws (the "Bylaws") of the Association make reference.

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

Section 2.3 **Common Area**. All real property (including easements, licenses and rights to use real property) and personal property located within or adjacent to the Property, if any, which is owned by the Developer, or by the Association, or depicted on any plat of the Property, and which the Developer has designated for the common use of the Owners by

reference thereto in this Section 2.3, or by recording a Supplementary Declaration, pursuant to the terms of Section 5.3 hereof, or any subsequent plat.

Section 2.4 **Developer.** Hopkins Creek Real Estate Holdings, LLC and such of its assigns as to which the rights of the Developer hereunder are specifically assigned. Developer may assign all or only a portion of such rights in connection with portions of the Property. In the event of such a partial assignment, the assignee may exercise such rights of the Developer as are specifically assigned to it. Any such assignment may be made on a non-exclusive basis. Reference in this Declaration to any entity as the managing member for the Developer of the Property is not intended and shall not be construed, to impose upon such entity any obligations, legal or otherwise, for the acts or omissions of third parties who purchase lots or parcels within the Property and/ or develop and resell the same.

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

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

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

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

Section 2.9 **Surface Water or Stormwater Management System.** A system which is designed and constructed or implemented within the Property to control discharges which are necessitated by rainfall events, incorporating methods to collect, convey, store, absorb, inhibit, treat, use or reuse water to prevent or reduce flooding, overdrainage, environmental degradation, and water pollution or otherwise affect the quantity and quality of discharges from the system, as permitted pursuant to Chapters 4OC-4, 4OC-40, or 4OC-42, F.A.C. or regulations of similar import. For purposes of this Declaration, the Surface Water or Stormwater Management System shall be deemed to be a part of the Common Area and shall include any drainage swales located within the Property as well as the Underground Vault System.

Section 2.10 **Underground Vault System.** The Underground Vault System is comprised of 70 Stormtech Chambers west of Sunset View Drive and 91 Stormtech Chambers installed as required by the Approved and Permitted Engineering Plans and the Manufacturer's Specifications. The Underground Vault System includes a Sump Pump and Underdrain to control groundwater elevations in the immediate area of the Underground Vault System. The Sump Pump and Stormtech system require inspections as noted in the operations manual and by the St. Johns River Water Management District.

ARTICLE III
PROPERTY SUBJECT TO THIS DECLARATION:
ADDITIONS AND DELETIONS

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

Section 3.2 **Additional Lands or Property.** Developer may, but shall not be obligated to, subject additional land or property to this Declaration (or to the assessment provisions of this Declaration) from time to time provided only that (a) any additional land or property subjected to this Declaration (or its assessment provisions) shall be contiguous to the Property then subject to this Declaration (for purposes of this Section 3.2, property separated only by public or private roads, water bodies, golf courses, or open space shall be deemed contiguous), and (b) the Owners of property within additional lands made subject to this Declaration (or its assessment provisions) shall be and become subject to this Declaration (or its assessment provisions), and shall be responsible for their pro rata share of common expenses for which assessments may be levied pursuant to the terms of Article VII of the Declaration. Addition of lands or property to this Declaration shall be made and evidenced by filing in the public records of Duval County, Florida, a Supplementary Declaration executed by the Developer with respect to the lands to be added. Developer reserves the right to supplement this Declaration to add land to the scheme of this Declaration (or its assessment provisions) pursuant to the foregoing provisions without the consent or joinder of any Owner or mortgagee of land or property within the Property.

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

ARTICLE IV

THE ASSOCIATION

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

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

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

(b) **Class B Members.** The Class B Member shall be the Developer who shall be entitled to six (6) votes for each Lot owned by the Developer. The Class B Membership shall cease and be converted to Class A Membership on the happening of either of the following events, whichever occurs earlier:

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

(ii) Upon the occurrence of the events listed in Section 720.307 (c) through (f); or

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

ARTICLE V

COMMON AREA RIGHTS

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

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

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

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

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

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

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

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

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

5.3, even if the Developer consents or acquiesces to the use of such land by the Owners. In the event any land, easements, use rights, or personal property owned by the Association shall be withdrawn from the Common Area pursuant to this Section 5.3, upon the Developer's written request, the Association shall promptly execute and deliver to the Developer any and all deeds, bills of sale, assignments or other conveyance documents as may be necessary or appropriate to effectuate the withdrawal of such Common Area.

Section 5.4 Maintenance of Common Area and Compliance with Applicable Permits. The Association shall at all times maintain in good repair and manage, operate and insure, and shall replace as often as necessary, the Common Area and any improvements and landscaping (except utilities owned and maintained by public or private utility companies providing water, sewer, electrical, fire protection, cable television, telephone, or similar utilities to the Property, or any portion thereof) situated on the Common Area, if any. The Association shall maintain all swales, drainage areas, drainage easements, and control structures located in Private Drainage Easements. The Association shall preserve and protect all designated conservation areas and littoral zones located within, adjacent, or in near proximity to the Property, in accordance with all permit requirements and conditions contained in applicable dredge fill, consumptive use, surface water permits, or any other applicable permits issued by the United States Army Corps of Engineers ("ACOE"), Florida Department of Environmental Protection ("FDEP"), St. Johns River Water Management District ("SJRWMD"), and City of Jacksonville Beach, Florida and all statutes, rules, regulations and requirements pertaining to surface water management, drainage and water quality promulgated by the SJRWMD, the FDEP, and all other local, state and federal authorities having jurisdiction. The Association shall maintain those portions of the Common Area designated by applicable permit as conservation tracts, stormwater management tracts or similar designations, in accordance with all permit requirements, rules, and regulations promulgated by all local, state and federal authorities having jurisdiction. The Association shall be responsible for the maintenance, operation and repair of the Surface Water or Stormwater Management System. Maintenance of the Surface Water or Stormwater Management System shall mean the exercise of practices which allow the system to provide drainage, water storage, conveyance of other surface water, or stormwater management capabilities as permitted by the SJRWMD. The Association shall be responsible for such maintenance and operation. Any repair or reconstruction of the Surface Water or Stormwater Management System shall be as permitted, or if modified, as approved by the SJRWMD. All maintenance obligations of the Association shall be performed as ordered by the Board of Directors of the Association, and all or any portion of the cost of such maintenance incurred by the Association pursuant to this Section 5.4, shall be a common expense of the Association to be collected and paid in the manner prescribed by this Declaration.

Section 5.5 Easement for Maintenance Purposes. The Developer hereby grants to the Association and its successors, assigns, agents, and contractors, an easement in, on, over and upon those portions of the Property as may be reasonably necessary for the purpose of maintaining the Common Area, including the Surface Water or Storm Water Management System, or other portions of Property to be maintained by the Association, in accordance with the requirements of this Declaration. The easement granted hereby shall not be exercised by any party in a manner which unreasonably interferes with the use, occupancy, or enjoyment of any improved portion of the Property. Further, in the event that any portion of the Property shall be damaged or altered in any way as the result of the exercise of the easement rights granted hereby,

such portions of the Property shall be immediately restored to the condition that existed immediately prior to such damage or alteration by the party exercising such rights.

Section 5.6 **Community Amenity.** In the event that any community amenity, to include but not limited to a community dock, gazebo, community center or similar building, (the "Amenities") are constructed by the Developer, such Amenities shall become a part of the Common Area and shall be maintained by the Association.

Section 5.7 **Community Fence.** In the event that any fence, wall, gate or similar aesthetic features, (the "Aesthetic Features") are constructed by the Developer, such Aesthetic Features shall become a part of the Common Area and shall be maintained by the Association.

ARTICLE VI **ARCHITECTURAL CONTROL**

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

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

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

(a) To recommend amendments to the architectural criteria to the Board at such time as the Board shall have the right to adopt or amend architectural criteria for the Property. For so long as the Developer shall be entitled to elect or appoint a majority of the members of the Board, only the Developer shall have the right to promulgate, amend, eliminate, or replace architectural criteria applicable to architectural review to be conducted by the Association. At such time as members of the Association shall elect a majority of the members of the Board, such architectural criteria shall be promulgated, amended, eliminated, or replaced by the Board. Any amendment of the architectural criteria shall be consistent with the provisions of this Declaration. Notice of any amendment to the architectural criteria, which shall include a verbatim copy of such amendment, shall be delivered to each member of the Association. The delivery to each member of the Association of notice and a copy of any amendment to the architectural criteria shall not, however, constitute a condition precedent to the effectiveness or validity of such amendment. It shall not be necessary for the architectural criteria, or any amendment thereto, to be recorded.

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

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

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

Section 6.4 **Compensation of ARB.** The Board may, at its option, pay reasonable compensation to any or all members or consultants of the ARB who are not also members of the Board.

Section 6.5 **Review of Initial Construction by Developer.** No Initial Construction shall be commenced upon any Lot unless and until the plans, specifications and location of the

same have been submitted to, and approved by, the Developer or after turnover of the Association, by the Association in writing. All plans and specifications shall be evaluated as to visual and acoustical privacy, as to harmony of external design and location in relation to surrounding structures, if any, topography, existing trees and other natural vegetation, and as to consistency with this Declaration and architectural criteria made applicable to Initial Construction by the Developer from time to time.

