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COMMUNITY CHARTER

FOR

RIVERTOWN



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COMMUNITY CHARTER FOR RIVERTOWN

PREAMBLE

This Community Charter ("**Charter**") establishes a governance structure and a flexible system of standards and procedures for the development, expansion, administration, maintenance and preservation of RiverTown as a master planned community. RiverTown is a mixed-use community of approximately 4,500 homes, 500,000 square feet of retail, office and light industrial space and more than 300 acres of park land and other civic spaces nestled along the banks of the St. Johns River. A key component of the governance structure is the RiverTown Community Association, Inc. ("**Association**"), a corporation not-for-profit, created to own, operate and maintain various properties and community improvements intended for the common use and enjoyment of owners, their families and their guests, and to administer and enforce this Charter and the other Governing Documents (as defined herein) referenced in this Charter.

DECLARATION OF COVENANT

The property described in **Exhibit "A"** and any additional property made subject to this Charter in the future by amendment or supplement shall constitute the "**Community**" referred to in this Charter. This Charter shall run with the title to the Community, shall govern the development and use of such property, and shall be binding upon The St. Joe Company, a Florida corporation, its successors and assigns ("**Founder**"), and any other person or entity that now or hereafter has any legal, equitable or beneficial interest in any portion of the Community. This Charter shall also be binding upon the Association, its successors and assigns.

PART ONE: INTRODUCTION TO THE COMMUNITY

Chapter 1 - Governing Documents

A community is guided and governed by certain principles that each owner and resident, by choosing to own property or reside in the community, agrees to uphold. Those principles are set forth in the community's governing documents, which bind the community together, give it structure and provide guidance to all who become a part of or have an interest in the Community.

1.1. Scope and Applicability

The Community has been established and is

administered pursuant to various documents that have a legal and binding effect on all owners and occupants of property in the Community, as well as on anyone else who may now or in the future have an interest in any portion of the property comprising the Community. Such documents, referred to in this Charter as the "**Governing Documents**," include this Charter and the other documents described in Table 1.1, as they may be amended. All owners and occupants, as well as their tenants, guests and invitees, are required

GOVERNING DOCUMENTS	
Community Charter: (recorded)	this Community Charter for RiverTown, which creates obligations that are binding upon the Association and all present and future owners of property in the Community
Supplement: (recorded)	a recorded Supplement to this Charter, which may submit additional property to this Charter, create easements over the property described in the Supplement, impose additional obligations or restrictions on such property, designate Service Areas as described in Chapter 3, or any of the foregoing
Articles of Incorporation: (filed with Department of State) (attached as Exhibit "E")	the Articles of Incorporation of RiverTown Community Association, Inc., as they may be amended, which establish the Association as a corporation not-for-profit under Florida law. A copy of the Articles is attached to this Charter as Exhibit "E."
By-Laws: (attached as Exhibit "D")	the By-Laws of RiverTown Community Association, Inc. adopted by its Board of Directors, as they may be amended, which govern the Association's internal affairs, such as voting, elections, meetings, etc. A copy of the By-Laws is attached to this Charter as Exhibit "D."
RiverTown Design Standards: (Founder adopts)	the design standards and architectural and aesthetics guidelines adopted pursuant to Chapter 5, as they may be amended, which govern new construction and modifications to property in the Community, including structures, landscaping and other items constructed or installed by anyone other than the Founder
Rules: (initial set attached as Exhibit "C")	the rules of the Association adopted pursuant to Chapter 7, which regulate use of property, activities and conduct within the Community
Board Resolutions: (Board adopts)	the resolutions the Board adopts to establish rules, policies and procedures for internal governance and Association activities and to regulate the operation and use of property the Association owns or controls

Table 1.1 - Governing Documents

Governing Documents

to comply with the Governing Documents.

1.2. Additional Covenants

The Owner of any property within the Community may impose additional covenants on its property with such approval as may be required pursuant to Chapter 19. If the provisions of any such additional covenants are more restrictive than the provisions of this Charter, the more restrictive provisions control. The Association shall have standing and the power, but not the obligation, to enforce any such additional covenants.

1.3. Conflicts

If there are conflicts between any of the Governing Documents and Florida law, Florida law shall control. If there are conflicts between or among any of the Governing Documents, then the Charter, the Articles and the By-Laws (in that order) shall control. If there is a conflict between the Governing Documents and any additional covenants recorded on any property within the Community (or the rules or policies adopted pursuant to any such additional covenants), the Governing Documents shall control.

The Governing Documents use diagrams, tables and keynotes (text set apart in boxes with "key" icons) to illustrate concepts and assist the reader. If there is a conflict between any diagram and the text of the Governing Documents, the text shall control.

If any court determines that any provision of this Charter is invalid, or invalid as applied in a particular instance, such determination shall not affect the validity of other provisions or applications of such provision in other instances.

1.4. Definitions

Capitalized terms used in the Governing Documents have the meaning described in the paragraph where they first appear in bold print. An index to defined terms follows the Table of Contents. All other terms used in the Governing

Documents have their natural, commonly accepted definitions.

1.5. Interpretation of Certain References

Community-Wide Standard. Where the Governing Documents require compliance with the "**Community-Wide Standard**," the standard to be applied is the highest of: (a) the standard of use, conduct, architecture, landscaping or aesthetic matters generally prevailing in the Community, or (b) the minimum standards described in this Charter, the Design Standards, the Rules and Board resolutions. The Community-Wide Standard may contain objective elements, such as specific maintenance requirements, and subjective elements, such as matters subject to the discretion of the Board or the Reviewer (as defined in Chapter 5). The Community-Wide Standard may or may not be set out in writing. The Founder initially shall establish such standard; however, the Community-Wide Standard may evolve as development progresses and as the Community matures.

Consent or Approval. All references in the Governing Documents to "**consent**" or "**approval**" shall refer to permission or approval, which unless otherwise expressly qualified in the specific provision, may be granted or withheld in the discretion of the Person whose consent or approval is required.

Discretion and Determination. All references in the Governing Documents to "**discretion**" or to the right to "**determine**" any matter shall refer to the sole and absolute power or right to decide or act. Unless otherwise expressly limited in the Governing Documents or by law, anyone authorized in the Governing Documents to exercise its discretion or make a determination may do so without regard to the reasonableness of, and without the necessity of justifying, the decision, determination, action or inaction.

Governing Documents

Maintenance. Unless otherwise expressly limited, any reference in this Charter to "**main-tenance**" shall refer to maintenance, repair and replacement.

Person. References in the Governing Documents to a "**Person**" or "**Persons**" shall refer to an individual, a corporation, a partnership, a limited liability company or any other legal entity.

Recording. All references in the Governing Documents to a "**recorded**" legal instrument, or to "**recordation**" or the "**recording**" of a legal instrument, shall refer to an instrument filed or the filing of a legal instrument in the official public records of St. Johns County, Florida, or such other place designated as the official location for filing documents affecting title to real estate in St. Johns County in order to make them a matter of public record.

Chapter 2 - Community Administration

Vibrant communities depend upon all of their stakeholders working together to uphold community standards and achieve the vision and goals for the community. The Founder, the Association, the Owners, the Builders and others have a role in the functioning of the community and in helping to fulfill that vision. This Chapter identifies these stakeholders and describes their roles in administering the Community.

2.1. The Founder

The Founder has established the vision for the Community and, through the Governing Documents, has set forth the founding principles that will guide the Community during the initial period of development and sale and thereafter. The Founder's proposed plan for development of the Community is described in the RiverTown Development of Regional Impact Development Order, Planned Unit Development Ordinance and other land use approvals for RiverTown received from by the Florida Department of Community Affairs, the Northeast Florida Regional Planning Council, St. Johns County, the St. Johns River Water Management District, the U.S. Army Corps of Engineers and other governmental agencies as may be supplemented and amended from time to time, which plans encompass all of the property described in **Exhibit "A"** ("Initial Property") and all or a portion of the property described in **Exhibit "B"** ("Expansion Property")(collectively the "**Development Plan**"). However, the Founder reserves the right to make changes in the Development Plan and is not obligated to submit property shown on or otherwise included in the Development Plan to this Charter. In addition, the Founder may submit property to this Charter that is not a part of the Development Plan. No representation is made that the Community will be developed as shown on the Development Plan.

The Founder has reserved various rights in the Governing Documents with respect to development and administration of the Community. The Founder may exercise certain of these rights throughout the "**Development and Sale Period**," which is the period of time during which the Founder or any "Founder Affiliate" owns real property in the Community or has an unexpired option to expand the Community pursuant to Chapter 18. A "**Founder Affiliate**" is any Person that controls, is controlled by, or is under common control with the Founder, and any Person that is an owner, a member, a partner or a shareholder of the Founder.

During the "**Founder Control Period**," the Founder is entitled to appoint at least a majority of the members of the Association's board of directors ("**Board**"). The Founder Control Period begins on the date of the Association's incorporation and terminates upon the first of the following to occur:

- (a) three months after 90 percent of the total number of Units permitted by the RiverTown DRI Development Order for the property described in the Development Plan have been conveyed to Persons other than the Founder, Founder Affiliates or Builders holding title for purposes of construction and resale;
- (b) December 31, 2027; or
- (c) when, in its discretion, the Founder so determines and declares in a recorded instrument.

The Founder has certain approval rights over Association actions for a limited period as provided in the By-Laws after the termination of the Founder Control Period.

The Founder may assign its status and/or rights as the Founder under the Governing

Community Administration

Documents, in whole or in part, and with respect to all or any portion of the Community, to one or more persons who take title to any portion of the property described in Exhibits "A" or "B" for the purpose of development and/or sale, as such rights apply to any such portions of such property owned or being acquired by any such assignee, and reserving unto itself such status and rights as to other portions of the property. Such assignment shall be made only in a recorded instrument signed by all parties to the assignment.

2.2. The Association

The Association is the entity primarily responsible for administering the Community in accordance with the Governing Documents.

The Association may exercise all rights and powers that the Governing Documents and Florida law expressly grant to it, as well as any rights and powers that may reasonably be implied under the Governing Documents and Florida law. It may also take any action reasonably necessary to effectuate any such right or privilege.

2.3. The Board

The Board is responsible for administration, management and operation of the Association. The Board is selected as provided in the By-Laws.

On most matters, the Association acts through the Board. However, in some instances the Governing Documents or applicable law limits the Board's ability to act without the approval of the Association's members. Unless the Governing Documents or Florida law specifically provide otherwise, the Board may exercise the Association's rights and powers without a vote of the membership.

The Board may institute, defend, settle or intervene on behalf of the Association in mediation, binding or non-binding arbitration, litigation or administrative proceedings in matters pertaining

to the Area of Common Responsibility, as defined in Section 3.1, enforcement of the Governing Documents, or any other civil claim or action. However, the Board has no legal duty to institute litigation or any other proceeding on behalf of or in the name of the Association or its members.

In exercising the Association's rights and powers, making decisions on the Association's behalf (including, without limitation, deciding whether to file a lawsuit or take other legal action under any circumstances), and conducting the Association's affairs, Board members and the Association's officers are required to comply with, and shall be judged by, the standards set forth in the By-Laws.

2.4. The Owners

Each Person that holds record title to a Unit, as defined in Section 3.1, is referred to in the Governing Documents as an "**Owner**." However, a Person who holds title merely as security for the performance of an obligation (such as a lender holding a mortgage or similar security instrument) is not considered an "Owner." If a Unit is sold under a recorded contract of sale, and the contract specifically so states, the purchaser (rather than the holder of fee simple title) will be considered the Owner. If a Unit has more than one Owner, all Co-Owners shall enjoy the benefits to which Owners are entitled and are jointly and severally obligated to perform the responsibilities of the Owner under the Governing Documents.

Every Owner has a responsibility to comply with the Governing Documents and uphold the community standards described in Part Two of this Charter. Each Owner also has an opportunity to participate in the administration of the Community through membership in the Association and through service on the Board and in other committee and leadership roles.

2.5. Builders

Community Administration

Some of the Units in the Community will be purchased by builders for the purpose of constructing dwellings for resale in the ordinary course of their business ("**Builders**").

The Builders have the same privileges and responsibilities as Owners during the time that they own property in the Community for development, construction and/or resale, including the privileges of membership in the Association for each Unit that they own. In addition, the Founder may extend any of the rights it has reserved under the Governing Documents with respect to development, marketing and sale of property in the Community to such Builders as it may designate, but in no event shall any such extension of rights deprive the Founder of the right to continue to exercise such rights on its own behalf.

2.6. Neighborhood Associations

Portions of the Community may be developed under a condominium form of ownership or may have special requirements that warrant a separate owners association to administer additional covenants applicable to that particular area ("**Neighborhood Association**"). However, nothing in this Charter requires the creation of a Neighborhood Association, and the jurisdiction of any Neighborhood Association shall be subordinate to that of the Association.

Any Neighborhood Association shall be responsible for administering the additional covenants applicable to the property within its jurisdiction and for maintaining, in accordance with the Community-Wide Standard, any property that it owns or that its covenants designate as being for the common benefit of its members.

2.7. Mortgagees

If a Unit is made subject to a mortgage or other form of security instrument affecting title to a Unit ("**Mortgage**"), then the holder or beneficiary of that Mortgage ("**Mortgagee**") also has an interest in the administration of the

Community. The Governing Documents contain various provisions for the protection of Mortgagees, including those set forth in Chapter 17.

2.8. Community Development District

A "**Community Development District**" or "**CDD**" is a special taxing district formed in accordance with the provisions of Chapter 190, Florida Statutes. Two community development districts – the Main Street Community Development District and the Rivers Edge Community Development District – have been established to own, operate, maintain and finance the construction of certain infrastructure improvements within RiverTown. At any time, and from time to time, the Founder or the Association may transfer ownership and/or maintenance responsibility for properties within the Community to one of the two CDDs. As a result of any such transfer, the scope of the Association's maintenance responsibilities under this Charter may be reduced.

Chapter 3 - Community Structure and Organization

The Community consists of Units intended for the use of the Owner and other occupants of the Unit, as well as property that is intended for common use. Units are grouped into Neighborhoods and Election Districts to facilitate voting on Association matters. Units also may be assigned to Service Areas to permit the Association to provide special services and benefits to particular areas of the Community.

3.1. Designations of Properties Comprising the Community

Units. The Governing Documents refer to the homes and home sites in the Community as "Units." A Unit is a portion of the Community depicted as a separately identified lot or parcel on a recorded subdivision plat or as a separate unit on a condominium plat or plan. A Unit may be independently owned and conveyed and is zoned or otherwise intended for development, use and occupancy as a residence for a single family or for other approved non-residential purposes. The term "Unit" refers to the land, if any, which is part of the Unit, as well as to any structures or other improvements on the Unit. In the case of a building with a condominium or other structure containing multiple dwellings, each dwelling that may be independently owned and conveyed shall be deemed to be a separate Unit.

A parcel of land intended for further subdivision and development into one or more Units is considered a single Unit until a subdivision plat, survey or condominium instrument is recorded subdividing it into more than one Unit. The term does not include Common Areas, as defined below, common property of any Neighborhood Association, property dedicated to the public or property a CDD owns.

A Unit intended for development use and occupancy as an attached or detached single-family residence is sometimes referred to as a "**Residential Unit**". A Unit approved for any non-

residential purpose (e.g., a Unit reserved for retail use) or which is shown on the Development Plan as being designated for such non-residential purposes, is sometimes referred to as a "**Non-Residential Unit**". The term Residential Unit and Non-Residential Unit shall be collectively referred to a "**Unit**", unless a separate reference is noted.

Common Area. Any property and facilities that the Association owns, or in which it otherwise holds possessory or use rights, for the common use or benefit of more than one Unit is referred to as "**Common Area**." The Common Area also includes any property that the Association holds under a lease.

Limited Common Area. Certain portions of the Common Area may be designated as "**Limited Common Area**" and assigned for the exclusive use or primary benefit of one or more Units in specified portions of the Community. Limited Common Areas might include, for example, a pocket park within a gated Service Area.

The Founder may designate property as Limited Common Area and assign it to particular Units on the recorded plat depicting such property, in the deed conveying such property to the Association, or in the Supplement by which the property is submitted to the terms of this Charter. At any time during the Development and Sale Period, the Founder may assign use of the same Limited Common Area to additional Units.

Area of Common Responsibility. All of the properties and facilities for which the Association has responsibility under the Governing Documents, or for which the Association otherwise agrees to assume responsibility, are collectively referred to in the Governing Documents as the "**Area of Common Responsibility**," regardless of who owns them. The Area of Common Responsibility includes all of the Common Area

Community Structure and Organization

and may also include Units or portions of Units and property dedicated to the public, such as public rights-of-way adjacent to the Community. The initial Area of Common Responsibility is described in Chapter 10.

3.2. Neighborhoods

Units may be grouped into "**Neighborhoods**" to facilitate a system of representative voting on matters as to which the Governing Documents require approval of the Association's membership. A Neighborhood may be comprised of any number of Units and may include Units of more than one housing type, as well as Units that are not contiguous to one another. Upon its formation, each Neighborhood may elect one "Voting Delegate" to cast the votes allocated to Units in that Neighborhood on matters requiring a vote of the Owners.

The Founder initially may assign Units to a specific Neighborhood (by name or other identifying designation) either in **Exhibit "A"** or in a Supplement. During the Development and Sale Period, the Founder may unilaterally record a Supplement or an amendment to this Charter or any previously recorded Supplement, to designate or change Neighborhood boundaries. Thereafter, the Board may amend this Charter or any Supplement to re-designate Neighborhood

boundaries; however, the Board may not combine two or more existing Neighborhoods without the consent of Owners of a majority of the Units in the affected Neighborhoods.

3.3. Election Districts

The Founder or the Board may designate "**Election Districts**," consisting of the Units within one or more Neighborhoods, for the purpose of electing directors to the Board. The By-Laws set forth the method of establishing Election Districts. The number of Election Districts shall not exceed the total number of directors on the Board. The purpose of Election Districts is to provide for representation on the Board by groups with potentially dissimilar interests and to avoid a situation in which particular groups are able to elect the entire Board due to the number of votes they represent.

Diagram 3.1 illustrates the Association's organizational structure and the manner in which each Election District will elect representatives to the Board after the Founder Control Period.

3.4. Service Areas

Units may also be part of one or more "**Service Areas**" in which the Units share Limited Common Areas or receive special benefits or ser-

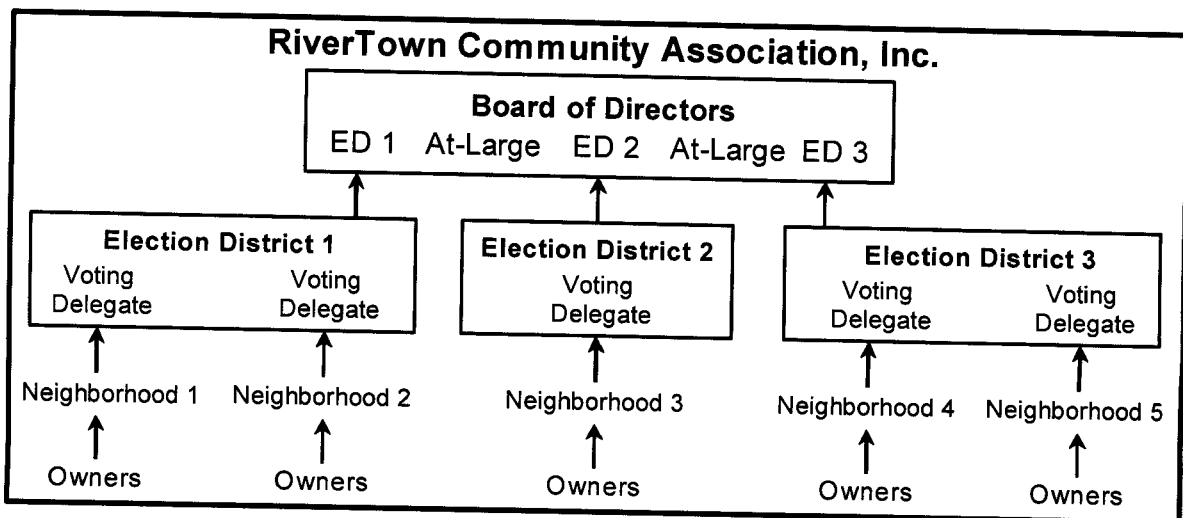


Diagram 3.1

Community Structure and Organization

vices from the Association that it does not provide to all Units within the Community. A Unit may be assigned to more than one Service Area, depending on the number and types of special benefits or services it receives. A Service Area may be comprised of Units of more than one housing type and may include Units that are not contiguous.

The Founder may initially designate Service Areas (by name or other identifying designation) and assign Units to a particular Service Area either in **Exhibit "A"** or in a Supplement. During the Development and Sale Period, the Founder may unilaterally amend this Charter or any Supplement to change Service Area boundaries.

In addition, the Board may, by resolution, designate Service Areas and assign Units to them upon petition of Owners of at least 67 percent of the Units affected by the proposed designation pursuant to Section 11.2.

The Owners of Units within each Service Area may elect a "Service Area Committee" in accordance with the By-Laws to represent, and act on behalf of, the Owners with respect to the services and benefits that the Association provides to the Service Area. References to Service Areas in the Governing Documents shall also refer to such Service Area Committees, if appropriate from the context.

Chapter 4 - Association Membership and Voting Rights

The Association is an entity through which each Owner can participate in the governance and administration of the Community. While many powers and responsibilities are vested in the Board in order to facilitate day-to-day management and operation, the membership and voting rights vested in the Owners allow the Owners to participate in administration of the Community and influence the outcome of major decisions.

4.1. Membership

The Association initially has two classes of membership: the Owner membership, which is comprised of all Owners, including Builders, and the Founder membership, which consists solely of the Founder and any Founder Affiliate which owns a Unit.

(a) Owner Members. Every Owner is automatically a member of the Association. However, there shall be only one membership per Unit. Thus, if a Unit has more than one Owner, all co-Owners of the Unit shall share the privileges of such membership, subject to reasonable Board regulation and the restrictions on voting set forth below and in the By-Laws. If an Owner is a corporation, a partnership or other legal entity, its membership rights may be exercised by any officer, director, partner or trustee, or by an individual the Owner designates from time to time in a writing to the Association's Secretary, except that only the individuals residing in the Unit shall be entitled to use Common Area recreational facilities available for use by Owners.

(b) Founder Member. The Founder and any Founder Affiliate holding title to a Unit shall be the Founder membership. The Founder membership shall terminate two years after expiration of the Founder Control Period or on such

earlier date as the Founder determines and declares in a recorded instrument.

Unless the Founder specifically delegates such authority, the Founder shall act as, and on behalf of, the Founder membership on all matters.

4.2. Voting

Each Unit is assigned one equal vote, subject to the limitations on voting set forth in this Charter and the other Governing Documents. No vote shall be exercised for any property exempt from assessment under Section 13.8. Further, during such time as there is a Founder membership, no vote shall be exercised for Units that the Founder or any Founder Affiliate owns, except as otherwise specifically provided herein; rather, the Founder's consent shall be required for various actions of the Board, the membership and committees, as specifically provided elsewhere in the Governing Documents. Unless the Founder specifically delegates such authority, the Founder shall act as, and on behalf of, the Founder Membership on all matters.

After termination of the Founder membership, the Founder and each Founder Affiliate owning a Unit shall be Owner Members for all purposes with respect to each Unit they own and each Unit owned by the Founder or a Founder Affiliate shall be assigned one equal vote. In addition, during the Development and Sale Period, the Founder shall continue to have such consent rights as are specifically provided for in the Governing Documents.

Due to the number of Units that may be developed in the Community, the Governing Documents provide for a representative system of voting. The Owners of Units in each Neighborhood may elect a "**Voting Delegate**" and an alternative Voting Delegate, in the man-

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ner provided in the By-Laws, to cast the votes of all Units in the Neighborhood on matters requiring a vote of the membership, except where the governing documents specifically require a vote of the Owners. However, until such time as the Board first calls for election of a Voting Delegate for a particular Neighborhood, each Owner of a Unit in such Neighborhood shall be considered a "Voting Delegate" and may personally cast the vote allocated to such Owner's Unit on any issue requiring a vote of the Voting Delegates under the Governing Documents.

Upon implementation of a Voting Delegate System, each Voting Delegate or, in his or her absence, the alternative Voting Delegate, attends Association meetings and casts all votes allocated to Units in the Neighborhood that he or she represents on any matters as to which such Voting Delegate is entitled to vote under the Governing Documents. A Voting Delegate may vote all votes it is entitled to cast in its discretion and may, but need not, poll the Owners of Units in the Neighborhood which he or she represents

prior to voting. On any matter for which a Voting Delegate is entitled to cast more than one vote, the Voting Delegate may cast all such votes as a block or split them but shall not be entitled to fractionalize any single vote.

Voting Delegates are subordinate to the Board and their responsibility and authority does not extend to policymaking, supervising or otherwise being involved in Association governance beyond voting on matters put to a vote of the membership.

In any situation in which an Owner is entitled personally to exercise the vote for his or her Unit, if there is more than one Owner of a Unit, the vote for such Unit may be exercised by any co-Owner or by the proxy of any co-Owner; however, the Unit's vote shall be suspended if more than one authorized Person seeks to exercise it and they do not agree on the manner in which the vote is to be cast. The Unit's vote may not be split, and no more than one vote may be cast for any Unit.

PART TWO: COMMUNITY STANDARDS

Chapter 5 - Architecture, Landscaping and Aesthetic Standards

The Community derives its unique character from a mix of compatible architectural styles and from the cooperation of all Builders and Owners in upholding minimum design, landscaping and aesthetic standards. This Chapter explains how those standards are established and how they are applied and maintained through a process requiring prior approval for construction on and exterior modifications to improvements on property within the Community initiated by anyone other than the Founder or the Association during the Founder Control Period.

5.1. General

All site work; landscaping; structures; improvements; sports, play and maintenance equipment; yard and decorative items; and similar items placed or stored on any property in the Community in a manner or location visible from outside of any existing structure ("**Improvements**") are subject to standards for design, landscaping and aesthetics contained within the RiverTown Design Standards and the RiverTown Patterns for Place-Making Book adopted pursuant to this Chapter (collectively the "**Design Standards**") and the approval procedures set forth in this Chapter, except as this Chapter or the Design Standards may otherwise specify.

No prior approval is necessary to repaint the exterior of existing structures using the most recently approved color scheme or to rebuild or restore any damaged structures in a manner consistent with the plans and specifications most recently approved for such structures. Generally, no design approval is required for work done to the interior of a structure; however, modifications to the interior of screened porches, patios and any other portions of a structure visible from outside of the structure do require prior approval.

Any dwelling constructed on a Unit shall be designed by and built in accordance with the plans and specifications of a Florida-licensed architect, unless the Founder or its designee, in its sole discretion, otherwise approves. In addition, during the Development and Sale Period, only builders that the Reviewer (as defined in Section 5.2) approves may construct dwellings on Units.

Approval under this Chapter shall be obtained prior to requesting any building or other permit or submitting any documentation to any governmental authority whose review or approval may be required for the proposed work. The Founder and the Association shall have the right and standing to take action to suspend or enjoin processing of any request for review or approval by a governmental authority submitted prior to any necessary approval being granted hereunder. Approval under this Chapter is not a substitute for any approvals or reviews required by St. Johns County or any municipality or governmental agency or entity having jurisdiction over architectural or construction matters.

This Chapter shall not apply to the Founder's design and construction activities or to the Association's activities during the Founder Control Period.

5.2. Design Review Authority

(a) **Founder.** The Founder shall have exclusive authority to review and act upon all applications for review of proposed Improvements until the later of (i) the expiration of the Development and Sale Period, or (ii) such time as all Units planned for the property described in **Exhibits "A" and "B"** have been improved with dwellings for which a certificate of occupancy has been issued. The Founder may designate one or more

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persons to act on its behalf in reviewing any application. In reviewing and acting upon any request for approval, or otherwise exercising or declining to exercise its authority under this Chapter, the Founder and its designee act solely in the Founder's interest and owe no duty and shall have no liability to the Association or any other Person.

From time to time, the Founder may delegate any or all of its rights under this Chapter to other Persons or committees, including the committee appointed pursuant to Section 5.2(b). Any such delegation shall be in writing, shall specify the scope of responsibilities delegated, and shall be subject to (i) the Founder's right to revoke such delegation at any time and reassume its prior control, and (ii) the Founder's right to veto any decision that it determines, in its discretion, to be inappropriate or inadvisable. So long as the Founder has any rights under this Chapter, the jurisdiction of others shall be limited to such matters as the Founder specifically delegates.

(b) Design Review Committee. Upon the Founder's delegation of authority pursuant to Section 5.2(a), or upon expiration or termination of the Founder's rights under this Chapter, the Board shall appoint a Design Review Committee ("**Design Review Committee**" or "**DRC**") to assume jurisdiction over matters within the scope of the delegated authority or this Chapter, respectively. The DRC shall consist of at least three persons who shall serve and may be removed and replaced in the Board's discretion. DRC members need not be Owners or representatives of Owners. The DRC may, but need not, include architects, engineers or similar professionals. The Association may compensate DRC members in such manner and amount, if any, as the Board may determine appropriate.

Until expiration of the Founder's rights under this Chapter, the DRC shall notify the Founder in writing within three business days of any action (*i.e.*, approval, partial approval or disapproval) it takes under this Chapter. A copy of the applica-

tion and any additional information the Founder may require shall accompany the notice. The Founder shall have 10 business days after receipt of such notice to veto any such action, in its discretion, by written notice to the DRC.

Unless and until such time as the Founder delegates all or a portion of its reserved rights to the DRC or the Founder's rights under this Chapter terminate, the Association shall have no jurisdiction over architectural matters.

(c) Reviewer. For purposes of this Chapter, the entity having jurisdiction in a particular case shall be referred to as the "**Reviewer**."

(d) Fees; Assistance. The Reviewer may establish and charge reasonable fees for its review of applications and may require that such fees be paid in advance. Such fees also may include reasonable costs incurred in having professionals review any application. The Board may include the compensation of such persons in the Association's annual operating budget.

5.3. Guidelines and Procedures

(a) Design Standards. The Founder may prepare the initial Design Standards, which may contain general provisions applicable to all of the Community as well as specific provisions that vary among uses, housing types or locations within the Community. The Design Standards are intended to provide guidance to Owners, Builders and contractors regarding matters of particular concern to the Reviewer. The Design Standards are not the exclusive basis for the Reviewer's decisions, and compliance with the Design Standards does not guarantee approval.

The Founder shall have sole and full authority to amend the Design Standards for so long as it has review authority under Section 5.2(a). The Founder's right to amend the Design Standards shall continue even if it delegates reviewing authority to the DRC, unless the Founder also delegates the power to amend to the DRC. Upon

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termination or delegation of the Founder's right to amend, the DRC may amend the Design Standards with the Board's consent.

Amendments to the Design Standards shall apply prospectively only. They shall not require modifications to or removal of any structures previously approved once the approved construction or modification has begun. However, any new work on such structures must comply with the Design Standards as amended. There shall be no limitation on the scope of amendments to the Design Standards, and such amendments may eliminate requirements previously imposed or otherwise make the Design Standards less restrictive.

The Reviewer shall make the Design Standards available to Owners, Builders and their contractors upon request and may charge a reasonable fee to cover reproduction costs. In the Founder's discretion, such Design Standards may be recorded, in which event the recorded version, as it may be amended from time to time, shall control in the event of any dispute as to which version of the Design Standards was in effect at any particular time.

(b) Procedures. Unless the Design Standards provide otherwise, no activities within the scope of this Chapter (as described in Section 5.1) may begin on any portion of the Community until a written application is submitted to and approved by the Reviewer. The application must be accompanied by plans and specifications and such other information as the Reviewer or the Design Standards require.

Meetings of the DRC shall be open to all members, subject to the same exceptions as Board meetings under the By-Laws. This provision shall not apply when the Founder is the Reviewer.

In reviewing each application, the Reviewer may consider any factors it deems relevant, including, without limitation, harmony of the pro-

posed external design with surrounding structures and environment. Decisions may be based on purely aesthetic considerations. Each Owner acknowledges that such determinations are purely subjective and that opinions may vary as to the desirability and/or attractiveness of particular improvements.

The Reviewer shall have the sole discretion to make final, conclusive and binding determinations on matters of aesthetic judgment, and such determinations shall not be subject to the procedures in Chapter 20 or judicial review as long as they are made in good faith and in accordance with required procedures.

The Reviewer shall make a determination on each application after receipt of a completed application with all required information and fees. The Reviewer may permit or require that an application be submitted or considered in stages, in which case a final decision shall not be required until after the final, required submission. The Reviewer may (i) approve the application with or without conditions; (ii) approve a portion of the application and disapprove other portions; or (iii) disapprove the application.

The Reviewer shall notify the applicant in writing upon receipt of a completed application, and such notice will include a date by which the Reviewer will make the final determination on the application; however, with respect to any DRC determination subject to the Founder's veto right under Section 5.2(b), the Reviewer shall notify the applicant of the final determination within 60 business days after its receipt of the final determination and all required submissions.

Notice shall be deemed given at the time the envelope containing the response is deposited in the U.S. mail. Hand delivery, facsimile, electronic mail or similar delivery of such written notice also shall be sufficient and shall be deemed given at the time of confirmed delivery to the applicant.

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No approval, whether expressly granted or deemed granted, shall be inconsistent with the Design Standards unless a written variance has been granted pursuant to Section 5.5.

As part of any approval, the Reviewer may require that construction commence within a specified time period. If construction does not commence within the required period, the approval shall expire, and the Owner must reapply for approval before commencing any activities. Once construction is commenced, it shall be diligently pursued to completion. All work shall be completed within one year of commencement unless otherwise specified in the notice of approval or unless the Reviewer, in its discretion, grants an extension in writing.

The Reviewer may exempt certain activities from the application and approval requirements of this Chapter, if such activities are undertaken in compliance with the Design Standards and the Community-Wide Standard.

(c) Appeals Process. After the Board's appointment of the DRC, an applicant may appeal any disapproval of its application to the Board. To request an appeal, the applicant must submit to the Association's Secretary, no later than 15 days after the delivery of the notification of disapproval, a copy of the original application, the notification of disapproval and a letter requesting review of the decision. The appeal request also shall contain a response to any specific concerns or reasons for disapproval listed in the notification of disapproval. The Board may (i) affirm the DRC's decision, (ii) affirm a portion and overturn a portion of the DRC's decision, or (iii) overturn the DRC's entire decision.

The Board shall notify the applicant and the DRC in writing of its decision no later than 30 days after its receipt of the request for appeal with all required information. The Board's decision shall include a description of its reasons for overturning the DRC's decision. During the ap-


peal process, the Owner shall not commence any work requiring approval hereunder.

This subsection shall not apply while the Founder is the Reviewer.

5.4. No Waiver of Future Approvals

The people reviewing applications under this Chapter will change from time to time, and opinions on aesthetic matters, as well as interpretation and application of the Design Standards, may vary accordingly. It may not always be possible to identify objectionable features until work is completed. In such cases, the Reviewer may elect not to require changes to objectionable features. However, the Reviewer may refuse to approve similar proposals in the future. Approval of applications or plans shall not constitute a waiver of the right to withhold approval as to any similar applications, plans or other matters subsequently or additionally submitted for approval.

5.5. Variances

 When unusual circumstances exist that make it difficult or impossible to comply with a particular requirement of the Design Standards, an Owner may file a request with the Reviewer to be excused from complying with such requirement. The Reviewer has the discretion to determine when a variance is appropriate.

The Reviewer may authorize variances from compliance with any of the Design Standards and any procedures set forth in this Chapter or in the Design Standards when, in its judgment, circumstances justify an exception. No variance shall (a) be effective unless in writing; (b) be contrary to this Charter; or (c) prevent the Reviewer from denying a variance in other circumstances. A variance requires the Founder's written consent during the Development and Sale Period and, thereafter, requires the Board's written consent.

5.6. Limitation of Liability

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This Chapter establishes standards and procedures as a mechanism for maintaining and enhancing the overall aesthetics of the Community; it does not create any duty to any Person. Review and approval of any application pursuant to this Chapter may be based purely on aesthetic considerations. The Reviewer is not responsible for the structural integrity or soundness of approved construction or modifications, for compliance with building codes and other governmental requirements, or for ensuring that all dwellings are of comparable quality, value, size or design or are aesthetically pleasing or otherwise acceptable to other Owners.

With respect to any property owned or improved by any Person subject to the requirements of this chapter, the Founder, the Association, its officers, the Board, any committee and member of any of the foregoing shall not be liable for (a) soil conditions, drainage or other general site work; (b) any defects in plans revised or approved hereunder; (c) any loss or damage arising out of the action, inaction, integrity, financial condition or quality of work of any architect or contractor, or their respective subcontractors, employees or agents, whether or not the Founder has approved or featured such architect or such contractor as a Builder in the Community; or (d) any injury, damages or loss arising out of the manner or quality or other circumstances of construction or modifications, whether or not approved hereunder. In all such matters, the Association shall defend and indemnify the Board, the Reviewer, and the members of each, as provided in the By-Laws.

5.7. Final "As Built" Plans

Upon completion of structural improvements approved pursuant to this Chapter, the Owner shall submit to the Reviewer a final, "as built" site plan, utility plan and elevations.

5.8. Certificate of Compliance

Any Owner may request in writing that the Reviewer issue a certificate of compliance certifying that there are no known violations of this Chapter or the Design Standards. The Reviewer shall either grant or deny such written request within 30 days after receipt, and may charge a reasonable administrative fee. Issuance of such a certificate shall prevent the Association from taking enforcement action against an Owner for any condition known to the Association or the Reviewer on the date of such certificate.

Chapter 6 - Maintenance, Repair and Replacement

One of the benefits of owning property in a planned community is the commitment among neighbors to maintain their property in a neat and attractive condition to enhance the overall beauty and aesthetic appeal of the community. This Chapter describes the Owners' responsibilities for maintenance and repair of their Units and for insuring their Units against property damage so that funds will be available for repair and restoration if needed.

6.1. Maintenance of Units

Each Owner shall maintain his or her Unit, including all structures, landscaping and other improvements comprising the Unit, in a manner consistent with the Governing Documents and the Community-Wide Standard unless such maintenance responsibility is otherwise assumed by or assigned to the Association a Neighborhood Association, or a CDD pursuant to this Charter, any Supplement, other recorded covenants, written agreement or by law.

Each Owner also must maintain the sidewalk and landscaping located in the public right-of-way adjacent to his or her Unit unless the Association or CDD assumes all or part of such maintenance responsibility.

6.2. Maintenance of Neighborhood Association Property

A Neighborhood Association shall maintain its common property and any other property for which it has maintenance responsibility in a manner consistent with the Governing Documents, the Community-Wide Standard and all applicable covenants.

The Association may assume maintenance responsibility for any Neighborhood Association property, either upon designation of the Neighborhood Association as a Service Area pursuant to Section 3.4 or upon the Board's deter-

mination, pursuant to Chapter 8, that the level and quality of maintenance then being provided is not consistent with the Community-Wide Standard. The Association need not treat all similarly situated Neighborhood Associations the same.

6.3. Responsibility for Repair and Replacement

Unless otherwise specifically provided in the Governing Documents or in other instruments creating and assigning maintenance responsibility, responsibility for maintenance shall include responsibility for repair and replacement necessary to maintain the property to a level consistent with the Community-Wide Standard.

Each Owner shall carry property insurance for the full replacement cost of all insurable improvements on his or her Unit, less a reasonable deductible, unless either a Neighborhood Association (if any) or the Association carries such insurance (which they may but are not obligated to do). If the Association assumes responsibility for insuring a Unit, the premiums for such insurance shall be levied as a Specific Assessment against the benefited Unit and the Owner.

Within 90 days after any damage to or destruction of a structure on a Unit, the Owner shall promptly commence repair or reconstruction in a manner consistent with the original construction or such other plans and specifications as are approved pursuant to Chapter 5 unless the Board, in its discretion, agrees to extend such period. Alternatively, the Owner shall clear the Unit of debris and maintain it in a neat and attractive condition consistent with the Community-Wide Standard. The Owner shall pay any costs that insurance proceeds do not cover.

Additional recorded covenants applicable to any Neighborhood Association or Service Area may establish additional insurance requirements

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and more stringent standards for rebuilding or reconstructing structures on Units and for clearing and maintaining the Units in the event the structures are not rebuilt or reconstructed.

This Section shall apply to a Neighborhood Association with respect to common property of the Neighborhood Association in the same manner as if the Neighborhood Association was an Owner and the common property was a Unit.

6.4. Maintenance and Repair of Party Walls and Similar Structures

Except as may otherwise be provided by law, a written agreement between Owners of adjacent Units, or other recorded documents applicable to adjacent Units:

(a) Each wall, fence, driveway or similar structure built as part of the original construction on the Units that serves and/or separates any two adjoining Units shall be considered a party structure. The cost of reasonable repair and maintenance of a party structure shall be shared equally by the Owners whose Units are served by the party structure.

(b) If a party structure is destroyed or damaged by fire or other casualty, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, any Owner whose Unit is served by the structure may restore it. Other Owners whose Units are served by the structure also shall contribute to the restoration cost in equal proportions, subject to the right to call for a larger contribution from the other users under any rule of law regarding liability for negligent or willful acts or omissions.

(c) The right to and the obligation of contribution for party walls and similar structures between Owners, as provided in this Section, shall be appurtenant to the land and shall pass to such Owner's successor-in-title.

(d) To the extent not in conflict with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply to any party structure. Any dispute concerning a party structure shall be subject to the provisions of Chapter 20.

Chapter 7 - Use and Conduct

This Chapter sets forth basic standards regarding use, occupancy and transfer of interests in Units. In addition, it provides a procedure by which the Board and the membership can adopt and change rules regulating use, conduct and activities within the Community to address particular needs and desires of the Community over time.

7.1. Use, Occupancy and Transfer of Interests in Units

(a) Residential and Related Uses. Residential Units may be used only for residential and related purposes, except as the Founder may otherwise authorize with respect to construction, marketing and sale activities of the Founder and Builders it designates and except as approved for any non-residential purpose.

A business activity within a Residential Unit shall be considered "related" to a residential use and thus permitted under this Section only if conducted by a person or persons residing in the Unit and only if the business activity:

(i) is not apparent or detectable by sight, sound or smell from outside of a permitted structure;

(ii) complies with applicable zoning requirements;

(iii) does not involve regular visitation of the Unit by employees who do not reside in the Unit, clients, customers, suppliers or other business invitees, or door-to-door solicitation within the Community;

(iv) is consistent with the Community's residential character and does not constitute a nuisance or a hazardous or offensive use, or threaten the security or safety of others, as the Board determines in its discretion; and

(v) does not involve real estate brokerage or sales activities as the agent of an Owner other than the Founder or Builders it may authorize, unless the Founder has specifically approved such activities in writing.