Section 6.6 **Variance.** The Developer, or after turnover of the Association, by the Association, and the ARB may authorize variances from compliance with any architectural provisions this Declaration or applicable architectural criteria when circumstances such as topography, natural obstructions, hardships, or aesthetic or environmental considerations require same. Such a variance must be evidenced by a document signed by an authorized representative of the Developer or ARB, as applicable. If such a variance was granted, no violation of the covenants, conditions and restrictions contained in this Declaration shall be deemed to have occurred with respect to the matters for which the variance was granted. The granting of such a variance shall not, however, operate to waive any of the terms and provisions of this Declaration for any purpose except as to the particular Lot and particular provisions of this Declaration or applicable architectural criteria covered by the variance, nor shall it effect in any way an Owner's obligation to comply with all governmental laws and regulations, including but not limited to, zoning ordinances and setback lines or requirements imposed by any governmental or municipal authority.

Section 6.7 **Limited Liability.** In connection with all reviews, acceptances, inspections, permissions, consents or required approvals by or from the Developer, the ARB, or the Association as contemplated by this Article VI, neither the Developer, the ARB, nor the Association shall be liable to an Owner or to any other person on account of any claim, liability, damage or expense suffered or incurred by or threatened against an Owner or such other person and arising out of or in any way related to the subject matter of any such reviews, acceptances, inspections, permissions, consents or required approvals, whether given, granted or withheld by the Developer, the ARB, or the Association.

ARTICLE VII

COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 7.1 **Creation of the Lien and Personal Obligation of Assessments.** Except as otherwise provided in Article XIII hereof, each Owner of a Lot within the Property hereby covenants, and by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, including any purchaser at a judicial sale, shall hereafter be deemed to covenant and agree to pay to the Association any annual assessments, and any special assessments established and collected as hereinafter provided. All such assessments, together with interest thereon from the due date at the highest lawful rate and costs of collection thereof (including reasonable attorneys' fees), shall be a charge and continuing lien upon each Lot against which each such assessment is made, and shall also be the personal obligation of each

Owner. No Owner may avoid liability for the assessments by waiver of rights to use, or by non-use of, the Common Areas or by abandonment.

Section 7.2 Purpose of Assessments.

7.2.1 The annual assessments levied by the Association shall be used for the purposes of management and accounting fees, taxes, insurance, and utility charges relating to the Common Area, to fund the obligations of the Association set forth in Section 5.4 hereof, and for all other purposes reasonably contemplated by this Declaration, the Articles, the Bylaws, or any cost sharing or similar agreement to which the Association is or may become a party. Further, such annual assessments may be levied to fund reasonable reserves for deferred maintenance of, or non-recurring expenses related to, the Common Area including the Surface Water or Stormwater Management System. The budget of the Association shall designate the components for which such reserve accounts may be used. The maintenance responsibilities of the Association payable through assessment of the Owners shall specifically include, but not be limited to, the perpetual maintenance of all drainage swales, and all other drainage and stormwater management improvements lying within the Property, and all other such improvements, constituting a part of the Surface Water or Stormwater Management System permitted by the St. Johns River Water Management District under Permit No. 42-031-113550-9 (the "Surface Water Permit") including all operation, sampling, testing, monitoring and maintenance requirements as specified by the Surface Water Permit. Assessments collected by the Association to fund reserves shall be separately accounted for, it being the requirement of this Declaration that such funds shall be used exclusively for deferred maintenance of, or non-recurring expenses related to, the Common Area and the Surface Water or Stormwater Management System.

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

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

(a) Owners of Lots shall pay a pro rata share of annual and special assessments which shall be allocated among the Owners as provided in subparagraph (b) of this Section 7.3, 7.4. Except as hereafter provided, the initial yearly assessment due on January 1st of each year allocated to each Lot is hereby established to be, and shall not exceed, six hundred dollars (\$600) per Lot. From and after January 1, 2015, such amount may be decreased, or increased.

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

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

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

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

Section 7.6 Developer's Assessments. Notwithstanding any provision of this Declaration to the contrary, during the Development Period (as defined below) the Lots and other portions of the Property owned by the Developer shall not be subject to any annual or special assessments levied by the Association or to any lien for such assessments. During the Development Period, the Developer shall pay the balance of the actual operating expenses of the Association (excluding costs of major repairs, deferred maintenance, replacements and reserves) remaining after the levying of and payment of assessments due from Owners other than the Developer pursuant to assessments levied by the Board of Directors pursuant to this Declaration. The Developer shall be obligated to fund such balance only as the expenses are actually incurred by the Association during the Development Period. The Development Period shall begin upon

the conveyance of the first Lot in the Property to an Owner other than the Developer and shall continue until (i) the Developer shall notify the Association that it will no longer pay for operating deficits of the Association; or (ii) the Class B Membership shall cease and be converted to Class A Membership. Upon termination of the Developer's agreement to pay operating deficits, the Developer shall become obligated to pay assessments on Lots owned by it within the Property on the same basis as other Owners. In no event shall the Developer be obligated to pay for operating deficits of the Association after the Developer no longer owns any Lots within the Property.

ARTICLE VIII

EXTERIOR MAINTENANCE ASSESSMENT

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

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

Section 8.3 **Access.** For the purpose of performing the maintenance authorized by this Article, the Association, through its duly authorized agents or employees, shall have the right, after the notice to the Owner provided under Section 8.1, to enter upon any Lot at reasonable hours on any day except Sunday. In the case of emergency repairs, access will be permitted at any time with only such notice as under the circumstances is practically affordable.

ARTICLE IX

UTILITY PROVISIONS

Section 9.1 **Water System.** The central water supply system provided for the service of the Property shall be used as sole source of potable water for all water spigots and outlets located within or on all buildings and improvements located on each Lot. Each Owner shall pay water meter charges of the supplier thereof and shall maintain and repair all portions of the water

lines serving the Owner's Lot in accordance with the requirements of the applicable utility supplier. No individual potable water supply system or well for consumptive purposes shall be permitted on any Lot without the prior written consent of the Association.

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

Section 9.3 **Garbage Collection.**

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

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

ARTICLE X
USE RESTRICTIONS AND RIGHTS AND
EASEMENTS RESERVED BY DEVELOPER

Section 10.1 **Residential Use.** The Lots subject to this Declaration may be used for residential dwellings and for no other purpose except that one or more Lots may be used for model homes during the development and sale of Lots within the Property or other properties. No business or commercial building may be erected on any Lot and no business may be conducted on any part thereof. No Lot shall be divided, subdivided or reduced in size without the prior written consent of the Developer or by the Association after turnover of the Association. Assessments for common expenses attributable to any Lot which may be subdivided pursuant to this Section 10.1 shall be reallocated by the Developer, in its sole discretion, at the time written consent for such subdivision is given by the Developer or the Association as the case may be.

Section 10.2 **Living Area and Height.** Each one story detached single family residence constructed within the Property shall contain a minimum of two thousand five hundred (2,500) square feet of heated and air conditioned living area. Two story residences constructed within the Property shall have a minimum total square footage of two thousand five hundred (2,500) square feet of heated and air conditioned living area and shall have a minimum square footage of two thousand (1,200) square feet of heated and air conditioned living area on the on the ground floor.

Section 10.3 **No Detached Buildings.** Less and excepting aesthetic trellises, no tool or storage sheds, tents, trailers, tanks, temporary or accessory buildings or structures shall be erected or permitted to remain on any Lot without the prior written consent of the ARB.

Section 10.4 **Setbacks.** The building setback requirements for all structures constructed within the Subdivision shall be as prescribed by the applicable zoning ordinances.

Section 10.5 **Landscaping.** Landscaping shall be installed on each Lot as stated hereafter.

10.5.1 Except for landscaping installed by the Developer, a landscaping plan for each Lot and Limited Common Area appurtenant thereto must be submitted to and approved by the Developer, or after turnover of the Association, by the Association, at the time of Initial Construction of a residence on such Lot. Maximum utilization of existing trees and shrubs, and natural landscaping techniques shall be encouraged. Sodding with St. Augustine will be required as set forth in the architectural criteria established pursuant to Article VI hereof. All Lots and appurtenant Limited Common Areas that are not landscaped or left in a natural wooded state shall be grassed up to the lesser of the lot line, paved roadway, buffer, or water's edge where such Lot abuts a roadway, buffer, or water's edge.

10.5.2 Subsequent to approval by the Developer, or after turnover of the Association, by the Association, of landscaping plans submitted pursuant to Section 10.5.1 above, the Owner shall be obligated to complete the landscaping of his Lot and Limited Common Area in accordance with such plans and Section 10.5.1 above, within thirty (30) days following the issuance of a Certificate of Occupancy or similar final approval for the residence constructed on the Lot by the Building Department of Duval County, Florida, or other governmental authority having jurisdiction. In the event the landscaping is not completed as provided herein, the Association shall have the right to enter upon the Lot and complete said landscaping in accordance with the approved plans, in the same manner as exterior maintenance may be performed by the Association pursuant to Article VIII of this Declaration. The Association shall be entitled to a lien against the Lot in an amount equal to one hundred ten percent (110%) of the cost to complete landscaping on such Lot and Limited Common Area, which sum may be collected as provided in Article VII hereof.