"Business" shall have its ordinary, generally accepted meaning and shall include, without limitation, any occupation, work or activity undertaken on an ongoing basis that involves providing goods or services to Persons other than the family of the producer and for which the producer receives a fee, compensation or other form of consideration, regardless of whether (i) such activity is engaged in full or part time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required.

Leasing a Residential Unit for residential purposes shall not be considered a "business" within the meaning of this subsection, provided that the Owner and any other Owners with whom such Owner is affiliated, individually or collectively, do not collectively lease or offer for lease more than one Residential Unit at any time. This provision shall not preclude an institutional lender from leasing a Residential Unit upon taking title following foreclosure of its security interest in the Residential Unit or upon acceptance of a deed in lieu of foreclosure. For purposes of this Charter, the terms "**Lease**" and "**Leasing**" shall refer to the regular, exclusive occupancy of a Residential Unit by any Person other than the Owner, for which the Owner receives any consideration or benefit.

(b) Leasing. Any Residential Unit that is leased shall be leased only in its entirety; separate rooms, floors or other areas within a dwelling may not be separately leased; however, any detached "in-law suite" or "guest house" approved pursuant to Chapter 5 or a garage apartment may be leased separately from the main dwelling.

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All leases shall be in writing and shall disclose that the tenants and all occupants of the leased Residential Unit are bound by and obligated to comply with the Governing Documents. However, the Governing Documents shall apply regardless of whether such a provision is specifically set forth in the lease.

Prior to a tenant taking occupancy under a lease or rental agreement of any kind, the Owner of the leased Residential Unit shall notify the Board or the Association's managing agent of the lease and provide any additional information the Board may reasonably require. The Owner must give the tenant copies of the Governing Documents. In addition to, but consistent with this sub-section, the Association or the Board may adopt Rules governing leasing and subleasing.

This subsection and any Rules governing leasing and subleasing shall not apply to Residential Units leased by or on behalf of the Founder or any Founder Affiliate.

(c) *Transfer of Title.* Any Owner desiring to sell or otherwise transfer title to his or her Unit shall give the Board at least seven days' prior written notice of the name and address of the purchaser or transferee, the date of such transfer of title, and such other information as the Board may reasonably require. The Person transferring title shall continue to be jointly and severally responsible with the Person accepting title for all obligations of the Owner, including assessment obligations, until the date upon which the Board receives such notice, notwithstanding the transfer of title.

(d) *Subdivision and Combination of Units.* No Person other than the Founder or a Founder Affiliate shall subdivide or change the boundary lines of any Unit or combine Units without the Board's prior written approval. Any such action that the Board approves shall be effective only upon recording of a plat or other legal instrument reflecting the subdivision or new

boundaries of the affected Unit(s). In the absence of such recorded instrument, adjacent Units owned by the same Owner shall continue to be treated as separate Units for purposes of voting and assessment, even though such Units may be improved with a single dwelling.

(e) *Timesharing.* No Residential Unit shall be used for operation of a timesharing, fraction-sharing, residence club, vacation club, destination club or similar program whereby the right to exclusive use of the Residential Unit rotates among participants in the program on a fixed or floating time schedule over a period of years, unless such program is established by the Founder or with the Founder's prior written approval.

7.2. Speed Limits on Private Roadways. All Persons shall operate vehicles on roadways within the Community in compliance with Association or CDD designated speed limits.

7.3. Rulemaking Authority and Procedures

The Governing Documents establish a framework of covenants and conditions that govern the Community. The initial Rules attached as Exhibit "C" are a part of that framework. However, within that framework, the Association must be able to respond to unforeseen issues and changes affecting the Community. Therefore, the Board and the Voting Delegates are authorized to change the Rules in accordance with the following procedures, subject to the limitations set forth in Section 7.4.

(a) *Board Authority.* Subject to the notice requirements in Section 7.3(c) and the Board's duty to exercise judgment and reasonableness on behalf of the Association and its Members, the Board may, subject to the rights of the Founder, adopt new Rules and modify or rescind existing Rules by majority vote of the directors at any Board meeting.

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(b) Membership Authority. Subject to the notice requirements in Section 7.3(c) and upon the implementation of Voting Delegates, the Voting Delegates representing a majority of the votes in the Association may also adopt new Rules and modify or rescind existing Rules at any meeting of the Association duly called for such purpose, regardless of the manner in which the original Rule was adopted.

(c) Notice. The Board shall send notice to all Owners concerning any proposed Rule change at least five business days prior to the meeting of the Board or the Voting Delegates at which such action is to be considered. At any such meeting, either the Owner of the Voting Delegates, as applicable, shall have a reasonable opportunity to be heard before the proposed action is put to a vote.

This notice requirement does not apply to administrative and operating policies that the Board may adopt relating to the Common Areas, such as hours of operation of a recreational facility, speed limits on internal roads, use fees for use of Association property and the method of allocating or reserving use of a facility (if permitted) by particular individuals at particular times, notwithstanding that such policies may be published as part of the Rules.

In addition, the Board shall have discretion, without the necessity of complying with such notice requirement, to enact, and all Owners and their families, guests, invitees and tenants shall comply with, such Rules as are necessary or appropriate to comply with the RiverTown DRI Development Order, any management plan, conservation easement or other program required or authorized by or adopted pursuant to the RiverTown DRI Development Order, Planned Unit Development Ordinance, and any other government or quasi-governmental order, permit or approval applicable to the Community to any management plan, conservation easement or other program required or authorized by or adopted pursuant thereto.

(d) Effective Date. A Rules change adopted under this Section shall take effect as specified by the Board when adopting the change or if no date is specified, 30 days after the date on which written notice of the Rules change is given to the affected Owners.



Since it is impossible to foresee all potential situations and problems that may arise within the Community, the Board and the Voting Delegates (if applicable) have the authority to adopt and modify rules as needed to address new or changing circumstances.

(e) Conflicts. No action taken under this Section shall have the effect of modifying or repealing the Design Standards or any provision of this Charter other than the Rules. In the event of a conflict between the Design Standards and the Rules, the Design Standards shall control. In the event of a conflict between the Rules and any provision of this Charter (exclusive of the Rules), the Charter shall control.

7.3. Protection of Owners and Others

Except as may be set forth in this Charter (either initially or by amendment) or in the initial Rules set forth in Exhibit "C", all Rules shall comply with the following provisions:

(a) Similar Treatment. Similarly situated Units shall be treated similarly; however, the Rules may vary by Neighborhood, Service Area or housing type.

(b) Displays. No Rule shall abridge an Owner's right to display on his or her Residential Unit one United States flag and political, religious or holiday symbols and decorations of the kinds normally displayed in single-family residential neighborhoods, nor shall any Rule regulate the content of political signs. However, the Association may adopt time, place and manner restrictions with respect to flags, signs, symbols and displays visible from outside structures on the

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Residential Unit, including reasonable limitations on size and number.

(c) *Household Composition.* No Rule shall interfere with an Owner's freedom to determine household composition, except that the Association may impose and enforce reasonable occupancy limitations and conditions based on Residential Unit size and facilities and its fair share use of the Common Area.


(d) *Activities Within Dwellings.* No Rule shall interfere with the activities carried on within a Residential Unit, except that the Association may prohibit activities not normally associated with residential property and may adopt rules to further define, clarify and implement the restrictions in Section 7.1. It also may restrict or prohibit activities that create monetary costs for the Association or other residential Owners, that create a danger to anyone's health or safety, that generate excessive noise or traffic, that create unsightly conditions visible from outside the Residential Unit, or that are an unreasonable source of annoyance.

(e) *Allocation of Burdens and Benefits.* No Rule shall alter the allocation of financial burdens among the various Units or rights to use the Common Area to the detriment of any Owner over that Owner's objection expressed in writing to the Association. Nothing in this provision shall prevent the Association from changing the Common Area available, from adopting generally applicable rules for use of Common Area, or from denying use privileges to those who are delinquent in paying assessments, abuse the Common Area, or violate the Governing Documents. This provision does not affect the right to increase the amount of assessments as provided in Chapter 13.

(f) *Leasing and Transfer of Units.* Except as set forth in Section 7.1(b), no Rule shall prohibit leasing or transfer of any Unit or require approval prior to leasing or transferring a Unit; however, the Rules may require a minimum lease

term of up to 12 months. Minimum lease terms may vary by Neighborhood, Service Area or building type. The Rules may also require that Owners use Board-approved lease forms (or include specific lease terms) and may impose a reasonable review or administrative fee in connection with the Board's review of a lease.

(g) *Abridging Existing Rights.* No Rule shall require that an Owner dispose of, and an Owner shall be allowed to replace, personal property kept in or on a Unit in compliance with the Rules in effect at the time such personal property was brought onto the Unit. This exemption shall apply only during the period of such Owner's ownership of the Unit and shall not apply to subsequent Owners who take title to the Unit after adoption of the Rule.

 This provision protects the existing personal property of Owners. It is intended to prevent a situation in which an Owner is forced to get rid of an item that was allowed prior to a change in the Rules. For example, if basketball goals are allowed in driveways and then a Rule is passed prohibiting basketball goals, the Board cannot force the Owners who have basketball goals at that time to remove them. However, they can enforce this Rule against any other Owner desiring to install one, or against any Owner who takes title to a Unit after the effective date of the new Rule.

(h) *Reasonable Rights to Develop.* No Rule may interfere with the Founder's ability to develop, market and sell property in the Community.

(i) *Interference with Easements.* No Rule may unreasonably interfere with the exercise of any easement, except as set forth in Section 14.1(d).

(j) *Compliance with Governmental Requirements.* The Association may not enact any Rule or take any action which is in violation of,

Use and Conduct

or which prevents actions required to comply with, the terms of the RiverTown DRI Development Order, Planned Unit Development or any other governmental or quasi-governmental order, permit or approval applicable to the Community or any management plan, conservation easement or other program required or authorized by or adopted pursuant thereto.


7.4. Owners' Acknowledgment and Notice to Purchasers

By accepting a deed, each Owner acknowledges and agrees that the use, enjoyment and marketability of his or her Unit is limited and affected by the Rules, which may change from time to time. All Unit purchasers are hereby notified that the Association may have adopted changes to the Rules and that such changes may not be set forth in a recorded document. A copy of the current Rules and all administrative policies are available from the Association upon request. The Association may charge a reasonable fee to cover its reproduction cost.

Chapter 8 - Compliance and Enforcement

The covenants, standards and rules set forth in the Governing Documents are for the benefit of all Owners and occupants of the Community. However, if they are to have any real meaning, there must be a commitment by the stakeholders in the Community to comply with them, and there must be a mechanism in place to enforce that compliance in the event that someone fails or refuses to do so. This Chapter sets forth the obligation to comply and the remedies available to the Association and the Founder in the event of noncompliance.

8.1. Compliance



All Owners and occupants of Units, as well as their tenants, guests and other visitors, must abide by the Governing Documents. If any of them fail or refuse to comply with the Governing Documents, they may be subject to various penalties, including fines and the loss of the right to use the Common Areas.

Every Owner, occupant and visitor to a Unit must comply with the Governing Documents and shall be subject to sanctions for violations as described in this Chapter. In addition, each Owner shall be responsible for, and may be sanctioned for, all violations of the Governing Documents by the occupants or visitors to their Units, and for any damage to the Area of Common Responsibility that occupants or visitors may cause.

8.2. Remedies for Non-Compliance

The Association, the Founder and every affected Owner shall have the right to file suit at law or in equity to enforce the Governing Documents. In addition, the Board may impose sanctions for violation of the Governing Documents, including those listed below and any others described elsewhere in the Governing Documents.

(a) Sanctions Requiring Prior Notice and Hearing. After written notice and an opportu-

nity for a hearing in accordance with the By-Laws, the Board may:

(i) impose reasonable monetary fines, not to exceed \$100.00 per violation (or per day in the case of a continuing violation, except that, in the case of a continuing violation, only a single notice and opportunity for hearing is required). Fines may be imposed within a graduated range. There is no limit on the aggregate amount of any fine for a continuing violation;

(ii) suspend any Person's right to use any Common Area facilities (A) for any period during which any charge against such Owner's Unit remains delinquent, and (B) for a period not to exceed 30 days for a single violation or for a longer period in the case of any continuing violation (except that no hearing is required if the Owner is more than 60 days delinquent in paying any assessment or other charge owed the Association); however, nothing herein shall authorize the Board to limit ingress or egress to or from a Unit;

(iii) suspend services the Association provides (except that no hearing is required if the Owner is more than 60 days delinquent in paying any assessment or other charge owed to the Association), except that nothing herein shall authorize the Board to suspend essential utilities (*i.e.*, electricity, natural gas or water);

(iv) exercise self-help or take action to abate any violation of the Governing Documents in a non-emergency situation (including removing personal property that violates the Governing Documents);

(v) without liability to any Person, preclude any contractor, subcontractor, agent, employee or other invitee of an Owner who causes damage to any property in the Community owned by others or fails to comply with the

Compliance and Enforcement

terms and provisions of Chapter 5 and the Design Standards from continuing or performing any further activities in the Community;

(vi) levy Specific Assessments to cover costs the Association incurs in bringing a Unit into compliance with the Community-Wide Standard or other requirements under the Governing Documents, or in repairing damage to any portion of the Area of Common Responsibility resulting from actions of any Owner or occupant of a Unit, their contractors, subcontractors, agents, employees, or invitees; and

(vii) record a notice of violation with respect to any Unit on which a violation exists.

(b) Other Sanctions. The Board may take the following actions to obtain compliance with the Governing Documents without prior notice or a hearing:

(i) suspend the vote allocated to any Unit if the Owner is more than 90 days delinquent in paying any Base Assessment or Service Area Assessment levied on the Unit pursuant to Chapter 13;

(ii) exercise self-help or take action to abate a violation on a Unit in any situation that requires prompt action to avoid potential injury or damage or unreasonable inconvenience to other persons or their property (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations);

(iii) exercise self-help or take action to abate a violation on the Common Area under any circumstances;

(iv) require an Owner or a Neighborhood Association, at its own expense, to perform maintenance or to remove any structure or improvement on such Owner's Unit or on the Neighborhood Association's property, respectively, that is in violation of the Community-

Wide Standard or other requirements under the Governing Documents and to restore the property to its previous condition;

(v) enter the property and exercise self-help to remove or cure a violating condition if an Owner or Neighborhood Association fails to take action as required pursuant to Section 8.2(b)(iv) within 10 days after receipt of written notice to do so, and any such entry shall not be deemed a trespass; or

(vi) bring suit at law for monetary damages or in equity to stop or prevent any violation, or both.

(c) Additional Powers Relating to Neighborhood Associations. The Association also has the power to require specific action to be taken by any Neighborhood Association in connection with its obligations and responsibilities, such as requiring specific maintenance or repairs or aesthetic changes to be effectuated and requiring that a proposed budget include certain items and that expenditures be made therefore.

A Neighborhood Association shall take appropriate action required by the Association in a written notice within the reasonable time frame set by the Association in the notice. If the Neighborhood Association fails to comply, the Association shall have the right to effect such action on behalf of the Neighborhood Association and levy Specific Assessments to cover the costs, as well as an administrative charge and sanctions.

(d) The Founder's Right to Impose Sanctions. In the event that the Association fails or refuses to take action or impose sanctions under this Chapter after notice from the Founder of a violation of the Governing Documents, the Founder shall have the right to levy monetary fines on behalf of the Association after notice and hearing in the same manner as the Association under Section 8.2(a). In addition, the Founder may exercise self-help or take action to abate a violation or bring suit at law or in equity in the

Compliance and Enforcement

same manner as the Association under Section 8.2(b).

8.3. Board Decision to Pursue Enforcement Action

The Association's decision to pursue enforcement action in any particular case shall be left to the Board's discretion, except that the Board shall not be arbitrary or capricious in taking enforcement action. For example, the Board may determine that, in a particular case:

(a) the Association's position is not strong enough to justify taking any or further action;

(b) the covenant, restriction or rule being enforced is, or is likely to be construed as, inconsistent with applicable law;

(c) although a technical violation may exist or may have occurred, it is not of such a material nature as to be objectionable to a reasonable person or to justify expending the Association's resources; or

(d) that it is not in the Association's best interests, based upon hardship, expense or other reasonable criteria, to pursue enforcement action.

A decision not to enforce a particular provision shall not prevent the Association from enforcing the same provision at a later time or prevent the enforcement of any other covenant, restriction, or rule.

8.4. Attorneys Fees and Costs

In any action to enforce the Governing Documents, the prevailing party shall be entitled to recover all costs, including, without limitation, attorneys fees and court costs, reasonably incurred in such action.

8.5. Enforcement of Ordinances

The Association, by contract or other agreement, may enforce applicable laws, regulations, ordinances and governmental requirements. In addition, St. Johns County and other governmental entities having jurisdiction may enforce laws, regulations, ordinances and governmental requirements within the Community.

8.6 Founder's Remedies for Non-Compliance

(a) In the event that the Association fails or refuses to take action or impose sanctions under this Chapter after notice from the Founder of a violation of the Governing Documents, the Founder shall have the right to levy monetary fines on behalf of the Association after notice and hearing in the same manner as the Association under Section 8.2(a). In addition, the Founder may exercise self-help or take action to abate a violation or bring suit at law or in equity in the same manner as the Association under Section 8.2(b).

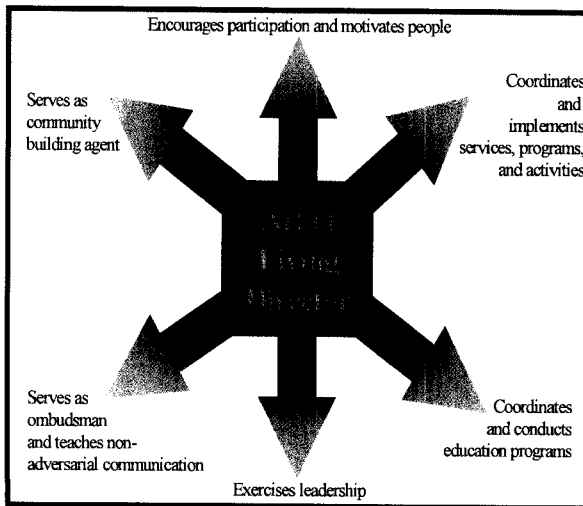
PART THREE: ASSOCIATION OPERATIONS

Chapter 9 - Tools for Community Achievement

Achieving the goal of making RiverTown a truly special place to live and work requires more than just meaningful, productive opportunities to share ideas, suggestions and desires. It also requires a creative process, specialized staffing and great communication. However, many of the best community building ideas will come from the community itself.

9.1. Art of Living Director

The Association may create and fund the position of "Art of Living Director" for the collective benefit of the RiverTown community. The Art of Living Director's role shall be to create, foster and enhance community and the quality of life within RiverTown by providing leadership for the overall planning, development, execution and continuing evaluation of RiverTown's "community creation program." RiverTown's community creation program shall include such community-building activities, services and programs as the Board deems necessary, desirable or



appropriate.

The Art of Living Director's specific responsibilities may include all or any of the following:

- (a) coordinating, promoting and facilitating community-wide events and activities;
- (b) conducting educational programs and contracting for and coordinating higher-level, specialized education;
- (c) organizing and promoting sports or recreational leagues;
- (d) working with volunteers and staff members and cooperating with the Board to implement the Association's objectives and administer its daily affairs;
- (e) motivating Owners, residents and invitees to participate in and volunteer their time and skills for community events and activities;
- (f) enhancing communication among Owners through the creation and maintenance of websites, newsletters, forums and other medium; and
- (g) seeking out new opportunities for building community life and spirit.

The Art of Living Director may be employed or otherwise contracted for by the Association on a part-time or full-time basis. The Board shall establish the Art of Living Director's compensation and may modify such compensation from time to time to reflect changes in the employment market, the Association's economic viability and other relevant factors. In addition, the Board shall fund the Art of Living Director's operational expenses in such amounts as the Board deems sufficient. The Board may enact rules to ensure the successful creation, staffing, funding, operation, execution of duties and continuity of the Art of Living Director position.

Tools for Community Achievement

9.2. Youth Board

The Board may create and fund a "**Youth Board**" composed of and selected by community residents between the ages of 13 and 18 to serve as a liaison between the Community's youth and the Board. The purpose of the Youth Board is to empower the Community's youth with a voice, a sense of "belonging" and a mechanism for positively influencing their peers and others in the Community.

The best Youth Board is one that is representative of those it seeks to serve. The members of the Youth Board shall be selected from candidates solicited through Community-wide publications, emails and other methods designed to reach large portions of the Community. The Art of Living Director shall compile all applications for the Youth Board. The Board, with the assistance of the Art of Living Director, will then select the Youth Board members from the applications. In the process of selecting members of the Youth Board, the Board shall endeavor to include representatives from a wide variety of backgrounds, ages, hobbies, charter clubs, sports teams and residence locations within the Community.

The Art of Living Director shall serve as an *ex officio* member of the Youth Board, and the Youth Board shall cooperate with and assist the Art of Living Director in the performance of its duties.

The Board may enact additional rules to ensure the successful formation, selection, operation and continuity of the Youth Board, including terms of service of the Youth Board.

9.3. Community Education and Training

In recognition of the fact that Owners and other residents who are well-informed regarding their community's structure and governance and their rights and responsibilities in the community, have greater capacity to participate in civic life and in the affairs of the Community, the

Board may establish education, training and orientation programs relating to community governance, including "continuing" education programs, for everyone in the Community. The Board may utilize any appropriate method to achieve these education goals, including a community intranet; learning centers, computer centers and business centers; and coordinated activities with the Art of Living Director, Association committees or Board members.