Section 10.6 **Motor Vehicles and Boats.** No boats, recreation vehicles or other motor vehicles, except four wheel passenger automobiles, shall be placed, parked or stored overnight upon any Lot or Road, nor shall any maintenance or repair be performed upon any boat or motor vehicle upon any Lot or Road, except within a building, or otherwise screened, so as to be substantially isolated from public view. Commercial vehicles shall not be parked within the Property within public view on a regular basis. Construction trailers may be parked only with the prior written consent of the Developer and in an area designated by the Developer or after turnover of the Association, by the Association.

Section 10.7 **Nuisances.** Nothing shall be done or maintained on any Lot which may be or become an annoyance or nuisance to any party. 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. If a dispute or question arises as to what may be or become a nuisance, the issue shall be submitted to the Association's Board of Directors, whose decision shall be dispositive of such dispute or question. No immoral, improper or unlawful use shall be made of any portion of the Property and all valid laws, zoning ordinances and regulations of governmental agencies having jurisdiction thereof shall be complied with.

Section 10.8 **Antenna**. The installation of all aerials, antennae or satellite dishes shall be subject to the approval of the ARB in accordance with architectural criteria imposed by the Developer or the Association from time to time and in accordance with all applicable rules and regulations of the Federal Communications Commission or other governmental authorities having jurisdiction.

Section 10.9 **Insurance and Casualty Damages**. Each Owner shall be required to obtain and maintain in force and effect a policy of fire and other casualty insurance with coverage adequate to cover the full replacement cost of the dwelling and other improvements located on the Owner's Lot. In the event of damage or destruction by fire or other casualty to the improvements on any Lot, the Owner shall commence reconstruction of the improvements within six (6) months from date of casualty and shall repair or rebuild such damaged or destroyed improvements in a good workmanlike manner, within a reasonable time not to exceed one year and in accordance with the provisions of this Declaration. The improvements shall be reconstructed in accordance with plans and specifications which shall be reviewed and approved by the ARB in the manner provided in Article VI hereof. All debris must be removed immediately and the Lot shall be restored to an orderly condition within a reasonable time not to exceed sixty (60) days from the date of such damage or destruction.

Section 10.10 **Trees**. No tree or shrub, the trunk of which exceeds six (6) inches in diameter one (1) foot above the ground, shall be cut down, destroyed or removed from a Lot without the prior express written request by an International Society of Arboriculture certified arborist to the Developer and the City of Jacksonville Beach or such other governmental entity having jurisdiction, or after turnover of the Association, by the Association, except for trees located within an approved building pad, and the area within five (5) feet of such building pad.

Section 10.11 **Artificial Vegetation**. No artificial grass, plants or other artificial vegetation shall be placed or maintained upon the exterior portion of any Lot, unless approved by the ARB.

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

Section 10.13 **Lighting**. Except as approved by the ARB in advance, no lighting shall be permitted which alters the residential character of the Subdivision.

Section 10.14 **Animals**. All animals shall be kept under control by each Owner at all times and leashed when outside the boundaries of the Owner's Lot. Animals shall be kept for the pleasure of Owners only and not for any commercial or breeding use or purposes. If, in the discretion of the Board, any animal shall become dangerous or an annoyance or nuisance to other Owners, or destructive of wildlife or property, such animal may not thereafter be kept on a Lot. Further, in the event any group of animals shall collectively become dangerous or an annoyance or nuisance to other Owners, or destructive to wildlife or property, the Board shall have the right to require the applicable Owner to reduce the number of animals kept on the Lot, or to take such other remedial action as the Board shall specify.

Section 10.15 **Maintenance of Lots and Limited Common Areas**. After construction of improvements on a Lot has commenced, no weeds, underbrush or other unsightly vegetation shall be permitted to grow or remain upon any Lot or Limited Common Area. No refuse pile or unsightly objects shall be allowed to be placed or suffered to remain anywhere within the Property. All Lots and any improvements placed thereon, shall at all times be maintained in a neat and attractive condition and landscaping shall be maintained in a neat, attractive and orderly manner, including regular maintenance of grass, plants, plant beds, trees, turf and proper irrigation, all in a manner with such frequency as is consistent with good property management. Without limiting the generality of the foregoing, Each Owner shall be obligated to maintain all swales and drainage ways located within such Owner's Lot in accordance with the requirements of the Surface Water Permit. In order to implement effective control, the Association, its agents and assigns, shall have the right to enter upon any Lot for the purpose of mowing, pruning, regrading swales and removing, clearing, or cutting underbrush, weeds or other unsightly growth and trash which in the opinion of the Board distracts from the overall beauty and safety of the property in accordance with the provisions of Article VIII hereof. During construction upon any Lot, any and all vehicles involved in the construction or delivery of materials and supplies to the site shall enter and exit the site only over the driveway or driveway subsurface and shall not park on any roadway or any Property other than the Lot on which construction is proceeding. During construction of the dwelling or other improvements, the Owner will be required to maintain his Lot in a clean condition, providing for trash and rubbish receptacles and disposal. Construction debris shall not be permitted to remain upon any Lot.

Section 10.16 **Fences**. Except as approved by the Developer as part of Initial Construction, or as subsequently approved by the ARB, no fence, wall or other barrier shall be constructed upon any Lot or any other portion of the Property. However, should the Developer not construct a fence around the Property, then a Lot Owner may apply to the ARB for permission to construct a fence on his or her Lot. If a Lot Owner receives such permission and constructs a fence on his or her Lot, the Lot Owner shall be required to construct and maintain the fence in accordance with any applicable rules, regulations or requirements of the Association or the ARB, the regulatory authorities contemplated herein include but are not limited to the SJRWMD, Army Corps of Engineers City of Jacksonville Beach and the Florida Department of Environmental Protection. The Lot Owner shall pay all costs of construction and maintenance associated with such fence.

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

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

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

Section 10.20 **Platting and Additional Restrictions**. The Developer shall be entitled at any time, and from time to time, to plat or re-plat all or any part of the Property owned by it, and to file any covenants and restrictions, or amendments to this Declaration, collectively referred to as "Subsequent Changes" with respect to any undeveloped portion or portions of the Property owned by the Developer. Any such Subsequent Changes shall be reasonable, shall not be arbitrary, capricious, made in bad faith, shall not destroy the general plan of development or be crafted so as to prejudice the rights of any existing non-developer Lot Owners at the time of such Subsequent Changes.

Section 10.21 **Above Ground Swimming Pools, Hot Tubs, Spas, Saunas and Associated Decking**. No above ground swimming pools shall be permitted within the Subdivision. Above ground hot tubs, spas or saunas may be constructed on any Lot, provided that the same are located directly behind the principal residence structure, do not extend past the side walls of the principal residence structure and are located no closer than twenty (20) feet to the rear Lot line. The construction of all swimming pools, hot tubs, spas, saunas and similar structures shall be subject to the prior approval of the Developer or Association, as applicable, pursuant to Article VI hereof.

Section 10.22 **Jurisdictional Areas and Permits**. THE PROPERTY HAS BEEN OR WILL BE DEVELOPED IN ACCORDANCE WITH REQUIREMENTS OF PERMIT NUMBER 42-031-113550-9 ISSUED BY THE SJRWMD (THE "PERMIT"). THE PERMIT IS OR WILL BE OWNED BY THE ASSOCIATION AND THE ASSOCIATION HAS THE OBLIGATION TO ASSURE THAT ALL TERMS AND CONDITIONS THEREOF ARE ENFORCED. THE ASSOCIATION SHALL HAVE THE RIGHT TO BRING AN ACTION, AT LAW OR IN EQUITY, AGAINST ANY OWNER VIOLATING ANY PROVISION OF THE PERMIT.

FURTHER, ANY OWNER OWNING A LOT WHICH CONTAINS OR IS ADJACENT TO JURISDICTIONAL WETLANDS OR CONSERVATION AREAS AS ESTABLISHED BY THE ACOE OR SJRWMD OR BY ANY APPLICABLE CONSERVATION EASEMENT SHALL BY ACCEPTANCE OF TITLE TO THE LOT, BE DEEMED TO HAVE ASSUMED THE OBLIGATION TO COMPLY WITH THE REQUIREMENTS OF THE PERMIT AS THE SAME RELATE TO SUCH OWNER'S LOT AND SHALL AGREE TO MAINTAIN SUCH JURISDICTIONAL WETLANDS AND CONSERVATION AREAS IN THE CONDITION REQUIRED UNDER THE PERMITS. IN THE EVENT THAT AN OWNER VIOLATES THE TERMS AND CONDITIONS OF THE PERMITS AND FOR ANY REASON THE DEVELOPER OR THE ASSOCIATION IS CITED THEREFORE, THE OWNER AGREES TO INDEMNIFY AND HOLD THE DEVELOPER AND THE ASSOCIATION HARMLESS FROM ALL COSTS ARISING IN CONNECTION THEREWITH, INCLUDING WITHOUT

LIMITATION ALL COST AND ATTORNEYS' FEES, AS WELL AS ALL COSTS OF CURING SUCH VIOLATION.

NO PERSON SHALL ALTER THE DRAINAGE FLOW OF THE SURFACE WATER OR STORMWATER MANAGEMENT SYSTEM OR ANY PORTION OF ANY JURISDICTIONAL WETLANDS OR CONSERVATION AREAS, INCLUDING WITHOUT LIMITATION, ANY BUFFER AREAS OR SWALES, WITHOUT THE PRIOR WRITTEN APPROVAL OF THE SJRWMD AND THE ACOE.

Section 10.23 **Private docks.** Should the Developer or Association elect not to construct a dock as an amenity for use by all Lot owners, then each Lot Owner shall be entitled to construct a dock and/or a boat lift on or adjacent to his property so long as all applicable regulatory authorities consent, the regulatory authorities contemplated herein include but are not limited to the SJRWMD, Army Corps of Engineers City of Jacksonville Beach and the Florida Department of Environmental Protection. Each Owner shall be required to maintain the dock and its facilities and shall be required to pay for all costs of construction and maintenance associated with the dock.

Section 10.24 Swale Maintenance. The Developer has constructed a Drainage Swale upon Lots 6 - 10 for the purpose of managing and containing the flow of excess surface water, if any, found upon such lot from time to time. Each lot owner, including builders, shall be responsible for the maintenance, operation and repair of the swales on the lot. Maintenance, operation and repair shall mean the exercise of practices, such as mowing and erosion repair, which allow the swales to provide drainage, water storage, conveyance or other stormwater management capabilities as permitted by the St. Johns River Water Management District. Filling, excavation, construction of fences or otherwise obstructing the surface water flow in the swales is prohibited. No alteration of the Drainage Swale shall be authorized and any damage to any Drainage Swale, whether caused by natural or human-induced phenomena, shall be repaired and the Drainage Swale returned to its former condition as soon as possible by the Owner(s) of the Lot(s) upon which the Drainage swale is located.

Section 10.25 Vegetative Natural Buffer. There shall be set aside a permanent vegetative buffer ("Buffer") variable width, over that portion of the property shown on the plat as "upland buffer, conservation - protected area". This buffer extends across lots 1 through 6. The Buffer is part of the surface water management system permitted by the St. Johns River Water Management District. The purpose of this Buffer is to detain and treat stormwater prior to drainage offsite; therefore, the area must be maintained with a dense vegetative cover. Filling and placement of impervious surface (other than fenceposts) are prohibited within the Buffer.

ARTICLE XI

RIGHTS AND EASEMENTS RESERVED BY DEVELOPER

Section 11.1 **Easements for Ingress, Egress, Utilities and Drainage.** The Developer reserves for itself, its successors, assigns and designees, a right-of-way and perpetual, nonexclusive easement for ingress and egress and to erect, maintain and use utilities, electric, telephone and street lighting poles, wires, cables, conduits, storm sewers, sanitary sewers, water

mains, gas, sewer, water lines, drainage ways and structures, cable television and radio equipment or other public conveniences or utilities, on, in, under and over, (i) any portion of the Common Area; (ii) any area designated as an easement or right-of-way area on any plat of all or any portion of the Property; and (iii) a strip of land within each Lot five feet in width along the front, rear and sides of each Lot.

Section 11.2 **Drainage Flow.** Drainage flow shall not be obstructed or diverted from drainage easements. The Developer or the Association may, but shall not be required to, cut drainways for surface water wherever and whenever such action may appear to be necessary to maintain reasonable aesthetic standards relative to the Property and surrounding properties. These easements include the right to cut any trees, bushes or shrubbery, make any grading of the land, or to take any other reasonable action necessary to install utilities and to maintain reasonable aesthetic standards, but shall not include the right to disturb any permanent improvements erected upon a Lot which are not located within the specific easement area designated on the plat or reserved in this Declaration. Except as provided herein, existing drainage shall not be altered so as to divert the flow of water onto an adjacent Lot or into sanitary sewer lines.

Section 11.3 **Future Easements.** Developer reserves the right to impose further restrictions and to grant or dedicate additional easements and rights of way on any Lots within the Property owned by Developer. In addition, Developer hereby expressly reserves the right to grant easements and rights-of-way over, under and through the Common Area so long as Developer shall own any portion of the Property. The easements granted by Developer shall not materially or adversely affect any improvements or unreasonably interfere with the enjoyment of the Common Area.

Section 11.4 **Cable Television or Radio.** Developer reserves for itself, and its successors and assigns, an exclusive, perpetual easement for the installation, maintenance and supply of radio, television and internet transmission cables within the rights of way and easement areas depicted upon any plat of any portion of the Property or within any easement reserved by this Declaration.

Section 11.5 **Easements for Maintenance Purposes.** The Developer reserves for itself, the Association, and their respective agents, employees, successors or assigns, easements, in, on, over and upon each Lot and the Common Area as may be reasonably necessary for the purpose of preserving, maintaining or improving roadways, landscaped areas, wetland areas, lakes, ponds, hammocks, wildlife preserves or other areas, the maintenance of which may be required to be performed by the Developer or the Association.

Section 11.6 **Developer Rights Re: Temporary Structures, Etc.** Developer reserves the right for itself, its successors, assigns, nominees and grantees, to erect and maintain such temporary dwellings, model houses and/or other structures or signage upon Lots owned by the Developer, which it may deem advisable for development purposes and to do all acts reasonably necessary in connection with the construction and sale of improvements located on the Lots within the Subdivision. Nothing contained in this Declaration shall be construed to restrict the foregoing rights of Developer.

ARTICLE XII

GENERAL PROVISIONS

Section 12.1 Remedies for Violations.

12.1.1 If any Owner or other person shall violate or attempt to violate any of the covenants or restrictions herein set forth, it shall be lawful for the Association, the Developer, or any Owner (i) to prosecute proceedings at law for the recovery of damages against those so violating or attempting to violate any such covenant; or (ii) to maintain any proceeding against those so violating or attempting to violate any such covenant for the purpose of preventing or enjoining all or any such violations, including mandatory injunctions requiring compliance with the provisions of this Declaration. The SJRWMD shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in this Declaration which relate to the maintenance, operation and repair of the Surface Water or Stormwater Management System and/or jurisdictional wetlands or conservation areas subject to the control of the SJRWMD, and it shall be the Association's responsibility to assist the SJRWMD in any such enforcement proceedings. In the event litigation shall be brought by any party to enforce any provisions of this Declaration, the prevailing party in such proceedings shall be entitled to recover from the non-prevailing party or parties, reasonable attorneys fees for pre-trial preparation, trial, and appellate proceedings. The remedies in this section shall be construed as cumulative of all other remedies now or hereafter provided or made available elsewhere in this Declaration, or by law.

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

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

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

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

(d) The Rules Enforcement Committee, by majority vote, may impose a fine. The fine amount shall be no more than One Hundred Dollars (\$100.00) per day per violation and may exceed One Thousand Dollars (\$1,000.00).

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

(f) If the fine exceeds One thousand Dollars (\$1,000.00) then payment of such fines shall be secured by one or more liens encumbering the Lot or Lots owned by the offending Owner. Such fines and liens may be collected and enforced in the same manner as regular and special assessments are collected and enforced pursuant to Article VII hereof.

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

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

(i) The Rules Enforcement Committee shall be comprised of not less than three (3) members and no member of the Rules Enforcement Committee shall participate in the review of any infraction in which such member is alleged to have participated.

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

Section 12.3 **Additional Restrictions**. No Owner, without the prior written consent of the Developer, may impose any additional covenants or restrictions on any part of the Property, but the Developer may include in any contract or deed hereafter made and covering all or any part of the Property, any additional covenants or restrictions applicable to the Property so covered which are not inconsistent with and which do not lower standards established by this Declaration.

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

Section 12.5 **Termination or Amendment**. The covenants, restrictions, easements and other matters set forth herein shall run with the title to the Property and be binding upon each Owner, the Developer, the Association, and their respective successors and assigns for a period of fifty (50) years, and shall be automatically renewed for successive ten (10) year periods unless terminated as herein provided. The Owners holding two-thirds (2/3) or more of the total votes of the Association may alter, amend or terminate these covenants. Further, the Developer shall have the right to unilaterally amend this Declaration without the consent and joinder of any party in any manner which does not materially and adversely affect the value of any Lot and in accordance with Section 10.20. Any amendment to this Declaration which alters any provision

relating to the Surface Water or Stormwater Management System, beyond maintenance in its original condition, including the water management portion of the Common Areas, must have the prior written approval of the SJRWMD. This Declaration may not be terminated unless adequate provision for transferring perpetual maintenance responsibility for the Surface Water or Stormwater Management System obligation to the then Owners of the Lots is made, and said transfer obligation is permitted under the then existing requirements of the SJRWMD or its successors and the County or any other governmental body that may have authority over such transfer. In the event that the Association is dissolved, prior to such dissolution, all responsibility relating to the Surface Water or Stormwater Management System and the Permits must be assigned to and accepted by an entity approved by the SJRWMD. Any amendment to this Declaration shall be executed by the Association and Developer, if applicable, and shall be recorded in the current public records of Duval County, Florida. For so long as there is a Class B Membership and provided the the Federal Department of Housing and Urban Development ("HUD") and the Veteran's Administration ("VA") shall have insured or hold a mortgage within the Property, the following actions shall require approval of HUD and the VA: annexation of additional properties, dedication of any portion of the Common Area, and amendment of this Declaration.