Community education shall begin as early as the marketing stage or the point of sale of property within the Community and may include orientation classes regarding community structure and governance; the nature, extent and purpose of the covenants, rules and regulations; and community-building issues such as the mission for the Community, opportunities to participate in and affect the community's evolution and growth, and general community orientation. The Board also may provide programming explaining the Youth Board's purpose, goals and selection to those interested in being participants and their parents.

Community governance education is an essential component of living in the Community. Educating Owners regarding ownership rights, voting privileges, property use restrictions, assessment responsibility, community development, developer turnover or transition, community activities, etc., should be an ongoing innovative process geared toward including residents of all ages. Governance education may be offered in the form of seminars, simple question and answer pamphlets, audio/video recordings, through a community cable channel or through an interactive website. The Board may also coordinate with nationally recognized organizations such as the Urban Land Institute or the Community Associations Institute to offer programs regarding community governance or coordinate with nationally recognized speakers in the field to provide community governance instruction and workshops.

Tools for Community Achievement

9.4. Volunteerism and Charter Clubs

In recognition of the fact that volunteerism benefits both the Community and the larger community, the Board desires to promote a strong volunteer ethic among residents of the Community and encourage and facilitate the organization of volunteer organizations within the Community. To accomplish this end, the Board may grant incentives for volunteering, such as exemptions from specific program fees and public recognition of distinguished volunteers and their achievements. The Board also may cooperate with and support outside organizations such as recreational leagues or cultural organizations by making facilities available for the organization's use or sponsoring the organization's activities. Additionally, the Board may compile a list of people interested in volunteering and make such data available to other volunteer organizations upon each volunteer's consent.

In its discretion, the Board may establish or support the establishment of "charter clubs" to encourage or facilitate the gathering of people to pursue common interests or hobbies. A charter shall confer privileges and impose responsibilities on the club and its members. For example, the Board may grant privileges including financial support; material support; facility use privileges, either with or without charge; priority for facility use; administrative and technical support; and liability insurance coverage.

The Board may grant charters to any group of individuals who share a particular field of interest. Any Owner, tenant or resident may submit a written request to the Art of Living Director for a charter. In his or her discretion, the Art of Living Director may grant or deny such request. The Board may fund the charter club as a Common Expense and/or require that club members pay use or consumption fees for materials, facilities use or other club expenses. However, the Board may not fund a charter club's events or activities or another volunteer group's events or activities, or the advertising or promotion of such

events or activities, unless the Board, in its discretion, determines that such events or organizations benefit the entire Community.

Volunteerism

Board:

- ✦ Facilitates volunteer organizations
- ✦ Supports recreational leagues and cultural organizations
- ✦ May maintain volunteer data bank
- ✦ May grant charters to charter clubs
- ✦ Publicizes meetings, events, etc.
- ✦ Provides recognition to volunteers

9.5. Education as an Amenity

The Association may provide or provide for continuing education and learning opportunities. The range of continuing education and learning opportunities offered in the Community may be determined by interest, participation and satisfaction, as well as the budget. In the event the Association elects to provide for such opportunities, the Association may make every effort to provide or provide for a variety of continuing education opportunities that reflect the diverse interests of the Community, *i.e.*, finance, art, music, exercise, community wellness, gardening, environmental preservation, sports and recreation.

Chapter 10 - Property Management

One of the Association's primary functions is maintaining and operating property and facilities for the common benefit of the Owners and residents of the Community. This Chapter establishes the Association's obligation to accept property that the Founder designates as Common Area or Limited Common Area and to maintain, operate and insure it, along with certain other properties, for the benefit of the Community.

10.1. Acceptance and Control of Association Property

(a) Transfers and Conveyances by Founder. The Founder and its designees may transfer or convey to the Association interests in and obligations imposed upon real or personal property within or for the benefit of the Community, and the Association shall accept such transfers and conveyances, assume and hold the Founder harmless from such obligations, and cooperate with and support any effort by the Founder or its designees to get released from such obligations. Such property may be improved or unimproved and may consist of fee simple title, easements, leases, licenses or other real or personal property interests.

Upon the Founder's written request, the Association shall reconvey to the Founder any real property that the Founder originally conveyed to the Association for no payment, to the extent conveyed in error or needed to make minor adjustments in property lines or accommodate changes in the Development Plan.

(b) Management and Control. The Association is responsible for management, operation and control of the Common Area, to the extent it is not managed, operated or controlled by the Community Development District or other governmental authority and subject to any covenants set forth in the deed or other instrument transferring the property to the Association. The Association may enter into leases, licenses or oper-

ating agreements with respect to portions of the Common Area for payment or no payment, as the Board deems appropriate, subject to the requirements of Florida law. The Association may permit use of Common Area facilities and Association property by persons other than Owners and occupants of Units and may charge use fees, in such amount as the Board may establish, for such use.

10.2. Maintenance of Area of Common Responsibility

Except to the extent that such maintenance is the responsibility of the Community Development District or other governmental authority, the Association shall maintain the Area of Common Responsibility in accordance with the Community-Wide Standard. The Area of Common Responsibility includes, but is not limited to:

(a) the Common Area, including private roads and gated entryways, if any, serving all or portions the Community;

(b) landscaping within public rights-of-way within or abutting the Community, to the extent that responsible governmental authorities or Unit Owners do not maintain it to the Community-Wide Standard;

(c) such portions of any additional property as may be dictated by the Founder, this Charter, any Supplement or any covenant or agreement for maintenance entered into by, or otherwise binding on the Association; and

(d) any property and facilities that the Founder owns and makes available, on a temporary or permanent basis, for the primary use and enjoyment of the Association and its Members. The Founder shall identify any such property and facilities by written notice to the Association, and

Property Management

they shall remain part of the Area of Common Responsibility until the Founder revokes such privilege of use and enjoyment by written notice to the Association.

The Association shall also be responsible for proper functioning of the stormwater drainage system serving the Community, including maintenance, repair and replacement, as needed, of pipes, culverts and other structures and equipment comprising the system, except to the extent that such maintenance is the responsibility of the Community Development District or other governmental authority or a Community Development District. It shall have no responsibility for landscaping or other maintenance of Units burdened by stormwater drainage easements unless otherwise specifically set forth in a Supplement or in a recorded agreement or plat.

The Association may maintain other property it does not own, including, without limitation, Units, property dedicated to the public or property owned or maintained by a Neighborhood Association, if the Board determines that such maintenance is necessary or desirable to maintain the Community-Wide Standard. The Association shall not be liable for any damage or injury occurring on or arising out of the condition of, property it does not own except to the extent that it has been negligent in performing its maintenance responsibilities.

10.3. Discontinuation of Operation

After termination of the Founder Control Period, the Association shall maintain the Common Area facilities in continuous operation except to the extent that such maintenance is the Responsibility of the Community Development District or other governmental authority and unless, with respect to Common Areas other than Limited Common Areas, Voting Delegates representing 75 percent of the total votes in the Association consent in writing to discontinue such operation. If the property is a Limited Common Area, any discontinuation shall require the Board's ap-

proval, and the approval in writing of Owners representing at least 75 percent (or such higher percentage as a Supplement may require) of the Units to which such Limited Common Area is assigned. In addition, the Founder's consent is required to discontinue operation of any Common Area facilities during the Development and Sale Period.

This Section shall not apply during the Founder Control Period and shall not apply to restrict the Board's ability to establish reasonable operating hours, which may vary by season, or to preclude temporary closures or interruptions in operation, as the Board may determine appropriate to perform maintenance or repairs.

10.4. Restoring Damaged Improvements


In the event of damage to or destruction of portions of the Area of Common Responsibility for which the Association has insurance responsibility, the Board or its duly authorized agent shall file and adjust all insurance claims and obtain reliable and detailed estimates of the cost of repairing or restoring the property to substantially its condition prior to the damage, allowing for changes or improvements necessitated by changes in applicable building codes.

The Association shall repair or reconstruct damaged Common Area improvements, unless with respect to Common Areas other than Limited Common Areas, Owners or Voting Delegates, as applicable, representing at least 75 percent of the total votes in the Association decide within 60 days after the loss not to repair or reconstruct. If the damage is to Limited Common Area or Units within a Service Area, any decision not to restore the damaged improvements shall require the approval of Owners representing at least 75 percent of the Units to which such Limited Common Area is assigned or the affected Service Area, respectively. In addition, the Founder's approval is required for the decision not to repair or reconstruct portions of the

Property Management

Common Area prior to the termination of the Development and Sale Period.

If either the insurance proceeds or estimates of the loss, or both, are not available to the Association within such 60-day period, then the period shall be extended until such funds or information are available. No Mortgagee shall have the right to participate in determining whether the damage or destruction to the Common Area shall be repaired or reconstructed.

 This provision ensures that desirable Common Area improvements will be replaced if destroyed, but it also makes it possible *not* to repair or rebuild if the Owners who benefit from the Common Area prefer not to rebuild.

If a decision is made not to restore the damaged improvements and no alternative improvements are authorized, the affected property shall be cleared of all debris and ruins and thereafter shall be maintained by the Association in a neat and attractive condition consistent with the Community-Wide Standard.

The Association shall retain and place in a capital improvements account for the benefit of all Owners or the Owners of Units within the affected Service Area, as applicable, any insurance proceeds remaining after paying the costs of repair or reconstruction or after such settlement as is necessary and appropriate. This is a covenant for the benefit of Mortgagees and may be enforced by the Mortgagee of any affected Unit.

If insurance proceeds are insufficient to cover the costs of repair or reconstruction, the Board may, without a vote of the Owners or the Voting Delegates, as applicable, levy Special Assessments to cover the shortfall against those Owners responsible for the premiums for the applicable insurance coverage under Section 12.4.

10.5. Relationships with Other Properties

The Association may contract with the owner, any association of owners of any neighboring property, a Private Amenity (as defined in Chapter 15) or a governmental entity (including a CDD) to provide for sharing of costs associated with (a) maintenance and operation of mutually beneficial properties or facilities, or (b) provision of mutually beneficial services.

10.6 Compliance with the Development Order and Other Requirements

All development and use of RiverTown, including, without limitation, the recreation areas within the Community, shall be consistent with any development order related to RiverTown and any other governmental or quasi-governmental order, permit or approval applicable to the Community or any management plan, conservation easement or other program required or authorized by or adopted pursuant thereto (collectively, as each may be amended from time to time, the "Development Order and Other Requirements"). In the event of a conflict between a Development Order and Other Requirements and a provision contained in the Governing Documents, the more restrictive provision shall apply. The Development Order and Other Requirements shall be binding upon the Association and all Owners.

The Association and/or the CDD shall be responsible for complying with all applicable requirements of the Development Order and Other Requirements; provided, to the extent the Development Order and Other Requirements require, the Founder shall fulfill the obligations in this regard until termination of the Founder Control Period or such earlier time as it assigns the responsibility to the Association. The Association shall perform such responsibilities in the manner required under the Development Order and Other Requirements and as deemed appropriate in the Board's discretion. The costs incurred by the Association in carrying out its responsibilities under the Development Order and Other Requirements shall be assessed against all

Property Management

Owners as a Common Expense in accordance with Chapter 13.

Chapter 11 - Provision of Services

In addition to its property management role, the Association is a vehicle for providing a variety of services for the benefit of the Community at large and individual Units. This Chapter describes some of the services the Association may provide.

11.1. Provision of Services to Units

The Association may arrange for or provide services to Owners and their Units, directly or through contracts with the Founder or other third parties. The Association may enter into bulk service agreements by which a particular service is provided to all Units, or it may offer various services at the option of each Owner, or both. By way of example and not limitation, such services might include such things as cable television, technology services, utilities, fire protection, security, trash collection, landscape maintenance, pest control, caretaker services and concierge services.

Services may be provided to all Units, to all Units in a Service Area, or to particular Units upon request. Services may be provided as a Common Expense or a Service Area Expense, as applicable, for which the Association may levy assessments pursuant to Chapter 13; provided, unimproved Units need not be assessed for services available only to improved Units (*e.g.*, cable television). The Association shall charge a separate use fee, in such amount as the Board may determine appropriate in its discretion, for any services offered at the option of an Owner, which fee shall be assessed against the benefited Unit as a Specific Assessment pursuant to Chapter 13.

Any Association contract for services may require individual Owners or occupants to execute separate agreements directly with the Persons providing components or services in order to gain access to or obtain specified services. Such contracts and agreements may contain terms and

conditions that, if violated by the Owner or occupant of a Unit, may result in termination of services provided to such Unit. Any such termination and any failure or refusal to participate shall not relieve the Owner of the continuing obligation to pay assessments for any portion of the charges for such service that are assessed against the Unit as a Common Expense or Service Area Expense pursuant to Chapter 13.

In its discretion, the Board may discontinue offering particular services and may modify or cancel existing contracts for services, subject to the contract terms and any provision that may exist elsewhere in the Governing Documents requiring the Association to provide such services.

11.2. Provision of Services to Service Areas

(a) Service Areas Designated by Founder.

The Association shall provide services to Units within any Service Area designated by the Founder pursuant to Section 3.4 as required by the terms of any Supplement applicable to such Service Area.

(b) Service Areas Designated by Board.

In addition to Service Areas the Founder may designate pursuant to Section 3.4, any group of Owners may petition the Board to designate their Units as a Service Area for the purpose of receiving from the Association (i) special benefits or services that are not provided to all Units, or (ii) a higher level of service than the Association otherwise provides. Any such petition shall be signed by Owners of a majority of the Units within the proposed Service Area. Upon receipt of such petition, the Board shall investigate the terms upon which the requested benefits or services might be provided and notify the Owners in the proposed Service Area of such terms and the initial fees for providing the requested service,

Provision of Services

which may include a reasonable administrative charge. If Owners representing at least 67 percent of the Units within the proposed Service Area approve the proposal in writing, the Board shall designate the Units as a Service Area and include the fees for such service as a line item in the Service Area budget pursuant to Section 13.2(c).

Governing Documents, the Association may send notices electronically, hold Board or Association meetings and permit attendance and voting by electronic means and electronically send and collect assessment and other invoices.

11.3. Community Technology

(a) *Community Systems*. Without limiting the generality of Sections 11.1 and 11.2, the Association is specifically authorized to provide, or to enter into contracts with other Persons to provide, central telecommunication receiving and distribution systems (*e.g.*, cable television, high speed data/Internet/intranet services and security monitoring) and related components, including associated infrastructure, equipment, hardware and software to serve the Community ("**Community Systems**"). Any such contracts may provide for installation, operation, management, maintenance and upgrades or modifications to the Community Systems as the Board determines appropriate. The Association shall have no obligation to utilize any particular provider(s). However, except for cause (as defined by written agreement with the provider), the Association may not, without the Founder's consent, terminate any contract entered into during the Founder Control Period.

(b) *Opportunities for Community Interaction*. The Association may make use of computers, the Internet and expanding technology to facilitate community interaction and encourage participation in Association activities. For example, the Association may sponsor a community cable television channel, create and maintain a community intranet or Internet home page, maintain an "online" newsletter or bulletin board and offer other technology-related services and opportunities for Owners and residents to interact and participate in Association-sponsored activities. To the extent Florida law permits, and unless otherwise specifically prohibited in the

Chapter 12 - Association Insurance

The Association is responsible for insuring against various types of risks, including property damage, personal injury and liability. This Chapter describes the minimum types and amounts of coverage that the Association must obtain, the specific requirements for such policies and the handling of deductibles and premiums for such insurance.

12.1. Required Coverages

The Association shall obtain and maintain in effect the following insurance coverage, if reasonably available, or if not reasonably available, the most nearly equivalent coverage as is reasonably available:

(a) Blanket property insurance covering "risks of direct physical loss" on a "special form" basis (or comparable coverage by whatever name denominated) for all insurable improvements on

(i) the Common Area; and

(ii) other portions of the Area of Common Responsibility, to the extent that the Association has responsibility for repair or replacement in the event of a casualty.

If such coverage is not generally available at reasonable cost, then "broad form" coverage may be substituted. If necessary, coverage for wind damage may be by separate policy, including any policy issued by a joint underwriting association or company or any company writing wind coverage exclusively or predominantly. The limits of Association property insurance policies shall be sufficient to cover the full replacement cost of the insured improvements under current building ordinances and codes.

In addition, if a Supplement so specifies, the Association shall obtain and maintain property insurance on the insurable improvements within

a Service Area, which insurance shall comply with the above requirements.

(b) Commercial general liability insurance on the Area of Common Responsibility, insuring the Association and its Members for damage or injury caused by the negligence of the Association or any of its Members, employees, agents or contractors while acting on its behalf. If generally available at reasonable cost, such coverage shall have a limit of at least \$2,000,000.00 per occurrence with respect to bodily injury, personal injury and property damage. Such coverage may be provided through a combination of primary and umbrella policies. However, if additional coverage and higher limits are available at reasonable cost that a reasonably prudent person would obtain, the Association shall obtain such additional coverages or limits;

(c) Workers compensation insurance and employers liability insurance, if and to the extent required by law;

(d) Directors and officers liability coverage; and

(e) Commercial crime insurance, including fidelity insurance covering all Persons responsible for handling Association funds in an amount determined in the Board's business judgment but not less than an amount equal to one fourth of the annual Base Assessments on all Units plus reserves on hand. Fidelity insurance policies shall contain a waiver of all defenses based upon the exclusion of Persons serving without compensation.


Unless otherwise specifically provided in a Supplement, Association property and liability insurance covers only the Area of Common Responsibility and improvements within the Area of Common Responsibility but does not cover Units,

Association Insurance

and it is the responsibility of each Owner to insure its Unit and the contents of its Unit.

The Association shall arrange for an annual review of the sufficiency of its insurance coverage by one or more qualified Persons, at least one of whom must be familiar with insurable replacement costs in St. Johns County. In the exercise of its business judgment, the Board may obtain additional insurance coverage and higher limits than this Section requires.

12.2. Deductibles



The Board may hold any Persons who cause damage to insured improvements responsible for the insurance deductible payable on any insurance claim related to such damage.

The Association's policies may contain a reasonable deductible, which shall not be subtracted from the face amount of the policy in determining whether the policy limits satisfy the requirements of Section 12.1. In the event of an insured loss, the deductible shall be treated as a Common Expense or a Service Area Expense in the same manner as the premiums for the applicable insurance coverage. However, if the Board reasonably determines, after notice and an opportunity to be heard in accordance with the By-Laws, that the loss is the result of the negligence or willful misconduct of one or more Owners, their guests, invitees or lessees, then the Board may assess the full amount of such deductible against such Owner(s) and their Units as a Specific Assessment, but the right to do so shall not affect or impair any waiver of subrogation provision of any policy.

12.3. Policy Requirements

All Association policies shall provide for a certificate of insurance to be furnished to the Association and, upon request, to each Owner and Mortgagee.

To the extent available at reasonable cost and terms, all Association insurance shall:

(a) be written with a company authorized to do business in Florida that satisfies the requirements of the Federal National Mortgage Association or such other secondary mortgage market agencies or federal agencies as the Board deems appropriate;

(b) be written in the name of the Association as trustee for the benefited parties. All policies shall be for the benefit of the Association and its members, except that policies on Limited Common Area shall be for the benefit of the Owners of Units within the Service Area to which the Limited Common Area is assigned and their Mortgagees, as their interests may appear;

(c) not be brought into contribution with insurance purchased by Owners, occupants or their Mortgagees individually;

(d) contain an inflation guard endorsement;


(e) include an agreed amount endorsement, if the policy contains a co-insurance clause;

(f) provide that each Owner is an insured person with respect to liability arising out of such Owner's status as a member of the Association;

(g) provide a waiver of subrogation against any Owner or household member of an Owner; and

(h) include an endorsement precluding cancellation, invalidation, suspension or non-renewal by the insurer on account of any act or omission of one or more Owners, unless acting on the Association's behalf within the scope of their authority, or on account of any curable defect or violation, without prior written demand to the Association and allowance of a reasonable time to cure the defect or violation.

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 Subrogation is a legal concept by which one person is substituted in the place of another with respect to a lawful claim or right. For example, once they have paid a claim by an insured party, insurance companies generally have the right to step into the shoes of the insured party and sue anyone that the insured party could have sued.

In addition, the Board shall use reasonable efforts to secure insurance policies that list the Owners as additional insureds and provide:

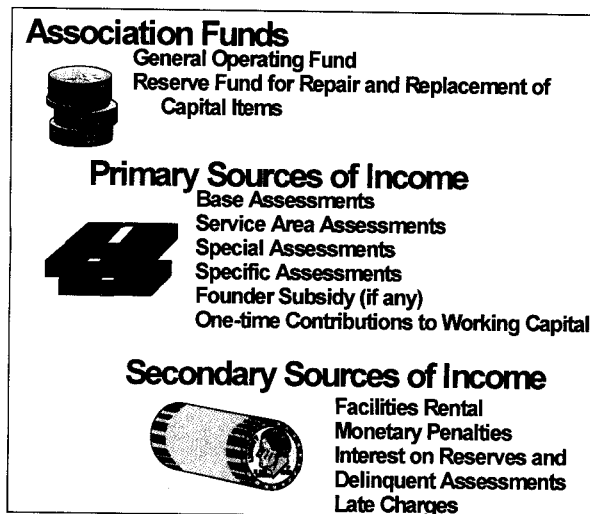
- (a) a waiver of subrogation as to any claims against the Association's directors, officers, employees and manager;
- (b) a waiver of the insurer's right to repair and reconstruct instead of paying cash;
- (c) an endorsement excluding Owners' individual policies from consideration under any "other insurance" clause;
- (d) an endorsement requiring at least 30 days' prior written notice to the Association of any cancellation, substantial modification, or non-renewal;
- (e) a cross liability provision; and
- (f) a provision vesting in the Board exclusive authority to adjust losses. However, Mortgagees having an interest in such losses may not be precluded from participating in the settlement negotiations, if any, related to the loss.