Section 12.6 **Assignment of Permit Responsibilities and Indemnification.** In connection with the platting and development of the Property, the Developer assumed certain obligations in connection with the maintenance of the Surface Water or Stormwater Management System. The Developer hereby assigns to the Association, and the Association shall be solely responsible for, all of the Developer's obligations and responsibilities for maintenance of the Surface Water or Stormwater Management System pursuant to all applicable Permits and the plat of the Subdivision. Subsequent to the termination of the Class B Membership, the Association shall indemnify, defend and hold the Developer harmless from all suits, actions, damages, liability and expenses in connection with loss of life, bodily or personal injury or property damage, or any other damage arising from or out of an occurrence in, upon, at or resulting from the operation or maintenance of the Surface Water or Stormwater Management System, occasioned wholly or in part by any act or omission of the Association or its agents, contractors, employees, servants or licensees.

Section 12.7 **Conflict or Ambiguity in Documents.** To the extent of any conflict, ambiguity, or inconsistency between this Declaration, the Articles, or the Bylaws, the terms of this Declaration shall control both the Articles and Bylaws.

Section 12.8 **Usage.** Whenever used, the singular shall include the plural and the singular, and the use of any gender shall include all genders.

Section 12.9 **Effective Date.** This Declaration shall become effective upon its recordation in the public records of Duval County, Florida.

Section 12.10 **Disclaimers.** NEITHER THE DEVELOPER, THE ASSOCIATION, NOR ANY OF THEIR SUCCESSORS, ASSIGNS, OFFICERS, DIRECTORS, COMMITTEE MEMBERS, EMPLOYEES, MANAGEMENT AGENTS, CONTRACTORS OR SUB-CONTRACTORS (COLLECTIVELY, THE "LISTED PARTIES") SHALL BE LIABLE OR RESPONSIBLE FOR MAINTAINING OR ASSURING THE WATER QUALITY OR

LEVEL IN ANY CANAL, CREEK, STREAM OR OTHER WATER BODY ADJACENT TO OR WITHIN THE PROPERTY. FURTHER, ALL OWNERS AND USERS OF ANY PORTION OF THE PROPERTY LOCATED ADJACENT TO OR HAVING A VIEW OF ANY OF THE AFORESAID WATER BODIES SHALL BE DEEMED, BY VIRTUE OF THEIR ACCEPTANCE OF THE DEED TO OR USE OF, SUCH PROPERTY, TO HAVE AGREED TO HOLD HARMLESS THE LISTED PARTIES FOR ANY AND ALL CHANGES IN THE QUALITY AND LEVEL OF THE WATER IN SUCH BODIES.

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

IN WITNESS WHEREOF, the Developer has caused this instrument to be executed under seal this 8 day of May, 2014.

Signed, sealed and delivered
in the presence of:

Hopkins Creek Real Estate Holdings, LLC
a foreign limited liability company

By ATL Coastal Properties, LLC,
A foreign limited liability company, its
Manager

By Sunset Point Management, LLC, a
Florida limited liability company, its
Manager

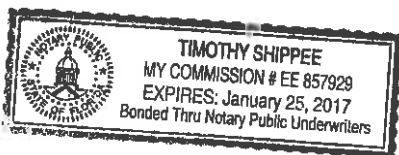
By: William G. Slagle
William G. Slagle, its Manager

RICHARD G. HATHAWAY
(Print Name)
Timothy Shippee
(Print Name)

Address:
4200 Marsh Landing Boulevard, Suite
100, Jacksonville Beach, FL 32250

STATE OF FLORIDA)
)SS
COUNTY OF DUVAL)

The foregoing instrument was acknowledged before me this 8th day of May, 2014, by William G. Slagle, as Manager of Sunset Point Management, LLC, a Florida limited liability company, the Manager of ATL Coastal Properties, LLC., a Foreign limited liability company, the Manager of Hopkins Creek Real Estate Holdings, LLC a foreign limited liability company.



Timothy Shippee
(Print Name Timothy Shippee)
NOTARY PUBLIC, State of Florida
Florida at Large
Commission #
My Commission Expires:
Personally Known
or Produced I.D.
[check one of the above]
Type of Identification Produced

EXHIBIT A

Legal Description of the Property

PRESERVE AT WATERWAY ISLAND

A PART OF THE CASTRO Y FERRER GRANT, SECTION 38, TOWNSHIP 2 SOUTH, RANGE 29 EAST, DUVAL COUNTY, FLORIDA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: FOR A POINT OF BEGINNING, COMMENCE AT THE NORTHWEST CORNER OF ROBERTS HAMMOCK AS RECORDED IN PLAT BOOK 53, PAGES 23 AND 23A OF THE CURRENT PUBLIC RECORDS OF SAID COUNTY; THENCE SOUTH $02^{\circ}52'45''$ EAST, ALONG THE WEST LINE OF SAID ROBERTS HAMMOCK, A DISTANCE OF 499.91 FEET TO THE NORTH LINE OF OCEAN FOREST UNIT No. 10 AS RECORDED IN PLAT BOOK 45, PAGES 71 AND 71A OF SAID PUBLIC RECORDS; THENCE, ALONG THE NORTH LINE OF SAID OCEAN FOREST UNIT No. 10 THE FOLLOWING THREE COURSES: No. 1 - SOUTH $88^{\circ}52'17''$ WEST, A DISTANCE OF 202.83 FEET; No. 2 - SOUTH $01^{\circ}05'18''$ EAST, A DISTANCE OF 19.27 FEET; No. 3 - SOUTH $75^{\circ}51'41''$ WEST, A DISTANCE OF 216 FEET, MORE OR LESS, TO THE WEST LINE OF SAID CASTRO Y FERRER GRANT, ALSO BEING THE EDGE OF THE PABLO CREEK MARSH ESTABLISHED BY FINAL JUDGEMENT CASE No. 2003-5484-CA, DATED JANUARY 18, 2005; THENCE NORTHWESTERLY, ALONG SAID EDGE OF MARSH, A DISTANCE OF 485 FEET, MORE OR LESS, TO A POINT THAT LIES SOUTH $64^{\circ}49'25''$ WEST FROM THE ANGLE POINT IN THE SOUTHEASTERLY LINE OF LOT 7, OF JARRETT POINT UNIT TWO AS RECORDED IN PLAT BOOK 64, PAGES 96 AND 97 OF SAID PUBLIC RECORDS; THENCE NORTH $64^{\circ}49'25''$ EAST, A DISTANCE OF 199 FEET, MORE OR LESS TO SAID ANGLE POINT IN THE SOUTHEASTERLY LINE OF LOT 7; THENCE NORTH $38^{\circ}35'54''$ EAST, ALONG THE SOUTHEASTERLY LINE OF SAID LOT 7, A DISTANCE OF 156.54 FEET TO THE SOUTH RIGHT OF WAY LINE OF SEAGATE AVENUE (A 66 FOOT RIGHT OF WAY PER DEED BOOK 777, PAGE 255 OF SAID PUBLIC RECORDS); THENCE NORTH $88^{\circ}53'45''$ EAST, ALONG SAID RIGHT OF WAY LINE, A DISTANCE OF 429.13 FEET TO THE POINT OF BEGINNING. CONTAINING 291,169 SQUARE FEET, OR 6.68 ACRES, MORE OR LESS.

EXHIBIT B

Articles of Incorporation

**ARTICLES OF INCORPORATION OF PRESERVE AT WATERWAY ISLAND
HOMEOWNERS ASSOCIATION, INC.**
(a corporation not for profit)

In compliance with the requirements of Chapter 617 Florida Statutes, the undersigned, being residents of the State of Florida who are of full age certify:

ARTICLE I.

Corporate Name

The name of the corporation is Preserve at Waterway Island Homeowners Association, Inc. referred to below as the "Association"

ARTICLE II.

Corporation Not For Profit

The Association is incorporated as a corporation not-for-profit under the provisions of the laws of the State of Florida.

ARTICLE III.

Principal Place of Business

The initial mailing address of the Association shall be 4200 Marsh Landing Boulevard, Suite 100, Jacksonville Beach, FL 32250. The principal office of the Association shall be located at the mailing address or at any other place as may be subsequently designated by the Board of Directors of the Association.

ARTICLE IV.

Registered Agent

The name and address of the initial registered agent is William G. Slagle, whose address is 4200 Marsh Landing Boulevard, Suite 100, Jacksonville Beach, FL 32250, and who is appointed the initial registered agent of the Association and who is authorized to accept service of process within this State.

ARTICLE V.

Purpose and Powers of the Association

- A. The Association is formed for the following purposes
1. To facilitate and or promote the concerns and interests of the Owners of Lots within the Preserve at Waterway Island subdivision.

FILED
13 SEP 16 AM 8:16
TALLAHASSEE
SECRETARY OF STATE

2. To own the Common Property of the Preserve at Waterway Island subdivision and to maintain, repair and replace the Common Property and all improvements on the Common Property.
3. To provide for enforcement of the Declaration of Easements, Covenants, Conditions and Restrictions for Preserve at Waterway Island. (herein referred to as the "Declaration") to implement the provisions of the Declaration and subsequent addenda, and from time to time amend the Declaration to further the purposes of the Association.
4. To operate without pecuniary gain or profit, direct or indirect, to itself or to its Members, Directors or Officers.
5. The Association shall operate, maintain and manage the surface water or stormwater management system(s) in a manner consistent with the St. Johns River Water Management District permit no. 42-031-113550-9 requirements and applicable District rules and shall assist in the enforcement of the Declaration of Covenants and Restrictions which relate to the surface water or stormwater management system.
6. The Association shall levy and collect adequate assessments against members of the Association for the costs of maintenance and operation of the surface water or stormwater management system.

B. The Association shall have the following powers:

(1) To exercise all of the common law and statutory powers of a corporation not for profit organized under the laws of the State of Florida that are not in conflict with the terms of the Declaration, these Articles and the Bylaws of the Association.

(2) To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration applicable to the property and recorded in the current public records of Duval County, Florida, and as may be amended from time to time, the Declaration being incorporated by reference as if set forth in its entirety.

(3) To fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection and all other expenses incident to the conduct of the business of the Association, including but not limited to all licenses, taxes or governmental charges levied or imposed against the property of the Association.

(4) To manage, operate, maintain, repair or replace all of the common facilities of Preserve at Waterway Island including but not limited to any entrance sign, storm water retention easements, and other facilities enjoyed in common by the owners of the individual lots located in Preserve at Waterway Island, as well as all other powers as set forth in the Declaration referenced here.

(5) To purchase insurance on the property of the Association and insurance for the protection of the Association and its Members.

(6) To reconstruct improvements after casualty and make further improvements on the property.

(7) To carry out and to enforce by legal means the provisions of the Declaration, and the Articles of Incorporation and Bylaws of the Association, and the rules and regulations adopted pursuant thereto.

(8) To employ personnel to perform the services required for proper operation of the Association.

(9) To acquire (by gift, purchase, or otherwise), own, hold, improve, build on, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association.

(10) To borrow money, and with the assent of a majority of each class of Members, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.

(11) The Association shall be governed by all applicable provisions of Chapter 720 Florida Statutes as amended from time to time.

ARTICLE VI.

Membership

Membership Generally: No person except an owner of a Lot or Lots, or the Developer as referenced in the Declaration, is entitled to membership in the Association. The duration of membership and the rights and obligations associated with membership shall be in accordance with the terms in the Declaration. All Lot Owners and Developer, regardless of whether Developer is also a Lot Owner, shall be either class A or class B Members of the Association, as provided in this article.

ARTICLE VII.

Voting Rights

Section 1 . Class A Voting: All class A Members shall be entitled to one vote for each Lot owned. If more than one person holds record title to a Lot, there shall be only one vote cast with respect to the Lot, exercised as the Owners determine among themselves.

Section 2. Class B Voting: The class B Members shall be entitled to six votes for each Lot owned. In addition, until such a time as the class B membership is converted to

class A membership, the class B membership shall have a right of veto on all questions coming before the membership for a vote.

ARTICLE VIII.

BOARD OF DIRECTORS

Section 1 . Number of Directors: The affairs of the Association shall be managed and governed by a Board of Directors consisting of three (3) Directors, who need not be members of the Association. The number of Directors may be changed by amendment of the By-Laws of the Association. The members of the Board of Directors shall be elected in accordance with the By-Laws of the Association. The names and addresses of the persons who are to act in the capacity of Directors until the selection of their successors are:

Name	Address
William Slagle	4200 Marsh Landing Boulevard, Suite 100, Jacksonville Beach, FL 32250
Tom Rodgers	4200 Marsh Landing Boulevard, Suite 100, Jacksonville Beach, FL 32250
John Joyce	4200 Marsh Landing Boulevard, Suite 100, Jacksonville Beach, FL 32250

Section 2. Attendance of Meetings: Action By Directors without a meeting: members of the Board of Directors may participate in a meeting of the Board by means of a conference telephone or similar means of communication whereby all persons participating in the meeting may hear one another. Participation by these means shall be considered the equivalent of being present, in person, at the meeting. Action by the Board may be taken without a meeting if consent in writing, setting forth the action to be taken, is signed by all of the Directors and filed in the minutes of the proceedings of the Board. The consent shall have the same effect as a unanimous vote.

ARTICLE IX.

Officers

The affairs of the Association shall be administered by a President, a Vice President, a Secretary, a Treasurer and any other Officers as may be designated from time to time by the Directors. The Officers shall be elected or designated by the Board of Directors at its initial meeting and at the first meeting following the annual meeting of the Members of the Association.

ARTICLE X.

Indemnification

Every Director and every Officer of the Association, and every Member of the Association serving the Association at its request, shall be indemnified by the Association against all expenses and liabilities, including attorneys fees, reasonably incurred by or imposed on the person in connection with any proceeding or any settlement of any proceeding to which he or she may be a party or in which he or she may become involved by reason of his or her being or having been a Director or Officer of the Association, or by reason of him or her having served the Association at its request, whether or not he or she is a Director or Officer or Member serving the Association at the time the expenses or liabilities are incurred, except when the Director, Officer or Member serving the Association is adjudged guilty of willful misfeasance or malfeasance in the performance of his or her duties; provided that in the event of a settlement before entry of judgment, the indemnification shall apply only when the Board of Directors approve the settlement and reimbursement as being in the best interest of the Association. This right of indemnification shall be in addition to and not exclusive of all other rights to which the Director, Officer or Member serving the Association may be entitled.

ARTICLE XI.

Dissolution

Section 1. The Association may be dissolved on written consent signed by Members holding not less than 75% of the total number of votes of each class of Members. On dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that the dedication is refused acceptance, the assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or organization to be devoted to any similar purposes.

Section 2. In the event of termination, dissolution or final liquidation of the Association, the responsibility for the operation and maintenance of the surface water or stormwater management system must be transferred to and accepted by an entity which would comply with Section 40C-42.027, F. A. C., and be approved by the St. Johns River Water Management District prior to such termination, dissolution or liquidation.

ARTICLE XII.

Term

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

ARTICLE XIII.

Amendments

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

Section 1 . Notice: Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered.

Section 2. Vote: A resolution for the adoption of an amendment may be proposed by either the Board of Directors or by the Members of the Association. Directors and Members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing that the approval is delivered to the Secretary at or prior to the meeting. Except as elsewhere provided, the resolutions must be adopted by not less than 75% of the votes of the entire membership of the Association.

Section 3. Limit on amendments: No amendment shall make any changes in the qualifications for membership, or in the voting rights of Members, without approval in writing by all Members.

Section 4. Certification: A copy of each amendment shall be certified by the Secretary of State.

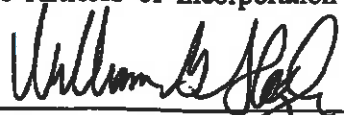
ARTICLE XIV.

Incorporator and Registered Agent

The name and address of the incorporator of these Articles of Incorporation is as follows:

Name	Address
William G. Slagle	4200 Marsh Landing Boulevard, Suite 100, Jacksonville Beach, FL 32250

In witness of the above, for the purpose of forming this corporation under the laws of the State of Florida, I have executed these Articles of Incorporation on the 13th day of September, 2013.


William G. Slagle, Incorporator

STATE OF FLORIDA

COUNTY OF Duval

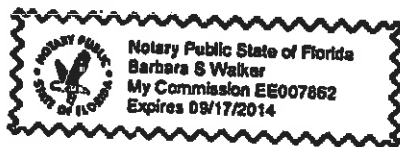
FILED

13 SEP 16 AM 8:16

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

BEFORE ME, the undersigned authority, personally appeared William G. Slagle, personally known to me or who produced _____ as identification and who executed the foregoing Articles of Incorporation and acknowledged to me that he executed said Articles freely and voluntarily and for the purposes expressed therein.

WITNESS my hand and seal this 13th day of September, 2013.



Barbara S. Walker
NOTARY PUBLIC
BARBARA S. WALKER

Having been named to accept service of process for the above stated corporation, at the place designated in this certificate, I hereby agree to accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relating to the property in complete performance of my duties, and I am familiar with and accept the obligations of my position as registered agent.

Dated this 13th day of September, 2013.

William G. Slagle
William G. Slagle

STATE OF FLORIDA

COUNTY OF Duval

BEFORE ME, the undersigned authority, personally appeared William G. Slagle, personally known to me or who produced _____ as identification and who executed the foregoing Articles of Incorporation and acknowledged to me that he executed said Articles freely and voluntarily and for the purposes expressed therein.

WITNESS my hand and seal this 13th day of September, 2013.