12.4. Insurance Premiums

Premiums for all Association insurance shall be a Common Expense, except that premiums for property insurance on Units within, or Limited Common Areas assigned to, a particular Service Area shall be a Service Area Expense unless the Board reasonably determines that other treatment of the premiums is more appropriate.

Chapter 13 - Association Finances

This Chapter provides for various types of funding to cover expenses that the Association incurs or expects to incur in exercising its authority and performing its responsibilities under the Governing Documents. The primary source of funding is the assessments this Chapter authorizes the Association to levy against the Units and collect from the Owner of each Unit. Assessments are secured by a lien on each Unit as described in this Chapter.



13.1. Association Expenses

(a) **Common Expenses.** Except as the Governing Documents specifically provide, all of the expenses that the Association incurs or expects to incur, in connection with the ownership, maintenance and operation of the Area of Common Responsibility, and otherwise, for the general benefit of the Owners, are considered "**Common Expenses.**" Common Expenses include such operating reserves and reserves for repair and replacement of capital items within the Area of Common Responsibility as the Board finds necessary or appropriate.

Common Expenses shall not include any expenses incurred during the Founder Control Period for initial development or original construc-

tion costs unless Voting Delegates (other than Founder appointees), representing a majority of the total vote in the Association, approve such expenditure. Payments due under leases of capital improvements such as streetlights shall not be considered an initial development or original construction cost.

The characterization of a particular expense as a "Common Expense" shall not preclude the Association from seeking reimbursement for, or a contribution toward, such expenses from other Persons who may be responsible for the expenses incurred or for sharing such expenses pursuant to this Charter, any Supplement or any other recorded covenants or agreements.

(b) **Service Area Expenses.** All expenses that the Association incurs or expects to incur in connection with the ownership, maintenance and operation of Limited Common Areas or in providing other benefits and services to a Service Area, including any operating reserve or reserve for repair and replacement of capital items maintained for the benefit of the Service Area, are considered "**Service Area Expenses.**" Service Area Expenses may include a reasonable administrative charge in such amount as the Board deems appropriate, provided that any such administrative charge is applied at a uniform rate per Unit among all Service Areas receiving the same service.

13.2. Budgeting for and Allocating Association Expenses

(a) **Preparation of Budget.** At least 60 days before the beginning of each fiscal year, the Board shall prepare a budget of the estimated Common Expenses for the coming year. In addition, the Board shall prepare a separate budget for each Service Area reflecting the estimated Service Area Expenses that the Association ex-

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pects to incur for the benefit of such Service Area in the coming year.

The estimated expenses in each budget shall include, in addition to any operating reserves, a reasonable contribution to a reserve fund for repair and replacement of any capital items to be maintained as a Common Expense or as a Service Area Expense of the Service Area for which the budget is prepared, as applicable. In determining the amount of such reserve contribution, the Board shall take into account the number and nature of replaceable assets, the expected useful life of each, the expected repair or replacement cost, and the contribution required to fund the projected needs by annual contributions over the useful life of the asset. So long as the Board exercises business judgment, which may include relying in good faith on the advice of its accountants or other professional advisers in determining the amount or necessity of the reserve fund, the amount shall be considered adequate.

Each budget shall also reflect the sources and estimated amounts of funds to cover such expenses, which may include any surplus to be applied from prior years, any income expected from sources other than assessments levied against the Units (including amounts to which the Association is entitled pursuant to any covenant or agreement to share costs), and the amount to be generated through the levy of Base Assessments and Service Area Assessments pursuant to Sections 13.2(b) and (c).

(b) Calculation of Base Assessments. The total budgeted Common Expenses, less any surplus in the Common Expense budget from prior years and any income anticipated from sources other than assessments against the Units, shall be allocated equally among all Units subject to assessment under Section 13.5 and levied as a "**Base Assessment.**"

(c) Calculation of Service Area Assessments. The total Service Area Expenses budgeted for each Service Area, less any surplus in

such Service Area budget from prior years, shall be allocated among all Units in the Service Area that are subject to assessment under Section 13.5 and levied as a "**Service Area Assessment.**" Unless otherwise specified in any Supplement applicable to a Service Area, Service Area Assessments shall be set at a uniform rate per Unit in the Service Area, except that any portion of the assessment intended for exterior maintenance of structures, insurance on structures or replacement reserves that pertain to particular structures may be levied on each of the benefited Units in proportion to the benefit received, as the Board may reasonably determine.

All amounts the Association collects as Service Area Assessments shall be held in trust for and expended solely for the benefit of the Service Area for which they were collected and shall be accounted for separately from the Association's general funds.

(d) Founder's Subsidy Option. The Founder may, but shall not be obligated to, reduce the Base Assessment for any fiscal year by payment of a subsidy (in addition to any amounts paid by the Founder under Section 13.6(b)). Any such subsidy may be treated as a contribution, an advance against future assessments due from the Founder or a loan, in the Founder's discretion. Any such subsidy and the characterization thereof shall be conspicuously disclosed as a line item in the income portion of the budget. Payment of such subsidy in any year shall not obligate the Founder to continue payment of such subsidy in future years, unless otherwise provided in a written agreement between the Association and the Founder.

(e) Notice of Budget and Assessment; Right to Disapprove. The Board shall send a copy of each applicable budget, together with notice of the amount of the Base Assessment and any Service Area Assessment to be levied pursuant to such budgets, to each Owner at least 30 days before the fiscal year begins.

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Notwithstanding any provision to the contrary, and except for assessment increases necessary for emergency situations, after termination of the Founder Control Period, any Base Assessment that is more than 10 percent greater than such assessment for the immediately preceding fiscal year is subject to disapproval at a meeting by at least 75 percent of the Owners subject to such assessment.

Except for increases necessary for emergency situations, after termination of the Founder Control Period, any Service Area Assessment that is more than 10 percent greater than such assessment for the immediately preceding fiscal year is subject to disapproval at a meeting by Owners representing a majority of the votes within the Service Area subject to such assessment.

An emergency situation is any one of the following:

(a) an extraordinary expense required by an order of a court;

(b) an extraordinary expense necessary to repair or maintain any portion of the Community for which the Association is responsible where a threat to personal safety is discovered;

(c) an extraordinary expense necessary to repair or maintain any portion of the Community for which the Association is responsible and which could not reasonably have been foreseen by the Board in preparing and distributing the pro forma budget. However, prior to the imposition or collection of such an assessment, the Board shall pass a resolution containing written findings as to the necessity of the extraordinary expense involved and why the expense was not or could not have been reasonably foreseen in the budgeting process. Notice of the Board meeting at which such resolution is to be considered, explaining the nature of the assessment proposed, shall be provided to the Owners along with the notice of such assessment; or

(d) to defend itself in litigation, arbitration or other legal or administrative actions brought against it.

There shall be no obligation to call a meeting for the purpose of considering any budget except, in the case of the Common Expense budget, on petition of the Voting Delegates as provided for special meetings in the By-Laws, and in the case of a Service Area budget, on petition of Owners of at least 67 percent of the Units within the Service Area. Any such petition must be presented to the Board within 10 days after delivery of the budget and notice of any assessment. In addition, if any is required by Florida law, Owners shall be given notice of and the opportunity to attend Board meetings at which assessments are to be considered and levied.

If any proposed budget is disapproved or the Board fails for any reason to determine the budget for any year, then the budget most recently in effect shall continue in effect until a new budget is determined.

(f) **Budget Revisions.** The Board may revise the budget and adjust the Base Assessment or Service Area Assessments anytime during the year, subject to the same notice requirements and rights to disapprove set forth in Section 13.2(e).

13.3. Special Assessments

In addition to other authorized assessments, the Association may levy "**Special Assessments**" to cover unbudgeted expenses or expenses in excess of those budgeted. Special Assessments may be levied against the entire membership or against the Units within any Service Area to cover unbudgeted expenses or expenses in excess of those budgeted. Unless otherwise provided in a Supplement, Special Assessments shall be allocated equally among all Units subject to the Special Assessment.

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Except as otherwise specifically provided in this Charter or any Supplement, any Special Assessment shall require the affirmative vote or written consent of Voting Delegates representing at least a majority of the total votes in the Association, or of the Owners within the affected Service Area, as applicable, and the affirmative vote or written consent of the Founder Member, if any.

Special Assessments shall be payable in such manner and at such times as determined by the Board and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved.

13.4. Specific Assessments

The Association may levy "**Specific Assessments**" against a particular Unit as follows:

(a) to cover the costs, including overhead and administrative costs, of providing services to the Unit upon request of the Owner pursuant to any menu of optional services the Association may offer pursuant to Section 11.1. Specific Assessments for optional services may be levied in advance of the provision of the requested service; and

(b) to cover costs incurred in bringing the Unit into compliance with the Governing Documents, or costs incurred as a consequence of the conduct of the Owner or occupants of the Unit, their agents, contractors, employees, licensees, invitees or guests; however, the Board shall give the Unit Owner prior written notice and an opportunity for a hearing in accordance with the By-Laws before levying any Specific Assessment under this subsection.

The Association may levy Specific Assessments against a Neighborhood Association to cover costs that the Association incurs in bringing the Neighborhood into compliance with the provisions of the Governing Documents; however, the Board must give prior written notice to the

Neighborhood Association's board of directors and an opportunity for the Neighborhood Association to be heard before levying any such assessment.

13.5. Authority to Assess Owners; Time of Payment

The Founder hereby establishes and the Association is hereby authorized to levy assessments as provided for in this Chapter and elsewhere in the Governing Documents. The obligation to pay assessments shall commence as to each Unit on the first day of the month following the latter of: (a) the date on which the Association first adopts a budget and levies assessments; or (b) the date on which the Unit is made subject to this Charter. The first annual Base Assessment and Service Area Assessment, if any, levied on each Unit shall be adjusted according to the number of months remaining in the fiscal year at the time assessments commence on the Unit.

Assessments shall be paid in such manner and on such dates as the Board may establish. If the Board so elects, assessments may be paid in two or more installments. Unless the Board otherwise provides, the Base Assessment and any Service Area Assessment shall be due and payable in advance on the first day of each fiscal year. The Board may require advance payment of assessments at closing of the transfer of title to a Unit and impose special requirements for Owners with a history of delinquent payment. If any Owner is delinquent in paying any assessments or other charges levied on his Unit, the Board may require the outstanding balance on all assessments to be paid in full immediately.

13.6. Obligation for Assessments

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By buying a Unit in the Community, each Owner agrees to pay all assessments levied against his or her Unit. If the Owner does not pay on time, that Owner will be charged late fees on all past-due amounts. Owners may not claim a reduction in their assessments due to action or inaction by the Association.

(a) Personal Obligation. By accepting a deed or entering into a recorded contract to purchase any Unit, each Owner covenants and agrees to pay all assessments authorized in the Governing Documents. All assessments, together with interest (computed from its due date at a rate of 12 percent per annum or such higher rate as the Board may establish, subject to the limitations of Florida law), late charges as determined by Board resolution, costs and reasonable attorneys fees, shall be the personal obligation of each Owner and a lien upon each Unit until paid in full. Upon a transfer of title to a Unit, the grantee shall be jointly and severally liable for any assessments and other charges due at the time of conveyance.

The Board's failure to fix assessment amounts or rates or to deliver or mail each Owner an assessment notice shall not be deemed a waiver, modification or a release of any Owner from the obligation to pay assessments. In such event, each Owner shall continue to pay Base Assessments and Service Area Assessments at the rate established for the last year for which an assessment was made, if any, until a new assessment is levied, at which time the Association may retroactively assess any shortfall.

No Owner may exempt himself or herself from liability for assessments by non-use of Common Area, abandonment of his or her Unit, or non-use of services provided to all Units or to all Units within the Service Area to which the Unit is assigned. The obligation to pay assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of assessments or set-off shall be

claimed or allowed for any alleged failure of the Association or Board to take some action or perform some function required of it, for inconvenience or discomfort arising from the making of repairs or improvements, or from any other action it takes.

Upon written request, the Association shall furnish to any Owner liable for any type of assessment a certificate signed by an Association officer setting forth whether such assessment has been paid. Such certificate shall be conclusive evidence of payment. The Association may require the advance payment of a reasonable processing fee for the issuance of such certificate.

(b) Founder's Financial Obligations to Association. The Founder shall be liable for assessments on any Units it owns that are subject to assessment under this Section, except that during the Founder Control Period, the Founder may satisfy its obligation to pay assessments for Common Expenses on Units it owns either by paying such assessments in the same manner as any other Owner or by paying applicable operating or other expenses incurred by the Association in excess of the assessments receivable from all other members plus other income of the Association, if applicable.

The Founder may make the election provided for under this Section 13.6(b) with respect to all applicable assessments, including Base Assessments, Service Area Assessments, and Special Assessments.

Unless the Founder otherwise notifies the Board in writing at least 60 days before the beginning of each fiscal year, the Founder shall be deemed to have elected to continue paying on the same basis as during the immediately preceding fiscal year. After termination of the Founder Control Period, the Founder shall pay assessments on any Units it owns that are subject to assessment under Section 13.5 in the same manner as any other Owner liable for such assessments.

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Regardless of the Founder's election under this Section, any of the Founder's financial obligations to the Association may be satisfied in the form of cash, by "in kind" contributions of services or materials, or by a combination of these.

13.7. Lien for Assessments

(a) Existence of Lien. The Association shall have a lien against each Unit to secure payment of assessments, as well as interest, late charges (subject to the limitations of Florida law) and costs of collection (including attorney's fees and expenses). Such lien shall be superior to all other liens except (i) the liens of all taxes, bonds, assessments and other levies which by law would be superior, and (ii) the lien or charge of any recorded Mortgage made in good faith and for value having first priority over any other Mortgages on the Unit.

Although no further action is required to create or perfect the lien, the Association may, as further evidence and notice of the lien, execute and record a document setting forth as to any Unit the amount of the delinquent sums due the Association at the time such document is executed and the fact that a lien exists to secure the repayment thereof. However, the Association's failure to execute and record any such document shall not affect the validity, enforceability or priority of the lien.

(b) Enforcement of Lien. The Association's lien to secure assessments may be foreclosed in the same manner as the foreclosure of a mortgage. The Association may bid for the Unit at the foreclosure sale and acquire, hold, lease, mortgage and convey the Unit. While a Unit is owned by the Association following foreclosure: (i) no right to vote shall be exercised on its behalf; (ii) no assessment shall be levied on it; and (iii) each other Unit shall be charged, in addition to its usual assessment, its pro rata share of the assessment that would have been charged such Unit had it not been acquired by the Association.

The Association may sue for unpaid assessments and other charges authorized hereunder without foreclosing or waiving the lien securing the same in addition to pursuing any and all remedies allowed by law to enforce the lien.

(c) Effect of Sale or Transfer. Sale or transfer of any Unit shall not affect the assessment lien or relieve such Unit from the lien for any subsequent assessments. However, the sale or transfer of any Unit pursuant to foreclosure of the first Mortgage shall extinguish the lien as to any installments of such assessments due prior to the Mortgagee's foreclosure sale. The subsequent Owner of the foreclosed Unit shall not be personally liable for assessments on such Unit due prior to such acquisition of title. Such unpaid assessments shall be deemed to be Common Expenses collectible from Owners of all Units subject to assessment under Section 13.5, including such acquirer, its successors and assigns.



If an Owner does not pay his or her assessments on time, the Association may foreclose its lien on the Owner's Unit, causing it to be sold to pay the past due assessments. The Association also may sue an Owner in court to recover past due assessments.

13.8. Exempt Property

The following property shall be exempt from payment of Base Assessments, Service Area Assessments and Special Assessments:

- (a) All Common Area and such portions of the property owned by the Founder as are included in the Area of Common Responsibility;
- (b) Any property dedicated to and accepted by any governmental authority or public utility; and
- (c) Property owned by any Neighborhood Association for the common use and enjoyment of its members, or owned by the members of a

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Neighborhood Association as tenants-in-common.

In addition, both the Founder and the Association shall have the right, but not the obligation, to grant exemptions to schools, houses of worship, hospitals or Units owned by and used by Persons qualifying for tax-exempt status under Section 501(c) of the Internal Revenue Code. Exemptions granted by the Founder shall be binding on the Association.

13.9. Capitalization of Association

Each purchaser of a Unit other than the Founder or a Founder Affiliate or a Builder designated by the Founder shall make a contribution to the working capital of the Association to be collected at the closing of purchase of the Unit and to be in an amount equal to one-quarter percent (.25%) of the "gross selling price" of the Unit. The gross selling price is the total cost to the purchaser of the Unit, excluding transfer taxes and title fees imposed by St. Johns County and/or the State of Florida. This amount shall be in addition to, not in lieu of, the annual Base Assessment and any Service Area Assessment levied on the Unit and shall not be considered an advance payment of such assessments. This amount shall be due and payable to the Association immediately upon transfer of title for its use in covering initial start-up expenses, operating expenses and other expenses that it incurs pursuant to this Charter and the By-Laws.

Notwithstanding the above, no capitalization fee shall be levied upon transfer of title to a Unit.

- (a) to the Founder or Founder Affiliate;
- (b) to the Owner's estate, surviving spouse, or heirs at law upon the death of the Owner;
- (c) to an entity wholly owned by the grantor or to a family trust created by the grantor for the benefit of grantor, his or her spouse

and/or heirs at law; provided, upon any subsequent transfer of an ownership interest in such entity, the Capitalization Fee shall become due;

(d) to an institutional lender pursuant to a Mortgage or upon foreclosure of a Mortgage; or

(e) under circumstances which the Board, in its discretion, deems to warrant classification as an exempt transfer (e.g. a transfer made solely for estate planning purposes may be, but is not required to be, deemed exempt from payment of the fee).

13.10. Use and Consumption Fees; Licenses and Royalties

The Association may offer services or facilities for which it does not recover its costs through assessments under this Article. The Board may charge use and consumption fees to any Person who chooses to use such services, equipment or facilities and may determine the amount and method of determining such fees. Different fees may be charged to different classes of users (e.g., Owners and non-Owners).

As set forth in Section 19.6, the Association may enter into license agreements with the Founder or other parties which permit the Association's use of trade names or service marks (e.g., use of the name RiverTown). To the extent permitted by such license agreements, the Board may enter into sub-license agreements, under negotiated terms, which permit others within the Community to use such trade names and/or service marks. The Association may charge fees and collect royalties in connection with such sub-license agreements; provided, the Founder and any Founder Affiliate shall be exempt from payment of such license fees.

13.11. RiverTown Enhancement Fee

a) *Authority* As an additional funding source, the Founder may collect a RiverTown

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Enhancement fee upon each transfer of title to a Unit. The fee shall be charged to the purchaser of the Unit, shall be payable to the Founder at the closing of the transfer, and shall be secured by the Association's lien for assessments under Section 13.7. The Founder reserves the right to establish a third party entity to accept, maintain and manage the RiverTown Enhancement Fee or delegate said rights and authority to the Association.

b) Fee Limit. The Founder shall have the sole discretion to determine the amount of and method of calculating the RiverTown Enhancement Fee. The fee shall be in an amount equal to one-quarter percent (0.25%) of the "gross selling price" of the Unit and any improvements on the property.

c) Purpose. The RiverTown Enhancement Fee shall be placed in a segregated account and used to provide funding for activities and such other purposes as the Founder, in its sole discretion, deems beneficial to the general good and welfare of RiverTown. For example, RiverTown Enhancement Fees might be used to fund, or to assist in funding:

(i) programs and activities that enhance the welfare and lifestyles of Owners and occupants of Units;

(ii) and ongoing resource management plan for RiverTown and surrounding area including the preservation, maintenance and enhancement of natural areas, wildlife habitats or similar conservation areas;

(iii) sponsorship of educational programs and activities that contribute to the overall understanding, appreciation and preservation of the natural environment within and surrounding RiverTown;

(iv) programs, services and activities that serve to promote a "sense of community" within RiverTown and as a part of the larger surround-

ing area, such as recreational leagues, cultural programs, educational programs, festivals and holiday celebrations and activities, a community computer network and recycling programs; and

(v) social services, educational programs, community outreach programs and other charitable causes.

d) Exempt Transfers. Notwithstanding the above, no RiverTown Enhancement fee shall be levied upon transfer of title to a Unit:

(i) to the Founder or Founder Affiliate;

(ii) to the Owner's estate, surviving spouse or heirs at law upon the death of the Owner;

(iii) to an entity wholly owned by the grantor or to a family trust created by the grantor for the benefit of grantor, his or her spouse, and/or heirs at law; provided, upon any subsequent transfer of an ownership interest in such entity, the RiverTown Enhancement Fee shall become due;

(iv) to an institutional lender pursuant to a Mortgage or upon foreclosure of a Mortgage; or

(v) under circumstances which the Founder, in its discretion, deems to warrant classification as an exempt transfer (*e.g.*, a transfer made solely for estate planning purposes may be, but is not required to be, deemed exempt from payment of the RiverTown Enhancement Fee).

e) Broader Community Benefit. Nothing in this section shall be construed to limit use of the RiverTown Enhancement Fees to programs, services or activities within the community or that only benefit Owners and occupants of Units. The Founder or any tax-exempt entity to which it provides funds for such programs may invite persons other than Owners and occupants of Units to participate in such programs and activities for such fee,

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if any, as the Founder or other entity may establish.