Barbara S. Walker
NOTARY PUBLIC
BARBARA S. WALKER

EXHIBIT A

Legal Description

Parcel 1:

A part of the Castro Y. Ferrer Grant Section 38, Township 2 South, Range 29 East, Duval County, Florida, more particularly described as follows: For a Point of Beginning, commence at the Northwest corner of Roberts Hammock, as recorded in Plat Book 53 pages 23 and 23A of the public records of said County; thence South 02 degrees 52 minutes 45 seconds East, along the West line of said Roberts Hammock, a distance of 499.91 feet to the Southwest corner of Lot 10 of said Roberts Hammock; thence South 88 degrees 52 minutes 17 seconds West, along the North line of Ocean Forest Unit No. 10 as recorded in Plat Book 45 pages 71 and 71A of the aforementioned public records, a distance of 216.71 feet to the Southwest corner of the lands described in Official Records Book 3816 page 610 of the aforesaid public records; thence North 01 degrees 06 seconds 15 seconds West, along the West line of said lands and along the West line of the lands described in Official Records Book 3849 page 689, a distance of 499.76 feet to the Southerly right of way line of Seagate Avenue, as established by Deed Book 777 page 255 through 260; thence North 88 degrees 53 minutes 45 seconds East along the Southerly right of way line of said Seagate Avenue, a distance of 201.23 feet to the Point of Beginning. Being all of the lands described in Official Records Book 3849, Page 689; Official Records Book 2722, Page 779 and Official Records Book 3816, Page 610.

Parcel 2A:

A part of the Castro Y Ferrer Grant, Section 38, Township 2 South, Range 29 East, Duval County, Florida, more particularly described as follows: For a Point of Reference commence at the Intersection of the Northerly right of way line of Seagate Avenue as recorded in Deed Book 777, pages 255 to 260 of the current public records of Duval County, Florida with the Westerly right of way line of Kings Road (County Road No. 710) as shown on plat of Seagate Forest as recorded in Plat Book 27, pages 82 and 82A of said Public Records; thence run South 88 degrees 53 minutes 45 seconds West along said Northerly right of way line of Seagate Avenue a distance of 698.10 feet; thence run South 01 degrees 06 minutes 15 seconds East perpendicular to said Northerly right of way line of Seagate Avenue, a distance of 343.52 feet to the Point of Beginning. Thence continue South 01 degrees 06 minutes 15 seconds East, along the Westerly boundary line of the lands intended to have been conveyed by Official Records Volume 2722, page 779 of said public records, a distance of 222.48 feet to the Westerly projection of the Northerly boundary line of Ocean Forest Unit Three, as recorded in Plat Book 29, pages 33, 33A and 33B of said public records; thence run South 88 degrees 53 minutes 45 seconds West along said Westerly projection of the Northerly boundary line of Ocean Forest Unit Three, a distance of 250 feet more or less to the approximate original edge of the Pablo Creek Marsh; thence run Northwesterly along said edge of the Pablo Creek Marsh, a distance of 280 feet more or less to a point that lies South 88 degrees 53 minutes 45 seconds West and 430 feet more or less from the Point of Beginning; thence run North 88 degrees 53 minutes 45 seconds East, a distance of 430 feet more or less to the Point of Beginning.

LESS AND EXCEPT:

A part of the Castro Y Ferrer Grant, Section 38, Township 2 South, Range 29 East, Jacksonville Beach, Duval County, Florida more particularly described as follows: For a Point of Reference commence at the Point of Intersection of the Northerly right of way line of Seagate Avenue, a 66 foot right of way as established by Deed Book 777, pages 255-260 of the current public records of said county, with the Southwesterly right of way line of Kings Road, County Road No. 710, a 66 foot right of way; thence run South 88 degrees 53 minutes 45 seconds West, along said Northerly right of way line of Seagate Avenue, a distance of 703.10 feet; thence run South 01 degrees 06 minutes 15 seconds East, a distance of 343.52 feet to the Point of Beginning; thence run North 88 degrees 53 minutes 45 seconds East a distance of 5.00 feet; thence run South 01 degrees 06

minutes 15 seconds East, a distance of 222.48 feet; thence run South 88 degrees 53 minutes 45 seconds West a distance of 5.00 feet; thence run North 01 degrees 06 minutes 15 seconds West a distance of 222.48 feet to the Point of Beginning.

Parcel 2B:

A part of the Castro Y Ferrer Grant, Section 38, Township 2 South, Range 29 East, Jacksonville Beach, Duval County, Florida more particularly described as follows: For a Point of Reference commence at the Point of Intersection of the Northerly right of way line of Seagate Avenue, a 66 foot right of way as established by Deed Book 777, pages 255-260 of the current public records of said county, with the Southwesterly right of way line of Kings Road, a 66 foot right of way; thence run South 88 degrees 53 minutes 45 seconds West, along said Northerly right of way line of Seagate Avenue, a distance of 703.10 feet; thence run South 01 degrees 06 minutes 15 seconds East, a distance of 66.00 feet to a point in the Southerly right of way line of said Seagate Avenue and the Point of Beginning; thence continue South 01 degrees 06 minutes 15 seconds East a distance of 277.52 feet; thence run South 88 degrees 53 minutes 45 seconds West a distance of 267.00 feet; thence run North 22 degrees 17 minutes 36 seconds West a distance of 168.50 feet; thence run North 01 degrees 06 minutes 15 seconds West a distance of 120.44 feet; thence run North 88 degrees 53 minutes 45 seconds East, along the aforesaid Southerly right of way line of Seagate Avenue, a distance of 327.89 feet to the Point of Beginning.

LESS AND EXCEPT any portion of the lands being more particularly described in Official Records Book 12638, Page 1390, Official Records Book 12638, Page 1411, Official Records Book 12638, Page 1414 and Official Records Book 12647, Page 1063.

Parcel 2C:

A part of the Castro Y Ferrer Grant, Section 38, Township 2 South, Range 29 East, Duval County, Florida, more particularly described as follows: For a Point of Reference commence at the Intersection of the Northerly right of way line of Seagate Avenue as recorded in Deed Book 777, pages 255 to 260 of the current public records of Duval County, Florida with the Westerly right of way line of Kings Road (County Road No. 710) as shown on plat of Seagate Forest as recorded in Plat Book 27, pages 82 and 82A of said public records; thence run South 88 degrees 53 minutes 45 seconds West along said Northerly right of way line of Seagate Avenue, a distance of 698.10 feet; thence run South 01 degrees 06 minutes 15 seconds East perpendicular to said Northerly right of way line of Seagate Avenue, a distance of 343.52 feet to a point; thence continue South 01 degrees 06 minutes 15 seconds East along the Westerly Boundary line of the lands intended to have been conveyed by Official Records Volume 2722, page 779 of said public records, a distance of 222.48 feet to the Westerly projection of the Northerly Boundary line of Ocean Forest Unit Three, as recorded in Plat Book 29, pages 33, 33A and 33B of said public records for the Point of Beginning; thence continue South 01 degrees 06 minutes 15 seconds East, a distance of 9.00 feet; thence run South 75 degrees 50 minutes 44 seconds West, a distance of 95.00 feet; thence run North 01 degrees 06 minutes 15 seconds West, a distance of 10.45 feet to a point that lies 20.00 feet South of, as measured at right angles to the said Westerly projection of the Northerly Boundary line of Ocean Forest Unit Three; thence run South 88 degrees 53 minutes 45 seconds West along a line 20.00 feet South of, as measured at right angles to the said Westerly projection of the Northerly Boundary line of Ocean Forest Unit Three, a distance of 147 feet more or less to the approximate original edge of the Pablo Creek Marsh; thence run Northwesterly along said edge of the Pablo Creek Marsh, a distance of 22 feet more or less to the said Westerly projection of the Northerly Boundary line of Ocean Forest Unit Three; thence run North 88 degrees 53 minutes 45 seconds East along said Westerly projection, a distance of 250 feet more or less to the Point of Beginning.

EXHIBIT A

Legal Description

Parcel 1:

A part of the Castro Y. Ferrer Grant Section 38, Township 2 South, Range 29 East, Duval County, Florida, more particularly described as follows: For a Point of Beginning, commence at the Northwest corner of Roberts Hammock, as recorded in Plat Book 53 pages 23 and 23A of the public records of said County; thence South 02 degrees 52 minutes 45 seconds East, along the West line of said Roberts Hammock, a distance of 499.91 feet to the Southwest corner of Lot 10 of said Roberts Hammock; thence South 88 degrees 52 minutes 17 seconds West, along the North line of Ocean Forest Unit No. 10 as recorded in Plat Book 45 pages 71 and 71A of the aforementioned public records, a distance of 216.71 feet to the Southwest corner of the lands described in Official Records Book 3816 page 610 of the aforesaid public records; thence North 01 degrees 06 seconds 15 seconds West, along the West line of said lands and along the West line of the lands described in Official Records Book 3849 page 689, a distance of 499.76 feet to the Southerly right of way line of Seagate Avenue, as established by Deed Book 777 page 255 through 260; thence North 88 degrees 53 minutes 45 seconds East along the Southerly right of way line of said Seagate Avenue, a distance of 201.23 feet to the Point of Beginning. Being all of the lands described in Official Records Book 3849, Page 689; Official Records Book 2722, Page 779 and Official Records Book 3816, Page 610.