PART FOUR: RELATIONSHIPS WITHIN & OUTSIDE THE COMMUNITY

Chapter 14 - Easements

The easements created in this Chapter establish the rights of Owners to use the Common Area and create various rights for the benefit of owners, the Founder, the Association and others over property within the Community. Some of these rights are related to development and construction within the Community and on adjacent property while others relate to the rights of the Association to come upon property of others to fulfill its responsibilities and the interrelationships between the Community and the owners of adjacent property.

14.1. Easements in Common Area



An easement is one person's right to go onto the property of another.

The Founder grants to each Owner a non-exclusive right and easement of use, access and enjoyment in and to the Common Area, subject to:

- (a) The Governing Documents and any other applicable covenants;
- (b) Any restrictions or limitations contained in any deed conveying such property to the Association;
- (c) Certain Owners' rights to the exclusive use of those portions of the Common Area designated "Limited Common Area;" and
- (d) The Board's right to:
 - (i) adopt rules regulating Common Area use and enjoyment, including rules limiting the number of guests who may use the Common Area, and to charge use fees for such use except that no such rule shall unreasonably restrict an Owner's right to peaceably assemble on the

Common Area or to invite public officers or candidates for public office to appear and speak on the Common Area;

- (ii) suspend an Owner's right to use Common Area facilities;

- (iii) dedicate or transfer all or any part of the Common Area, subject to such approval requirements as may be set forth in this Charter;

- (iv) impose reasonable membership requirements and charge reasonable admission or other use fees for the use of any recreational facility situated upon the Common Area;

- (v) rent any portion of any clubhouse or other Common Area recreational facilities on an exclusive or non-exclusive, short-term basis to any Person;

- (vi) permit use of any recreational facilities situated on the Common Area by the general public, which use may be subject to admission charges, membership fees or other user fees established in the Board's discretion; and

- (vii) permit use of any Common Area facilities, at such charge or no charge as the Board may determine appropriate, for the purpose of offering and conducting classes or other activities for interested Owners and occupants, whether offered on a for profit or non-profit basis; and

- (viii) mortgage, pledge or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.

Any Owner may extend his or her right of use and enjoyment to the members of his or her family, lessees and social invitees, as applicable, sub-

Easements

ject to reasonable Board regulation. An Owner who leases his or her Unit shall be deemed to have assigned all such rights to the lessee of such Unit for the period of the lease, except that an Owner who leases a garage apartment or similar accessory dwelling approved pursuant to Chapter 5 may extend such rights of use and enjoyment to the lessee of such accessory dwelling without relinquishing such rights for the benefit of the occupants of the main dwelling on the Unit.

Patrons and employees of businesses operation on Non-Residential Units shall not have a right or easement to use the Common Area recreational facilities (including, without limitation, any beach-related facility, any swim, tennis or boating facility, or any restaurant or snack facility the Association owns). Such Persons may use these facilities only with the Association's express permission, which it shall not be required to give.

Any Person's use and enjoyment of the Common Area is subject to the Board's authority to promulgate and enforce Rules governing such use and to charge use, consumption, or membership fees as provided for in this Charter. The Rules and fees may be different for different classifications of users, including, but not limited to, Owners of Residential Units, Owners and guests or permitted users of Non-Residential Units, tenants, guests, or social invitees unaccompanied by Owners, or otherwise. The posting of rules and regulations and fees in a conspicuous manner and location within the Community or the publication in a community newsletter of general circulation within the Community shall be deemed sufficient notice to all permitted users; provided, the Board, in its discretion, may provide notice of rules, regulations, and fees by other means or methods.

14.2. Easements of Encroachment



An encroachment occurs when a person's home, fence or other structure extends onto his or her neighbor's property. This section permits minor, inadvertent encroachments to remain.

The Founder grants reciprocal appurtenant easements of encroachment, and for maintenance and use of any permitted encroachment, between each Unit and any adjacent Common Area and between adjacent Units. A permitted encroachment is a structure or fixture that extends unintentionally from one person's property onto another's a distance of less than three feet, as measured from any point on the common boundary along a line perpendicular to such boundary. An encroachment easement shall not exist if the encroachment results from willful and knowing conduct on the part of, or with the knowledge and consent of, the Person claiming the benefit of such easement.

14.3. Easements for Utilities and Other Infrastructure

(a) Installation and Maintenance. The Founder reserves for itself and grants to the Association and all utility providers perpetual non-exclusive easements throughout the Community (but not through a structure) to the extent reasonably necessary to:

(i) install utilities and other Community Systems, security and similar systems, drainage and stormwater management systems and other infrastructure to serve the Community;

(ii) install walkways, pathways and trails, streetlights and signage on property the Founder or the Association owns or within public rights-of-way or easements reserved for such purpose on a recorded plat;

(iii) inspect, maintain, repair and replace the utilities, infrastructure and other improvements described above; and

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- (iv) access and read utility meters.

Notwithstanding the above, the Founder reserves the right to deny access to any utility or service provider, to the extent permitted by law, or to condition such access on negotiated terms.

(b) Specific Easements. The Founder also reserves the non-exclusive right and power to grant and record such specific easements consistent with Section 14.3(a) as it deems necessary to develop the property described in Exhibits "A" and "B". The location of the specific easement shall be subject to the written approval of the Owner of the burdened property, which approval shall not unreasonably be withheld, delayed or conditioned.

(c) Minimal Interference. All work associated with the exercise of the easements described in Section 14.3(a) and (b) shall be performed so as to minimize interference with the use and enjoyment of the property burdened by the easement. Upon completion of the work, the Person exercising the easement shall restore the property, to the extent reasonably possible, to the condition existing prior to the commencement of the work. The exercise of these easements shall not extend to permitting entry into the structures on any Unit, nor shall it unreasonably interfere with the use of any Unit and, except in an emergency, entry onto any Unit shall be made only after reasonable notice to the Owner or occupant.


14.4. Easements to Serve Additional Property

The Founder hereby reserves for itself and its duly authorized agents, successors, assigns and Mortgagees, an easement over the Common Area for the purposes of enjoyment, use, access and development of the property described in Exhibit "B", regardless of whether such property is made subject to this Charter. This easement includes, but is not limited to, a right of ingress and egress over the Common Area for construc-

tion of roads and for connecting and installing utilities on such property. The Person exercising such easement rights shall be responsible for any damage caused to the Common Area as a result of his or her actions in connection with development of such property.

If the above easement grants permanent access to any property that is not submitted to this Charter, the Founder or its successors or assigns shall enter into a reasonable agreement with the Association to share the cost of maintenance that the Association provides for the benefit of the easement holder. The shared maintenance costs may include maintenance to or along any roadway providing access to the benefited property.


14.5. Easements for Maintenance, Emergency and Enforcement

 The Association may come onto the exterior portions of a Unit to do maintenance or to address violations of the covenants but will give prior notice unless there is an urgent need to enter the property before notice can be given.

By this Charter, the Founder grants to the Association easements over such portions of the Units as necessary to enable the Association to exercise its authority and fulfill its maintenance responsibilities under this Charter and the terms of any order, permit or approval of any governmental or quasi-governmental body which is applicable to the Community and to exercise its enforcement rights under Chapter 8. The Association also shall have the right, but not the obligation, to enter upon any Unit for emergency, security and safety reasons, to inspect for compliance with the Governing Documents, and to enforce the Governing Documents. Any member of the Board and its duly authorized agents and assignees and all emergency personnel in the performance of their duties may exercise such right. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner.

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14.6. Easements for Maintenance of Water Bodies and Flooding

 The Founder and the Association and the CDD have the right to access property adjacent to wetlands and water bodies to perform maintenance and for irrigation purposes. They also have the right to cause water levels in lakes or ponds in the Community to rise above normal. They will be responsible for repairing any damage they cause in so doing.

The Founder reserves for itself, the Association and the CDD, and their respective successors, assigns and designees, the non-exclusive right and easement, but not the obligation, to enter upon bodies of water and wetlands located within the Area of Common Responsibility to (a) install, operate, maintain and replace pumps to supply irrigation water to the Area of Common Responsibility; (b) construct, maintain and repair structures and equipment used for retaining water; and (c) maintain such areas in a manner consistent with the Community-Wide Standard. The Founder, the Association and their respective successors, assigns and designees shall have an access easement over and across any portion of the Community that abuts or contains bodies of water or wetlands, to the extent reasonably necessary to exercise their rights under this Section.

The Founder further reserves for itself, the Association, the CDD and their respective successors, assigns and designees, a perpetual, non-exclusive right and easement of access and encroachment over the Common Area and Units (but not the dwellings thereon) adjacent to or within 30 feet of bodies of water and wetlands within the Community, in order to (a) temporarily flood and back water upon and maintain water over such property; (b) alter in any manner and generally maintain the bodies of water and wetlands within the Area of Common Responsibility; and (c) maintain and landscape the slopes and banks pertaining to such areas. All

Persons entitled to exercise these easements shall use reasonable care in, and repair any damage resulting from, the intentional exercise of such easements. Nothing herein shall be construed to make the Founder or any other Person liable for damage resulting from flooding due to weather events or other natural occurrences.

14.7. St. Johns River Water Management District Conservation Easements

Certain property within the Community will be subject to conservation easements in favor of the St. Johns River Water Management District, pursuant to District Permit Nos. 4-109-21464-3, 4 and 5, and the U.S. Army Corps of Engineers, pursuant to Corps Permit No. SAJ-1989-94771-MRE. The Founder may amend the above-referenced permits and may obtain additional permits for the Community subsequent to the execution and recordation of this Charter. All such subsequent permits and permit modifications shall be binding upon all Owners within the Community.

The conservation easements will be recorded in the public records of St. Johns County and depicted on plats of the Community, which will be recorded and may be amended during the Founder Control Period.

The following activities and uses are expressly prohibited with all conservation easement areas:

(a) Construction or placing buildings, roads, signs, billboards or other advertising, utilities or other structures on or above ground, except that the Founder shall be permitted to construct boardwalks and portions of nature trails within certain areas of the conservation easements. Clearing of the boardwalk shall not exceed ten (10) feet in width and shall not include clearing of any trees larger than four (4) inches in diameter breast height (i.e. 4.5 feet above the base of the tree). The purpose of each boardwalk shall be to provide pedestrian interconnectivity throughout the Community by connecting multi-

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purpose paths on uplands and traversing on-site ravine systems and other connected wetland strands to avoid human encroachment into the same. The boardwalks shall be elevated by a minimum of three (3) feet above grade.

(b) Dumping or placing soil or other substance or material as landfill or dumping or placing of trash, waste or unsightly or offensive materials.

(c) Removing or destroying trees, shrubs or other vegetation, except that the Founder Grantor shall be permitted to selectively thin vegetation within the conservation easements to reduce the likelihood of wildfires occurring adjacent to residences and to maintain vegetation within certain areas of the conservation easements to which small areas of the fee simple title are conveyed to Owners of Units.

(d) Excavating, dredging or removing loam, peat, gravel, soil, rock or other material substances in such a manner as to affect the surface.

(e) Surface use, except for purposes that permit the land or water area to remain predominantly in its natural condition.

(f) Activities detrimental to drainage, flood control, water conservation, erosion control, soil conservation or fish and wildlife habitat preservation.

(g) Acts or uses detrimental to such retention of land or water areas.

(h) Acts or uses detrimental to the preservation of the structural integrity or physical appearance of sites or properties of historical, architectural, archaeological or cultural significance.

The District and the Corps have the legal right to enforce the restrictions set forth above.

14.8. Stormwater Management System

The Community will be served by a master stormwater management system constructed in accordance with certain permits issued by the St. Johns River Water Management District. A "**Stormwater Management System**" is a system which is designed and constructed or implemented to control discharges that are necessitated by rainfall events, incorporating methods to collect, convey, store, absorb, inhibit, treat, use or reuse water to prevent or reduce flooding, over drainage, environmental degradation and water pollution or otherwise affect the quality and quantity of the discharges.

The Association shall operate and maintain the Stormwater Management System in accordance with all District permits issued for the Community from time to time and all applicable local, state and federal laws, rules and regulations.

14.9. Private Roadways

(a) *Rights of Association and Owners.* There may be private roadways within the Community ("**Roadways**"), as depicted on the recorded plat(s) for the Community, which shall be owned by the Founder or which Founder may convey to the Association. Roadways conveyed to the Association shall become part of the Common Area and subject to such easements over the Common Area as are otherwise provided for in this Charter. In addition, there may be roadways within the Community ("CDD Roadways") which will be conveyed to and maintained by the Community Development District. Until such time as the founder conveys such Private Roadways to the Association or CDD Roadways to the CDD, they shall be subject to a temporary, non-exclusive easement for access, ingress and egress for the benefit of the Association, each Unit, and each other portion of the Common Area.

Use of the CDD Roadways shall be subject to and in accordance with any rights and easements set forth in this Charter or shown on the re-

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corded plats and such reasonable Rules as the Association may adopt from time to time consistent with this Charter, the plats and any law, ordinance or regulation governing the Community.

(b) Founder Rights. The Founder hereby reserves for itself and its agents, employees, successors and assigns, and their respective invitees, a perpetual easement over the CDD Roadways for the purposes of:

(i) access throughout the Community to showcase the Community in connection with the marketing and sale of property in the Community or in other communities being developed, marketed or sold by the Founder, its affiliates, agents or designees;

(ii) access to Common Areas for use as otherwise permitted by this Charter; and

(iii) constructing, maintaining, repairing or rebuilding any public infrastructure or subdivision improvements installed or to be installed in the Community and performing any other work within the Community that the Founder deems reasonably necessary, in its discretion, or that the Founder is required to perform pursuant to a contract with any Owner or pursuant to the requirements of any government agency having jurisdiction over the Community.

With regard to construction on any of the Units by the Owners thereof, the contractors, subcontractors, laborers, materialmen and other Persons providing construction services and materials to any such Units shall have access to such Units over the CDD Roadways subject to such Rules as the Association may adopt; however, during the Development and Sale Period, the Founder shall have the right to prohibit the use of the Private Roadways by such Persons and to designate alternate access easements for such Persons and, prior to conveyance of a roadway to the Community Development District, the Founder shall have the right to prohibit the use of

the CDD Roadway by such Persons and to designate alternate access easements for such Persons.

The Founder hereby creates a perpetual, non-exclusive easement for access, ingress and egress over the CDD Roadways for law enforcement, fire fighting, paramedic, rescue and other emergency vehicles, equipment and personnel; for school buses; for U.S. Postal Service delivery vehicles and personnel; and for vehicles, equipment and personnel providing garbage collection service to the Community, provided that such easement shall not authorize any such Persons to enter the Community except while acting in their official capacities.

The existence of these easements shall not preclude the Association from maintaining gates or other devices or systems designed to limit general vehicular access to the Community, provided that the Association at all times maintains systems and/or procedures to permit the uncontested entry of Persons authorized to exercise the easements granted in this subsection without unreasonable interference or delay.

Chapter 15 - Private Amenities

Various recreational and other facilities may be located within or in the vicinity of the Community that are privately owned and operated by Persons other than the Association. Those facilities are not part of the Common Area of the Community, and ownership of property in the Community does not give any person the right to use them. This Chapter explains the right of the owners of those facilities to determine if and on what terms they wish to make their facilities available for use by Owners. It also establishes certain rights for the benefit of the owners of such facilities.

15.1. General

The Founder may, but shall not be obligated to, arrange for membership or similar use privileges to be made available to Owners, on an optional basis and for a fee, affording access and use privileges at a river club, golf course or other recreational facilities within the vicinity of the Community. Any such facilities, and any other property and facilities located within, adjacent to or near the Community, which Persons other than the Association own and operate for recreational and related purposes, are referred to in this Charter as "**Private Amenities.**"

Neither membership in the Association nor ownership or occupancy of a Unit shall confer any ownership interest in or right to use any Private Amenity. Rights to use the Private Amenities will be granted only to such persons, and on such terms and conditions, as the owners of the Private Amenities may determine. The owners of the Private Amenities shall have the right, from time to time in their sole and absolute discretion and without notice, to amend or waive the terms and conditions of use of their respective Private Amenities, including, without limitation, eligibility for and duration of use rights, categories of use and extent of use privileges, and number of users and also shall have the right to reserve use rights and to terminate use rights al-

together subject to the terms of any written agreements with their respective members.

15.2. Conveyance of Private Amenities

All Persons, including Owners, are hereby advised that no representations or warranties have been, or are made by the Founder, the Association, any Builder or by any Person acting on behalf of any of the foregoing with regard to the continuing ownership or operation of any Private Amenities. No purported representation or warranty in such regard, either written or oral, shall be effective unless specifically set forth in a written instrument executed by the record owner of the Private Amenities.

Ownership or operation of the Private Amenities may change at any time by virtue of, but without limitation, (a) the sale to or assumption of operations of any Private Amenities by a Person other than the current owner or operator; (b) the establishment of, or conversion of the membership structure to, an "equity" club or similar arrangement whereby the members of the Private Amenities or an entity owned or controlled by its members become the owner(s) and/or operator(s) of the Private Amenities; or (c) the conveyance of any Private Amenities to one or more Founder Affiliates. Consent of the Association, any Neighborhood Association, any Voting Delegate or any Owner shall not be required to effectuate any change in ownership or operation of any Private Amenities, for or without consideration and subject to or free of any mortgage, covenant, lien or other encumbrance.

Chapter 16 - Disclosures and Waivers

This Chapter discloses some important information about the Community for the benefit of prospective purchasers of property in the Community. Each Owner, by accepting a deed to property in the Community, also accepts and agrees to the matters set forth in this Chapter.

16.1. Access by General Public

The Community is bordered by public highways and waterways that are used by the general public. Neither the Founder nor the Association shall have any obligation to construct or install walls or fences, or to implement any other measures to secure the perimeter boundaries of the Community in order to prevent or restrict entry into the Community by unauthorized persons.

Certain facilities and areas within the Community may be open for use and enjoyment of the public, whether by operation of law or by designation as provided in this paragraph. Such facilities and areas may include, by way of example: greenbelts, trails and paths, roads, sidewalks, medians, parks and other neighborhood spots conducive to gathering and interaction. The Founder may designate such facilities and areas as open to the public at the time the Founder makes them a part of the Area of Common Responsibility, or the Board may so designate at any time thereafter. The Founder may dedicate certain parks and recreational facilities to St. Johns County for ownership and use by the general public.

16.2. Safety and Security

Each Owner and occupant of a Unit, and their respective guests and invitees, shall be responsible for their own personal safety and the security of their property in the Community. The Association may, but shall not be obligated to, maintain or support certain activities within the Community designed to promote or enhance the

level of safety or security that each person provides for himself or herself and his or her property. However, neither the Association nor the Founder shall in any way be considered insurers or guarantors of safety or security within the Community, nor shall either be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken.

No representation or warranty is made that any systems or measures, including security monitoring systems or any mechanism or system for limiting access to the Community, cannot be compromised or circumvented, or that any such systems or security measures undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges, understands and shall be responsible for informing any tenants and other occupants of such Owner's Unit and their guests that the Association, its Board and committees, and the Founder are not insurers or guarantors of security or safety and that each Person within the Community assumes all risks of personal injury and loss or damage to property, including Units and the contents of Units, resulting from acts of third parties. Owners shall include in each lease for any Unit or any portion thereof provisions informing and binding tenants to these provisions.

16.3. Changes in Development Plan

The Founder reserves the right to make changes in the Development Plan in its sole discretion, subject to such governmental approvals as may be required. Each Owner acknowledges that the Community is a master planned community, the development of which is likely to extend over many years, and agrees that neither the Association nor any Neighborhood Association shall, without the Founder's prior written con-

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sent, engage in or use Association funds to support any protest, challenge or other form of objection to (a) changes in uses or density of property within the Community, or (b) changes in the Development Plan.

16.4. View Impairment

Neither the Founder nor the Association guarantee or represent that any view over and across the Units, any open space within the Community, or any golf course or other Private Amenity will be preserved without impairment. The Founder, Founder Affiliates, the Association and any Private Amenity owner shall have no obligation to relocate, prune or thin trees or other landscaping except to maintain the Community-Wide Standard or as otherwise required under a separate covenant or agreement. The Association (with respect to the Common Area) and Private Amenity owners (with respect to any Private Amenity) have the right to add trees and other landscaping from time to time, subject to applicable law. There shall be no express or implied easements for view purposes or for the passage of light and air.

Any golf course owner may, in its discretion, but shall not be obligated to, change the location, size, configuration, landscaping, topography, hydrology and elevation of the tees, bunkers, fairways, greens, buildings, improvements, landscaping and water features on such golf course. Any such additions or changes to such golf course may diminish or obstruct the view from the Units.

16.5. Notices and Disclaimers as to Community Systems

Any Community System and its providers, managers and operators may be subject to federal, state or municipal regulations, laws and ordinances. Such regulations, laws and ordinances may have a significant impact on certain aspects of the system including, but not limited to, the fees charged, the method of delivery and the

rights of the system users, as well as the rights of the system providers or operators. These regulations and their impact are beyond the Association's and Founder's control.

In recognition of the fact that interruptions in cable television and other Community Systems services will occur from time to time, neither the Founder nor any Founder Affiliates, successors or assigns shall in any manner be liable for, and no Community System user shall be entitled to refund, rebate, discount or offset in applicable fees for, any interruption in Community Systems services, regardless of whether such interruption is caused by reasons within the service provider's control.

Each Owner acknowledges and agrees that the Association, by virtue of contractual relationships with Community Systems providers, may gain access to information relating to individual use of the Community Systems, including account and content information. In recognition of this fact, each Owner waives any privacy rights he or she may have in such information and any claims against the Association, the Board, Founder and Founder Affiliates relating to the acquisition of such information. Further, each Owner acknowledges and agrees that the acquisition of such information by the Association shall not create any duty on the part of the Association, Founder, or Founder Affiliates to any Person to act in any manner with respect to such information.

16.6. Construction Activities

All Owners, occupants and users of Units are hereby placed on notice that the Founder, any Founder Affiliates and/or their agents, contractors, subcontractors, licensees and other designees, successors or assigns, shall conduct development and construction activities within River-Town and that such activities shall be conducted in phases and may cause disturbance and disruption that impact the use and enjoyment of a Unit.

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By the acceptance of a deed or other conveyance or mortgage, leasehold, license or other interest and by using any portion of a Unit or the Community generally, the Owners and all occupants and users of Units acknowledge, stipulate and agree: (a) such activities shall not be deemed nuisances or noxious or offensive activities under any applicable covenants or at law generally; (b) not to enter upon, or allow their children or other Persons under their control or direction to enter upon (regardless of whether such entry is a trespass or otherwise), any property within or in proximity to the Unit or any other portion of the Community where such activities are being conducted (even if not being actively conducted at the time of entry, such as at night or otherwise during non-working hours); (c) that the Founder, any Founder Affiliates and all of their agents, contractors, subcontractors, licensees and other designees, successors and assigns, shall not be liable but, rather, shall be held harmless for any and all losses, damages (compensatory, consequential, punitive, or otherwise), injuries or deaths arising from or relating to the aforesaid activities; (d) that any purchase or use of any portion of a Unit or any other portion of the Community has been and will be made with full knowledge of the foregoing; and (e) this acknowledgment and agreement is a material inducement to the Founder or Founder Affiliates to sell, convey, lease and/or allow the use of Units and other facilities within the Community.

16.7. Liability for Association Operations

The Association shall, to the fullest extent permitted by law, indemnify, defend and hold harmless the Founder (including Founder Affiliates, successors, and assigns) from and against any and all losses, claims, demands, damages, costs and expenses of whatever kind or nature (including, without limitation, reasonable attorneys fees and costs at all tribunal levels and whether or not suit is instituted, including those incurred in establishing the right to be indemnified, defended and held harmless pursuant hereto), which relate to or arise out of Associa-

tion management and operations, including, without limitation, improvement, maintenance and operation of amenities and other portions of the Area of Common Responsibility and the collection of assessments.

16.8. Hurricane Preparedness

RiverTown is located in a region that is vulnerable to the dangerous effects of hurricanes, including extremely high winds, floods, river surges, flying debris, and lightning. Each Owner and occupant of a Unit shall be responsible for his or her own safety in the event of a hurricane and should take appropriate safety precautions (which may include evacuating the Community and/or the region) to avoid personal injury, including death and property damage. Each Owner and occupant of a Unit shall be obligated to adhere to any established hurricane plan for Community residents.

16.9. Water Management

Each Owner acknowledges and agrees that the St. Johns River and other wetlands within or adjacent to RiverTown are not designed as aesthetic features and due to fluctuations in water elevations within the immediate area, water levels will rise and fall. Each Owner further acknowledges and agrees that the Founder has no control over such elevations. Therefore, each Owner agrees to release and discharge the Founder and Founder Affiliates from and against any and all losses, claims, demands, damages, costs and expenses of whatever nature or kind, including reasonable attorneys fees and costs at all tribunal levels, related to or arising out of any claim relating to such fluctuations in water elevations. Owners shall not alter, modify, expand or fill any bodies of water or wetlands located within or in the vicinity of RiverTown without the prior written approval of the Founder and any local, state or federal regulatory or permitting authorities as may have relevant jurisdiction over such matters.

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16.10. Use of the St. Johns River and Water Bodies and Facilities

Any Person using the St. Johns River or any wetlands or other water bodies and related facilities within or adjacent to RiverTown including any dock or pier, or any boat launch extending into or over the St. Johns River, shall be responsible for his or her own personal safety in connection with such use and shall assume all risks of personal injury, including death, relating to such use. The Founder, Founder Affiliates and the Association shall not in any way be a guardian or insurer of safety in connection with the presence or use of the St. Johns River (with or without a watercraft or boat) or any water bodies or features within or adjacent to RiverTown and shall not be held liable or responsible for any personal injury or death, property damage, or any other loss due to, arising out of, or related to use of such water features for recreational or other purposes.

Chapter 17 - Rights of Lenders

In order to enhance each Owner's ability to obtain financing for the purchase of his or her Unit, this Chapter sets forth various provisions for the benefit of lenders who make mortgage loans and for the benefit of those agencies that guarantee and insure mortgage loans made by institutional lenders.

The following provisions are for the benefit of holders, insurers and guarantors of first Mortgages on Units in the Community. The provisions of this Chapter apply to both this Charter and to the By-Laws, notwithstanding any other provisions contained therein.

17.1. Notices of Action

An institutional holder, insurer or guarantor of a first Mortgage that provides a written request to the Association (such request to state the name and address of such holder, insurer or guarantor and the street address of the Unit to which its Mortgage relates, thereby becoming an "**Eligible Holder**"), will be entitled to timely written notice of:

(a) Any condemnation loss or any casualty loss that affects a material portion of the Community or that affects any Unit on which there is a first Mortgage held, insured or guaranteed by such Eligible Holder;

(b) Any delinquency in the payment of assessments or charges owed by a Unit subject to the Mortgage of such Eligible Holder, where such delinquency has continued for a period of 60 days, or any other violation of the Governing Documents relating to such Unit or the Owner or occupant which is not cured within 60 days;

(c) Any lapse, cancellation or material modification of any insurance policy maintained by the Association; and

(d) Any proposed action that would require the consent of a specified percentage of Eligible Holders.

17.2. Special FHLMC Provision

If a condominium has been established in the Community, then so long as required by the Federal Home Loan Mortgage Corporation, the following provisions apply in addition to and not in lieu of the foregoing. Unless at least 67 percent of the first Mortgagees or Voting Delegates representing at least 67 percent of the total votes in the Association consent, the Association shall not:

(a) By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer all or any portion of the real property comprising the Common Area that the Association owns, directly or indirectly (the granting of easements for utilities or other similar purposes consistent with the intended use of the Common Area shall not be deemed a transfer within the meaning of this subsection);

(b) Change the method of determining the obligations, assessments, dues or other charges that may be levied against an Owner of a Unit (a decision, including contracts, by the Board or provisions of any declaration subsequently recorded on any portion of the Community regarding assessments for Service Areas or other similar areas shall not be subject to this provision where such decision or subsequent declaration is otherwise authorized by this Charter);

(c) By act or omission change, waive or abandon any scheme of regulations or enforcement pertaining to architectural design, exterior appearance or maintenance of Units and the Common Area (the issuance and amendment of architectural standards, procedures, rules and regulations, or use restrictions shall not consti-

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tute a change, waiver or abandonment within the meaning of this provision);

(d) Fail to maintain insurance, as required by this Charter; or

(e) Use hazard insurance proceeds for any Common Area losses for other than the repair, replacement or reconstruction of such property.

First Mortgagees may, jointly or singly, pay taxes or other charges that are in default and that may or have become a charge against the Common Area and may pay overdue premiums on casualty insurance policies or secure new casualty insurance coverage upon the lapse of an Association policy, and first Mortgagees making such payments shall be entitled to immediate reimbursement from the Association.

17.3. Other Provisions for First Lien Holders

To the extent not inconsistent with Florida law, if a condominium has been established in the Community, then:

(a) Any restoration or repair of the Community after a partial condemnation or damage due to an insurable hazard shall be performed substantially in accordance with this Charter and the original plans and specifications unless the approval is obtained of the Eligible Holders of first Mortgages on Units to which at least 51 percent of the votes of Units subject to Mortgages held by Eligible Holders are allocated, in addition to the approval required by Section 22.1 and 10.4, respectively.

(b) Any election to terminate the Association after substantial destruction or a substantial taking in condemnation shall require the approval of the Eligible Holders of first Mortgages on Units to which more than 50 percent of the votes of Units subject to Mortgages held by Eligible Holders are allocated.

(c) Any election to terminate the Association under other circumstances shall require (i) the consent of Voting Delegates representing at least 67 percent of the total votes in the Association and of the Founder, so long as it owns any land subject to this Charter, and (ii) the approval of the Eligible Holders of first Mortgages on Units to which at least 67 percent of the votes of Units subject to a Mortgage are allocated.

17.4. Amendments to Documents

If a condominium has been established in the Community, then the consent of Voting Delegates representing at least 67 percent of the total votes in the Association and of the Founder, so long as it owns any land or Units subject to this Charter, and the approval of Eligible Holders of first Mortgages on at least 51 percent of the Units subject to a Mortgage held by an Eligible Holder, shall be required to amend materially any provisions of the Charter, By-Laws, or Articles of Incorporation, or to add any material provisions thereto that establish, provide for, govern or regulate any of the following:

- (a) voting;
- (b) assessments, assessment liens or subordination of such liens;
- (c) reserves for maintenance, repair and replacement of the Common Area;
- (d) insurance or fidelity bonds;
- (e) rights to use the Common Area;
- (f) responsibility for maintenance and repair of property in the Community;
- (g) expansion or contraction of the Community or the addition, annexation or withdrawal of property to or from the Association's jurisdiction, except by the Founder as otherwise provided in Chapter 18;
- (h) boundaries of any Unit;

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- (i) leasing of Units;
- (j) imposition of any right of first refusal or similar restriction of the right of any Owner to sell, transfer or otherwise convey his or her Unit;
- (k) establishment of self-management by the Association where professional management has been required by an Eligible Holder; or
- (l) any provisions included in the Governing Documents that are for the express benefit of holders, guarantors, or insurers of first Mortgages on Units.

must otherwise be obtained under this Charter, the By-Laws or Florida law for any of the acts set out in this Chapter.

17.5. No Priority

No provision of this Charter or the By-Laws gives or shall be construed as giving any Owner or other party priority over any rights of the first Mortgagee of any Unit in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Area.

17.6. Notice to Association

Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's Unit.

17.7. Failure of Mortgagee to Respond

Any Mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within 30 days of the date of the Association's request, provided such request is delivered to the Mortgagee by certified or registered mail, return receipt requested.

17.8. Construction of Chapter 17

Nothing contained in this Chapter shall be construed to reduce the percentage vote that

PART FIVE: COMMUNITY DEVELOPMENT

Chapter 18 - Expansion of the Community

Due to the need to pace development to the needs of the Community and the market demand for Units or Common Areas, the Community may be developed in phases. The Founder or the Association may expand the initial property submitted to the Charter as set forth in this Chapter.

18.1. Expansion by the Founder

From time to time, the Founder may submit to the terms of this Charter all or any portion of the property described in **Exhibit "B"** by recording a Supplement describing the additional property to be submitted. The Founder may record such a Supplement without the consent of any Person except the owner of such property, if not the Founder.

The Founder's right to expand the Community under this Section expires when all property described in **Exhibit "B"** has been submitted to this Charter or 40 years after this Charter is recorded, whichever is earlier. Until then, the Founder may transfer or assign this right, in whole or in part, and with respect to all or any portion of the **Exhibit "B"** property (reserving all rights as to any portion not included in such assignment), to any Person who is the developer of at least a portion of the real property described in **Exhibits "A" or "B."** Any such transfer shall be described in a recorded instrument executed by the Founder.

Nothing in this Charter shall require the Founder or any successor to submit additional property to this Charter or to develop any of the property described in **Exhibit "B"** in any manner whatsoever.

18.2. Expansion by the Association

The Association also may submit additional property to this Charter by recording a Supplement describing the additional property. Any Supplement that the Association records must be approved by Voting Delegates representing more than 50 percent of the total votes in the Association at a meeting duly called for such purpose and by the owner of the property to be submitted. In addition, during the Development and Sale Period, the Founder's consent is required. The Association's President and Secretary, the owner of the property and the Founder, if the Founder's consent is required, shall sign the Supplement.

18.3. Additional Covenants and Easements

Any Supplement that the Founder records may impose additional covenants and easements on the property described in such Supplement, such as covenants obligating the Association to maintain and insure such property and authorizing the Association to recover its costs through Service Area Assessments. Such provisions may be included in a Supplement submitting new property to this Charter or may be set forth in a separate Supplement applicable to property previously submitted to this Charter. If someone other than the Founder owns the property, then the Supplement must be signed by such owner evidencing such owner's consent. Any Supplement may add to, create exceptions to, or otherwise modify the terms of this Charter as it applies to the property described in the Supplement, in order to reflect the different character and intended use of such property.

Expansion of the Community

18.4. Effect of Filing a Supplement

A Supplement shall be effective upon recording unless otherwise specified in the Supplement. On the effective date of the Supplement, any additional property made subject to this Charter shall be assigned voting rights in the Association and assessment liability in accordance with the provisions of this Charter.

18.5. Condominium Conversions

In the event that any property now or hereafter included with the Development Plan is converted to residential condominiums or other "for sale" residential use, the owner of such property may submit such property to the provisions of this Chapter by recording a Supplement describing the property and specifically submitting it to the terms of this Charter. Such Supplement shall not require the Association's consent but shall require the signature of an officer of the Association acknowledging it. In addition, the Founder's prior written consent shall be necessary so long as the Founder owns any property described in Exhibits "A" or "B".

Chapter 19 - Additional Rights Reserved to the Founder

This Chapter reserves various rights to the Founder, in addition to those specifically reserved elsewhere in the Governing Documents, in order to facilitate the Founder's development and sale of property in the Community, to enable the Founder to respond to Owners' concern, and to protect various property rights and other interests of the Founder.

19.1. Withdrawal of Property

During the Development and Sale Period, the Founder may amend this Charter to remove any portion of the Community from the coverage of this Charter, provided that (a) it is the owner or has the consent of the owner of the property being withdrawn; (b) such withdrawal does not reduce the total number of Units then subject to the Charter by more than 10 percent; and (c) such withdrawal would not be contrary to the overall uniform scheme of development established for the Community.

19.2. Marketing and Sales Activities

Notwithstanding anything in the Governance Documents to the contrary, during the Development and Sale Period the Founder and its designees or assigns may construct, use and maintain upon portions of the Common Area and other property they own, such facilities and activities as, in the Founder's opinion, may reasonably be required, convenient or incidental to the construction or sale of Units, subject to any limitations imposed by applicable zoning. Such permitted facilities and activities shall include, but are not limited to, business offices, signs, flags (whether hung from flag poles or attached to a structure), model homes, sales offices, holding or sponsoring special events, and exterior lighting features or displays. In addition, if reasonably required, convenient or incidental to construction or sales activities, the Founder and its em-

ployees, agents and designees may park vehicles in designated parking areas.

During and after the Development and Sale Period, the Founder shall have a right of access to and the right to use all Common Area facilities for parties, special events and marketing activities in connection with the marketing and sale of other communities being developed, marketed or sold by the Founder, its agents or affiliates, subject to any limitations imposed by applicable zoning. Any such use after the Development and Sale Period shall be subject to reasonable notice to the Association and payment by the Founder of all reasonable costs the Association directly incurs in connection with such use (*i.e.*, over and above costs the Association would incur in the absence of such use).

19.3. Right to Improve, Replat

During the Development and Sale Period, the Founder and its employees, agents and designees shall have a right of access and use and an easement over and upon all of the Common Area for the purpose of making, constructing and installing such improvements to the Common Area and to the **Exhibit "B"** property as it deems appropriate.

In addition, during the Development and Sale Period, the Founder may replat property that it owns and convert Units it owns into Common Area.

19.4. Right to Approve Changes in Community Standards

During the Development and Sale Period, no amendment to or modification of any Rules or Design Standards shall be effective without prior notice to and the written approval of the Founder.

Additional Rights Reserved to the Founder

19.5. Additional Covenants and Restrictions

During the Development and Sale Period, no one other than the Founder may record any additional covenants or restrictions affecting any portion of the Community without the Founder's written consent. Any instrument recorded without the required consent shall be void and of no force and effect.

19.6. Rights to Use Names; License Agreements

The names "St. Joe," "The St. Joe Company," "St. Joe Towns & Resorts," and all similar or derivative names, along with all logos associated therewith, are the proprietary trade names and service marks of The St. Joe Company, the Founder or their Affiliates. No Person shall use such trade names or service marks or the name "RiverTown" for advertising or any other purpose in any promotional material, whether printed, audio, video or otherwise, in any signage or in any logo or depiction without the prior written consent of the Founder or the Person who owns such mark. In addition, due to the integrated nature of RiverTown as a planned community and the public identification of the Units with RiverTown, any name or "logo" to be used in connection with or displayed on any Unit, and any sales or other materials or documentation related to the use of the Unit, shall be subject to the Founder's prior written consent. Such approval may be given or withheld in the Founder's discretion and may be subject to such terms and conditions as the Founder deems appropriate.

The Founder or the mark or trademark owner may condition the Association's or any Owner's use of protected trade names or marks upon the signing of one or more license agreement(s), which are intended to protect the trade names and service marks from unauthorized use by others. Such license agreement(s) shall be non-exclusive, non-transferable and in form and

substance acceptable to the owner of the mark. Subject to such licensing agreements, the Association may use the words "RiverTown" in its name. Other use by the Association or any Owner is subject to the restrictions set out in this Section or otherwise imposed by the Founder.

Notwithstanding the above, Owners may use the name "RiverTown" where such term is used solely to specify that particular property is located within RiverTown (subject, however, to such terms and conditions as the Founder may impose in order to protect its registered trade names and service marks).

19.7. Community Systems

The Founder reserves for itself, Founder Affiliates and their respective successors and assigns, a perpetual right and easement over all property in the Community to install and operate such Community Systems as the Founder, in its discretion, deems appropriate to serve any portion of the Community. Such right shall include, without limitation, the Founder's right to select and contract with companies licensed to provide telecommunications, cable television and other Community Systems services in the region. The Founder also has the right to charge individual users a reasonable fee not to exceed the maximum allowable charge for such service, as from time to time is defined by the laws, rules and regulations of the relevant government authority, if applicable.

Notwithstanding the above, there is no guarantee or representation that any particular Community System will be made available.

Additional Rights Reserved to the Founder

19.8. Easement to Inspect and Right to Correct



The Founder, or someone it designates, may enter onto any Unit to inspect and correct problems with the Unit. The Founder must give the Owner of the Unit prior notice, and if entering an enclosed structure on the Unit, obtain the Owner's prior consent unless it is an emergency.

The Founder reserves for itself and others it may designate the right, but not the obligation, to inspect, monitor, test, redesign and correct any structure, improvement or condition that may exist on any portion of the property within the Community, including Units, and a perpetual, non-exclusive easement of access throughout the Community to the extent reasonably necessary to exercise such right. Except in an emergency, entry onto a Unit shall be only after reasonable notice to the Owner, and no entry into an enclosed structure shall be permitted without the Owner's consent. The person exercising this easement shall promptly repair, at such person's own expense, any damage he or she causes. Nothing in this paragraph shall relieve an Owner of the responsibility for the maintenance and repair of his or her Unit.

19.9. Right to Notice of Design or Construction Claims

No Person shall retain an expert for the purpose of inspecting the design or construction of any structures or improvements within the Community in connection with or in anticipation of any potential or pending claim, demand or litigation involving such design or construction unless the Founder and any builder involved in the design or construction have been first notified in writing and given an opportunity to meet with the owner of the property to discuss the owner's concerns and conduct their own inspection.

19.10. Right to Transfer or Assign the Founder's Rights

Any or all of the Founder's rights and obligations set forth in this Charter or the By-Laws may be transferred in whole or in part to other Persons without transferring the status of the Founder. However, such a transfer shall not reduce an obligation or enlarge a right beyond that which the Founder has under this Charter or the By-Laws. No such transfer or assignment shall be effective unless it is in a recorded instrument the Founder signs. The foregoing sentence shall not preclude the Founder from permitting other Persons to exercise, on a one-time or limited basis, any right reserved to the Founder in this Charter where the Founder does not intend to transfer such right in its entirety. In such case, it shall not be necessary to record any written assignment unless necessary to evidence the Founder's consent to such exercise.

19.11. Termination of Rights

If the term of any rights contained in this Chapter is not specified, such right shall terminate upon the earlier of (a) termination of the Development and Sale Period; or (b) the Founder's recording of a written statement that all sales activity has ceased.

PART SIX: PROCEDURES FOR AND LIMITATIONS ON CERTAIN ACTIONS

Chapter 20 - Dispute Resolution and Limitation on Litigation

From time to time, disputes may arise between Owners or between an Owner and the Association, the Founder or others involved in the Community. This Chapter commits the parties to any such dispute to work together in an attempt to resolve certain types of disputes without litigation in order to facilitate the prompt resolution of such disputes in a manner that respects and builds upon the relationships between the parties. It also requires substantial support of the Association's membership before the Association can engage in certain types of litigation that could result in significant legal and emotional costs to the Community.

20.1. Agreement to Encourage Resolution of Disputes Without Litigation

(a) **Bound Parties.** The Founder; the Association and its officers, directors and committee members; all Persons subject to this Charter; and any Person not otherwise subject to this Charter who agrees to submit to this Chapter (collectively, "**Bound Parties**"), agree that it is in the best interest of all concerned to encourage the amicable resolution of disputes involving the Community without the emotional and financial costs of litigation. Accordingly, each Bound Party agrees not to file suit in any court with respect to a Claim described in Section 20.1(b), unless and until it has first submitted such Claim to the alternative dispute resolution procedures set forth in Section 20.2 in a good faith effort to resolve such Claim.