Parcel 2A:

A part of the Castro Y Ferrer Grant, Section 38, Township 2 South, Range 29 East, Duval County, Florida, more particularly described as follows: For a Point of Reference commence at the intersection of the Northerly right of way line of Seagate Avenue as recorded in Deed Book 777, pages 255 to 260 of the current public records of Duval County, Florida with the Westerly right of way line of Kings Road (County Road No. 710) as shown on plat of Seagate Forest as recorded in Plat Book 27, pages 82 and 82A of said Public Records; thence run South 88 degrees 53 minutes 45 seconds West along said Northerly right of way line of Seagate Avenue a distance of 698.10 feet; thence run South 01 degrees 06 minutes 15 seconds East perpendicular to said Northerly right of way line of Seagate Avenue, a distance of 343.52 feet to the Point of Beginning. Thence continue South 01 degrees 06 minutes 15 seconds East, along the Westerly boundary line of the lands intended to have been conveyed by Official Records Volume 2722, page 779 of said public records, a distance of 222.48 feet to the Westerly projection of the Northerly boundary line of Ocean Forest Unit Three, as recorded in Plat Book 29, pages 33, 33A and 33B of said public records; thence run South 88 degrees 53 minutes 45 seconds West along said Westerly projection of the Northerly boundary line of Ocean Forest Unit Three, a distance of 250 feet more or less to the approximate original edge of the Pablo Creek Marsh; thence run Northwesterly along said edge of the Pablo Creek Marsh, a distance of 280 feet more or less to a point that lies South 88 degrees 53 minutes 45 seconds West and 430 feet more or less from the Point of Beginning; thence run North 88 degrees 53 minutes 45 seconds East, a distance of 430 feet more or less to the Point of Beginning.

LESS AND EXCEPT:

A part of the Castro Y Ferrer Grant, Section 38, Township 2 South, Range 29 East, Jacksonville Beach, Duval County, Florida more particularly described as follows: For a Point of Reference commence at the Point of Intersection of the Northerly right of way line of Seagate Avenue, a 66 foot right of way as established by Deed Book 777, pages 255-260 of the current public records of said county, with the Southwesterly right of way line of Kings Road, County Road No. 710, a 66 foot right of way; thence run South 88 degrees 53 minutes 45 seconds West, along said Northerly right of way line of Seagate Avenue, a distance of 703.10 feet; thence run South 01 degrees 06 minutes 15 seconds East, a distance of 343.52 feet to the Point of Beginning; thence run North 88 degrees 53 minutes 45 seconds East a distance of 5.00 feet; thence run South 01 degrees 06

minutes 15 seconds East, a distance of 222.48 feet; thence run South 88 degrees 53 minutes 45 seconds West a distance of 5.00 feet; thence run North 01 degrees 06 minutes 15 seconds West a distance of 222.48 feet to the Point of Beginning.

Parcel 2B:

A part of the Castro Y Ferrer Grant, Section 38, Township 2 South, Range 29 East, Jacksonville Beach, Duval County, Florida more particularly described as follows: For a Point of Reference commence at the Point of Intersection of the Northerly right of way line of Seagate Avenue, a 66 foot right of way as established by Deed Book 777, pages 255-260 of the current public records of said county, with the Southwesterly right of way line of Kings Road, a 66 foot right of way; thence run South 88 degrees 53 minutes 45 seconds West, along said Northerly right of way line of Seagate Avenue, a distance of 703.10 feet; thence run South 01 degrees 06 minutes 15 seconds East, a distance of 66.00 feet to a point in the Southerly right of way line of said Seagate Avenue and the Point of Beginning; thence continue South 01 degrees 06 minutes 15 seconds East a distance of 277.52 feet; thence run South 88 degrees 53 minutes 45 seconds West a distance of 267.00 feet; thence run North 22 degrees 17 minutes 36 seconds West a distance of 168.50 feet; thence run North 01 degrees 06 minutes 15 seconds West a distance of 120.44 feet; thence run North 88 degrees 53 minutes 45 seconds East, along the aforesaid Southerly right of way line of Seagate Avenue, a distance of 327.89 feet to the Point of Beginning.

LESS AND EXCEPT any portion of the lands being more particularly described in Official Records Book 12638, Page 1390, Official Records Book 12638, Page 1411, Official Records Book 12638, Page 1414 and Official Records Book 12647, Page 1063.

Parcel 2C:

A part of the Castro Y Ferrer Grant, Section 38, Township 2 South, Range 29 East, Duval County, Florida, more particularly described as follows: For a Point of Reference commence at the Intersection of the Northerly right of way line of Seagate Avenue as recorded in Deed Book 777, pages 255 to 260 of the current public records of Duval County, Florida with the Westerly right of way line of Kings Road (County Road No. 710) as shown on plat of Seagate Forest as recorded in Plat Book 27, pages 82 and 82A of said public records; thence run South 88 degrees 53 minutes 45 seconds West along said Northerly right of way line of Seagate Avenue, a distance of 698.10 feet; thence run South 01 degrees 06 minutes 15 seconds East perpendicular to said Northerly right of way line of Seagate Avenue, a distance of 343.52 feet to a point; thence continue South 01 degrees 06 minutes 15 seconds East along the Westerly Boundary line of the lands intended to have been conveyed by Official Records Volume 2722, page 779 of said public records, a distance of 222.48 feet to the Westerly projection of the Northerly Boundary line of Ocean Forest Unit Three, as recorded in Plat Book 29, pages 33, 33A and 33B of said public records for the Point of Beginning; thence continue South 01 degrees 06 minutes 15 seconds East, a distance of 9.00 feet; thence run South 75 degrees 50 minutes 44 seconds West, a distance of 95.00 feet; thence run North 01 degrees 06 minutes 15 seconds West, a distance of 10.45 feet to a point that lies 20.00 feet South of, as measured at right angles to the said Westerly projection of the Northerly Boundary line of Ocean Forest Unit Three; thence run South 88 degrees 53 minutes 45 seconds West along a line 20.00 feet South of, as measured at right angles to the said Westerly projection of the Northerly Boundary line of Ocean Forest Unit Three, a distance of 147 feet more or less to the approximate original edge of the Pablo Creek Marsh; thence run Northwesterly along said edge of the Pablo Creek Marsh, a distance of 22 feet more or less to the said Westerly projection of the Northerly Boundary line of Ocean Forest Unit Three; thence run North 88 degrees 53 minutes 45 seconds East along said Westerly projection, a distance of 250 feet more or less to the Point of Beginning.

EXHIBIT C

Bylaws

BYLAWS
OF
PRESERVE AT WATERWAY ISLAND HOMEOWNERS ASSOCIATION, INC.

I. DEFINITIONS.

All defined terms contained herein which are defined in the Declaration of Easements, Covenants, Conditions and Restrictions for Preserve at Waterway Island ("Declaration") to be recorded in the current public records of 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 Preserve at Waterway Island Homeowners Association, Inc. ("Association") shall be located at 4200 Marsh Landing Boulevard, Suite 100, Jacksonville Beach, FL 32250, 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. There shall be three (3) members of the Board of Directors initially. 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 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 Nominating Committee described below at Article IX, or upon petition in accordance with Section C of this Article V. The Nominating Committee shall have discretion to make as many nominations as it shall determine.

B. For so long as the Developer has the right to appoint Board Members, 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. Petitions signed by Members representing one-third (1/3) of the total votes of the Class A Members, for nominees shall also be accepted if, received by the Secretary of the Association not less than thirty (30) days prior to the date fixed for the annual meeting of the Members. 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.

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.

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 Property 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, if there is more than one Director and three (3) days 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 statute says "in the community" if you want to change this it should be changed to match the statute exactly) 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 and 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 disbursements 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.

K. Any Director, Officer, employee, management agent, person or entity who has control over or disburses funds which are the property of the Association shall be covered by a fidelity bond or insurance in an amount sufficient to cover the maximum amount of funds which shall be in the custody of the Association or its management agent at any one time. The Association shall bear the cost of any insurance or bond. This requirement for fidelity bonding may be waived annually by a majority the voting interests of the Association present at a properly called meeting of the Members.

IX. COMMITTEES.

A. The standing committees of the Association shall be the Nominating Committee and the Architectural Review Board. The Nominating Committee and Architectural Review Board shall have the duties authorized and the functions 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 Members either personally or by sending a copy of the notice through the mail, postage fully prepaid, to his 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: PRESERVE AT WATERWAY ISLAND HOMEOWNERS ASSOCIATION, INC., not for profit, 2013.

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 current public records of Duval County, Florida.

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
Preserve at Waterway Island Home Owners
Association, Inc., a Florida corporation not-
for-profit effective the 6th day of
MAY, 2014.

CONSENT AND JOINDER OF MORTGAGEE

Gaffney Lending, LLC as the owner and holder of that certain mortgage recorded in Official Records Volume 16542, at page 1916, of the current public records of Duval County, Florida (the "Mortgage"), hereby consents to and joins in the Declaration of Covenants and Restrictions for The Preserve at Waterway Island to which this Consent and Joinder is attached, and further agrees that the Mortgage shall hereafter be subject and subordinate to the terms set forth in said Declaration.

(Print Name)

(Print Name)

GAFFNEY LENDING, LLC

By: Thomas F. Gaffney
(Print Name)

Title: AGENT FOR
TF6 Management, dnc

STATE OF FLORIDA }
 }SS
COUNTY OF _____ }

The foregoing instrument was acknowledged before me this _____ day _____ of _____, 2014, by _____, the _____ of _____, a _____, on behalf of the _____.

(Print Name)
NOTARY PUBLIC
State of Florida at Large
Commission # _____
My Commission Expires: _____
Personally Known
or Produced I.D. _____
[check one of the above]
Type of Identification Produced _____