(b) **Claims.** As used in this Chapter, the term "**Claim**" shall refer to any claim, grievance, or dispute arising out of or relating to:

(i) the interpretation, application or enforcement of the Governing Documents;

(ii) the rights, obligations and duties of any Bound Party under the Governing Documents; or

(iii) the design or construction of improvements within the Community, other than matters of aesthetic judgment under Chapter 5, which shall not be subject to review and shall not be subject to this Chapter.

(c) The following shall not be considered "Claims" unless all parties to the matter otherwise agree to submit the matter to the procedures set forth in Section 20.2:

(i) any suit by the Association to collect assessments or other amounts due from any Owner;

(ii) any suit by the Association to obtain a temporary restraining order (or emergency equitable relief) and such ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association's ability to enforce the provisions of Part Two of this Charter (relating to creation and maintenance of community standards);

(iii) any suit that does not include the Founder or the Association as a party, if such suit asserts a Claim that would constitute a cause of action independent of the Governing Documents;

(iv) any dispute that affects the material rights or obligations of a party who is not a Bound Party and has not agreed to submit to the procedures set forth in Section 20.2; and

Dispute Resolution and Limitation on Litigation

(v) any suit as to which any applicable statute of limitations would expire within 180 days of giving the Notice required by Section 20.2(a) unless the party or parties against whom the Claim is made agree to toll, or extend, the Claim's statute of limitations to comply with this Chapter.

20.2. Dispute Resolution Procedures

(a) Notice. The Bound Party asserting a Claim ("**Claimant**") against another Bound Party ("**Respondent**") shall give written notice ("**Notice**") by mail or personal delivery to each Respondent and to the Board, stating plainly and concisely:

(i) the nature of the Claim, including the Persons involved and the Respondent's role in the Claim;

(ii) the legal basis of the Claim (*i.e.*, the specific authority out of which the Claim arises);

(iii) the Claimant's proposed resolution or remedy; and

(iv) the Claimant's desire to meet with the Respondent to discuss, in good faith, ways to resolve the Claim.

(b) Negotiation. The Claimant and Respondent shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good-faith negotiation. If requested in writing, accompanied by a copy of the Notice, the Board may appoint a representative to assist the parties in negotiating a resolution of the Claim.

(c) Mediation. If the parties have not resolved the Claim through negotiation within 30 days of the date of the Notice (or within such other agreed upon period), the Claimant shall have 30 additional days to submit the Claim to mediation with an entity designated by the Association (if the Association is not a party to the Claim) or to an independent agency providing

dispute resolution services in the St. Johns County area. Each Bound Party shall present the mediator with a written summary of the Claim.

If the Claimant does not submit the Claim to mediation within such time, or does not appear for and participate in good faith in the mediation when scheduled, the Claimant shall be deemed to have waived the Claim, and the Respondent shall be relieved of any and all liability to the Claimant (but not third parties) on account of such Claim.

If the parties do not settle the Claim within 30 days after submission of the matter to mediation or within such time as determined reasonable by the mediator, the mediator shall issue a notice of termination of the mediation proceedings indicating that the parties are at an impasse and the date that mediation was terminated. The Claimant shall thereafter be entitled to file suit or to initiate administrative proceedings on the Claim, as appropriate.

Each Bound Party shall bear its own costs of the mediation, including attorneys fees, and each Party shall pay an equal share of the mediator's fees.

Notwithstanding the above, in any dispute as to which the Association is a party, the parties may waive mediation by mutual agreement and proceed to file suit or initiate other proceedings.

(d) Settlement. Any settlement of the Claim through negotiation or mediation shall be documented in writing and signed by the parties. If any party thereafter fails to abide by the terms of such agreement, then any other party may file suit or initiate administrative proceedings to enforce such agreement without the need to comply again with the procedures set forth in this Section. In such event, the party taking action to enforce the agreement or award shall, upon prevailing, be entitled to recover from the non-complying party (or if more than one non-complying party, from all such parties in equal proportions) all costs incurred in enforcing such

Dispute Resolution and Limitation on Litigation

approved by a vote of Voting Delegates entitled to cast 75 percent of the total votes in the Association, except that no such approval shall be required for actions or proceedings:

(a) initiated during the Founder Control Period;

(b) initiated to enforce the provisions of this Charter, including collection of assessments and foreclosure of liens;

(c) initiated to challenge *ad valorem* taxation or condemnation proceedings;

(d) initiated against any contractor, vendor, or supplier of goods or services arising out of a contract for services or supplies; or

(e) to defend claims filed against the Association or to assert counterclaims in proceedings instituted against it.

This Section shall not be amended unless such amendment is approved by the same percentage of votes necessary to institute proceedings.

Chapter 21 - Changes in the Common Area


Various influences and circumstance within and outside the Community may give rise to a need or desire to make changes in the ownership of or rights to use Common Area. This Chapter explains the procedures for dealing with matters such as changing use rights in Common Area or Limited Common Area, partition of the Common Area, and condemnation.

21.1. Assignment and Reassignment of Limited Common Area

The Board may designate a portion of the Common Area as Limited Common Area, and may reassign Limited Common Area, upon approval of the Board and the vote of Voting Delegates representing a majority of the total votes in the Association, including a majority of the votes attributable to Units to which the Limited Common Area is proposed to be assigned or reassigned. During the Development and Sale Period, any such assignment or reassignment shall also require the Founder's written consent.

Upon approval of a majority of Owners of Units to which any Limited Common Area is assigned, the Association may permit Owners of other Units to use all or a portion of such Limited Common Area upon payment of reasonable user fees, which fees shall be used to offset the Service Area Expenses attributable to such Limited Common Area.

21.2. Condemnation

 A public entity such as a city, county or state has the power to condemn property for its own uses and generally has to pay the value of the property to do so.


If any part of the Common Area is taken by any authority having the power of condemnation or eminent domain, or conveyed by the Association in lieu of and under threat of condemnation

with such approval as may be required under Section 21.4, each Owner shall be entitled to written notice of such taking or conveyance prior to disbursement of any condemnation award or proceeds from such conveyance. Such award or proceeds shall be payable to the Association to be disbursed as follows:

If the taking or conveyance involves a portion of the Common Area on which improvements have been constructed, the Association shall restore or replace such improvements on the remaining land included in the Common Area to the extent available, unless within 60 days after such taking the Founder, during the Development and Sale Period, and Voting Delegates representing at least 75 percent of the total votes in the Association shall otherwise agree. Any such construction shall be in accordance with plans approved by the Board. The provisions of Section 10.4 regarding funds for restoring improvements shall apply.

If the taking or conveyance does not involve any improvements on the Common Area, if a decision is made not to repair or restore, or if net funds remain after any such restoration or replacement is complete, then such award or net funds shall be treated in the same manner as proceeds from the sale of Common Area under Section 21.4.

21.3. Partition

 Partition is a legal action in which a party requests to have a portion of one interest in property split off so that the party can possess that portion or interest separately from other parties who have rights in the property.

Except as permitted in this Charter, the Common Area shall remain undivided, and no Person shall bring any action to partition any por-

Changes in the Common Area

tion of the Common Area without the written consent of all Owners and Mortgagees and, during the Development and Sale Period, the Founder. This Section shall not prohibit the Board from acquiring and disposing of tangible personal property or from acquiring and disposing of real property that may or may not be subject to this Charter, with such approval as may be required under Section 21.4.

21.4. Transfer or Dedication of Common Area

The Association may dedicate portions of the Common Area to St. Johns County, Florida, to the Main Street CDD, to the Rivers Edge CDD or to any other local, state or federal governmental or quasi-governmental entity; may subject Common Area to a security interest; or may transfer or convey Common Area as follows:

(a) if Common Area other than Limited Common Area, upon the written direction of Voting Delegates representing at least 75 percent of the total votes in the Association, and the Founder during the Development and Sale Period; or

(b) if Limited Common Area, upon written approval of Owners of at least 75 percent of the Units to which such Limited Common Area is assigned.

Notwithstanding the above, during the Founder Control Period, the Founder may cause the Association to dedicate to St. Johns County, Florida, to the Main Street CDD, to the Rivers Edge CDD or to any other local, state or federal governmental or quasi-governmental entity any streets and parks within the Community over which access is not limited, without the consent of the Owners (upon acceptance by the entity to whom they are being dedicated) and may cause the Association to take such steps as may be necessary to transfer or assign responsibility for any conservation easements within RiverTown to a third party without consent of the Owners.

The proceeds from the sale or mortgaging of Common Area other than Limited Common Area shall be an asset of the Association to be used as the Board determines. The proceeds from the sale or mortgaging of Limited Common Area shall be disbursed in the manner approved by the Owners of Units to which the Limited Common Area is assigned at the time such sale or mortgage is authorized.

No conveyance or encumbrance of Common Area may deprive any Unit of rights of access or support.

Chapter 22 - Termination and Amendment of Community Charter

As the Community matures and grows, the rules by which it is governed must be flexible enough to adapt to changes in the development plan as well as changes in the needs and desires of the Community that inevitably will occur. This Chapter sets out procedures by which either the Founder or the Owners as a group may amend this Charter to address such changes.

22.1. Term and Termination

This Charter shall be effective, subject to amendments adopted pursuant to Section 22.2, for a minimum of 25 years from the date it is recorded. After 25 years, this Charter shall be extended automatically for successive 10-year periods unless at least 75 percent of the then Owners sign a document stating that the Community Charter is terminated and that document is recorded within the year before any extension. In such case, this Charter shall terminate on the date specified in the termination document.

In any event, if any provision of this Charter would be invalid under the Florida Uniform Statutory Rule Against Perpetuities, that provision shall expire 90 years after this Charter is recorded.

This Section shall not permit termination of any easement created in this Charter without the consent of the holder of such easement.

22.2. Amendment

(a) By Founder. In addition to specific amendment rights granted elsewhere in this Charter, until termination of the Founder Control Period, the Founder may unilaterally amend this Charter for any purpose.

Thereafter, the Founder may unilaterally amend this Charter if and to the extent permitted by Florida law

(b) By Owners. Except as otherwise specifically provided above and elsewhere in this Charter, this Charter may be amended only by the affirmative vote or written consent, or any combination thereof, of Voting Delegates entitled to cast 67 percent of the total votes in the Association. In addition, during the Development and Sale Period, any such amendment shall also require the Founder's written consent. The approval requirements set forth in Chapter 17 also shall be met, if applicable.

Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

(c) Validity and Effective Date. No amendment may remove, revoke or modify any right or privilege of the Founder or the Founder Member without the written consent of the Founder or the Founder Member, respectively (or the assignee of such right or privilege).

If an Owner consents to any amendment to this Charter or the By-Laws, it will be conclusively presumed that such Owner has the authority to consent, and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

Any amendment shall become effective upon recording unless a later effective date is specified in the amendment. Any procedural challenge to an amendment must be made within six months of its recordation, or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of this Charter.

Termination and Amendment of Community Charter

(d) Exhibits. Exhibits "A" and "B" are incorporated by this reference, and this Chapter shall govern amendment of those exhibits. Exhibit "C" is incorporated by this reference and may be amended under Chapter 7 or pursuant to this Section. All other exhibits are attached for

informational purposes and may be amended as provided in those exhibits, in the provisions of this Charter that refer to such exhibits, or according to applicable local, state or federal laws, rules and regulations.

IN WITNESS WHEREOF, the Founder has executed this Charter this 9th day of October, 2007.

FOUNDER: THE ST. JOE COMPANY,
a Florida corporation

BY: [Signature]

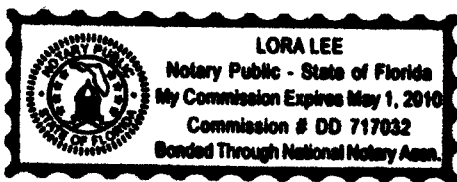
By: _____

Name: Nicholas T. Cassala

Its: President Northeast/Central Florida Region

STATE OF FLORIDA §
 §
COUNTY OF DUVAL §

The foregoing instrument was acknowledged before me on this the 9th day of October, 2007, by Nicholas T. Cassala, as President NE/CENTRAL FL REGION of The St. Joe Company. He/she is personally known to me and did (did not) take an oath.



[Signature]
Name Lora Lee
Title: Notary Public
Serial Number, if any: DD 717032
My Commission Expires: May 1, 2010

EXHIBIT "A"
Land Initially Submitted

ALL THOSE TRACTS OR PARCELS OF LAND shown on that certain plat of RiverTown, recorded in Map Book 63, Pages 36 through 46, inclusive, of the public records of St. Johns County Florida, as such property may be replatted from time to time or as such plat may be revised or amended.

EXHIBIT "B"
EXPANSION PROPERTY

Any real property within a five (5) mile radius of the real property described in **Exhibit "A"** of this Charter.

Note to clerk and title examiners:

This Charter is not intended to create an encumbrance on title to the property described on this Exhibit "B." Such title may be encumbered only with the consent of the owner by filing a Supplement in accordance with Chapter 18.

EXHIBIT "C"

Initial Rules

The purpose of Rules is not to anticipate all acceptable or unacceptable behavior in advance and eliminate all improvements or activities that fall outside of "the norm." Plats, Development Orders, Environmental Permits, PUDs and DRIs should be reviewed for particular rules. As such, while something may be approved or permitted for one Unit under one set of circumstances; the same thing may be disapproved for another Unit under a different set of circumstances. The exercise of discretion in approving or enforcement shall not be construed as a waiver of approval or enforcement rights, nor shall it preclude the Board from taking enforcement action in any appropriate circumstances.

The following initial Rules shall be subject to amendment or modification in accordance with the procedures set forth in the Charter.

1. **General.** Units shall be used only for residential, non-residential and ancillary purposes consistent with this Charter, any applicable Supplement and the Development Plan.

2. **Restricted Activities.** Unless expressly authorized by, and then subject to such conditions as may be imposed by, the Board or the Charter, the following activities are prohibited within the Community:

(a) Parking commercial vehicles or equipment, motor homes, recreational vehicles, boats, jet skis and other watercraft, trailers, stored vehicles or inoperable vehicles on CDD Roadways or Private Roadways or in places other than enclosed garages; provided, construction, service and delivery vehicles shall be exempt from this provision during normal business hours for such period of time as is reasonably necessary to provide service or to make a delivery to a Unit or the Common Area;

(b) Raising, breeding, capturing, trapping, keeping or killing animals or wildlife, except that (i) a reasonable number of dogs, cats or other usual and common household pets may be permitted in a Unit, and (ii) the Association, its contractors, agents and employees may engage in such activities as part of a continuing resource management plan for the Community. Pets that are permitted to roam free or, in the Board's sole discretion, make objectionable noise, endanger the health or safety of, or constitute a nuisance or inconvenience to the occupants of other Units shall be removed from the Community upon the Board's request. If the pet owner fails to honor such request, the Board may remove the pet. Dogs shall be kept on a leash or otherwise confined in a manner acceptable to the Board whenever outside the dwelling. Owners shall clean up and properly dispose of pet waste left in Common Areas, parks or adjacent Units. All pets shall be registered, licensed and inoculated as required by law;

(c) Any activity that emits foul or obnoxious odors outside the Unit or creates noise or other conditions that, in the Board's reasonable discretion, tend to disturb the peace or threaten the safety of or cause embarrassment, discomfort, annoyance or nuisance to the occupants of other Units or persons using the Common Area, except that this Rule shall not restrict the ability of the Association and its contractors, agents or employees to engage in such activities as part of a continuing resource management plan for the Community;

- (d) Any activity that violates local, state or federal laws or regulations; however, the Board shall have no obligation to take action to enforce such laws or regulations or to prevent a violation;
- (e) Pursuing hobbies or other activities that tend to cause an unclean, unhealthy or untidy condition to exist outside of enclosed structures on the Unit;
- (f) Outside burning of trash, leaves, debris or other materials, except that the Association and its contractors or agents may engage in ecological burning as part of a continuing resource management plan;
- (g) Using or discharging any radio, loudspeaker, horn, whistle, bell or other sound device so as to be audible to occupants of other Units, except fire and security alarm devices used exclusively for such purposes;
- (h) Using or discharging firecrackers and other fireworks;
- (i) Accumulating rubbish, trash or garbage except between regular garbage pick ups, and then only in approved containers;
- (j) Discharging firearms; provided, the Board shall have no obligation to take action to prevent or stop such discharge;
- (k) Dumping, pumping out or discharging fuel, gray water, pesticides or toxic substances onto the land or into bodies of water within or adjacent to the Community;
- (l) Any activities that materially disturb or destroy the vegetation, wildlife, wetlands or air quality within the Community, that use excessive amounts of water or that result in unreasonable levels of sound or light pollution;
- (m) Operating mini-bikes or all-terrain vehicles anywhere in the Community, on or off CDD Roadways or Private Roadways;
- (n) Storage (except in approved structures or containers) of furniture, fixtures, appliances, machinery, equipment or other goods and chattels on the Common Area (except by the Association) or, if not in active use, any portion of a Unit which is visible from outside the Unit is prohibited.
- (o) Converting any carport or garage to finished space for use as an apartment or other integral part of the living area on any Unit without prior approval pursuant to Chapter 5.
- (p) Accumulation or storage of combustible materials or debris on Units, except to the extent reasonably necessary during construction of a dwelling on the Unit. This Rule shall not preclude storage of a reasonable amount of firewood on a Unit provided it is stacked and stored in a safe manner and location; and
- (q) Constructing or modifying any thing, permanently or temporarily, on the outside portions of the Unit, whether such portion is improved or unimproved, or on or over any marsh, wetland, creek, pond or waterway within or abutting any portion of the Community, except in strict compliance with the provisions of Chapter 5. This shall include, without limitation, signs, basketball goals and swing sets and similar sports and play equipment; clotheslines; garbage cans; woodpiles; above-ground swimming pools; docks,

piers and similar structures; walls, dog runs, animal pens or fences of any kind; and satellite dishes and antennas, except that:

(i) an antenna designed to receive direct broadcast satellite services, including direct-to-home satellite services, that is one meter or less in diameter;

(ii) an antenna designed to receive video programming services via multipoint distribution services, including multi-channel multipoint distribution services, instructional television fixed services and local multipoint distribution services, that is one meter or less in diameter or diagonal measurement; or

(iii) an antenna that is designed to receive television broadcast signals;

shall be permitted on Units, subject to such reasonable requirements as to location and screening as may be set forth in the Design Standards, consistent with applicable law, in order to minimize obtrusiveness as viewed from streets and adjacent property. The Founder and/or the Association shall have the right, without obligation, to erect an aerial, satellite dish, or other apparatus for a master antenna, cable or other communication system for the benefit of all or a portion of the Community, should any master system or systems be utilized by the Association and require such exterior apparatus.

3. Restricted Activities on Popo Point: The following shall be prohibited during construction of the Units located on Popo Point in the Coves District of the Community:

- (a) No consumption of alcoholic beverages or illegal drugs shall be permitted at any time;
- (b) No smoking or consumption of tobacco products shall be permitted at any time;
- (c) No playing of vehicle radios, portable radios, boom boxes or other audio equipment shall be permitted at any time;
- (d) No discharging of firearms, fireworks, explosives or other similar devices shall be permitted at any time;
- (e) Vehicle parking is permitted only within designated areas and not within conservation areas or green spaces;
- (f) Construction crews must clean up all debris on the site at the end of each day and place it in a dumpster. Crews must also break down all boxes and place them in a dumpster; and
- (g) Pets are prohibited on all construction sites.

4. Restricted Conditions. The following conditions and structures are restricted or prohibited in the Community:

- (a) Structures, equipment, or other items on the exterior portions of a Unit that have become rusty, dilapidated, or otherwise fallen into disrepair must be removed or repaired.
- (b) Excessive exterior lighting on any Unit is prohibited. The Board in its sole discretion shall determine whether any exterior lighting is excessive.

(c) Freestanding flagpoles; provided, flags may be displayed using a bracket or other approved device mounted to a dwelling so long as the size of the flag displayed does not exceed a standard size (as set forth in the Architectural Guidelines or determined in the Board's discretion and set forth in a Board rule).

(d) On-site storage of fuel, except that a reasonable amount of fuel may be stored on each Unit for emergency purposes and operation of mowers and similar tools or equipment, and the Association shall be permitted to store and sell fuel for refueling of boats, operation of maintenance vehicles, generators and similar equipment. This provision shall not apply to any underground fuel tank authorized pursuant to Chapter 5;

(e) No sign shall be erected within the Community, except those required by law, including posters, circulars and billboards; provided, the following types of signs may be erected on a Unit without the Board's written consent: (i) residential identification signs for identification of the occupant and its address, in a style designated by the Architectural Guidelines or approved by the Reviewer; and (ii) security signs in a style and location designated by the Architectural Guidelines or approved by the Reviewer. This restriction shall not apply to entry, directional and marketing signs installed by or with the consent of Founder. The Association, with the Board's approval, shall have the right to erect signs on the Common Area. Owners may display holiday decorations on their Unit if the decorations are of the kinds normally displayed in single family residential neighborhoods, are of reasonable size and scope and do not disturb other Owners and residents by excessive light or sound emission or by causing an unreasonable amount of spectator traffic. Permitted decorations may be displayed for such periods surrounding holidays as are normal and customary for comparable residential communities, as the Board determines.

(f) All pool equipment stored on any Unit shall be screened from view from outside the Unit with Landscaping, walls and other visual barriers approved in accordance with Chapter 5.

(g) Owners may display holiday decorations on their Unit if the decorations are of reasonable size and scope, and do not disturb other Owners and residents by excessive light or sound emission or by causing an unreasonable amount of spectator traffic. Permitted decorations may be displayed for such periods surrounding holidays as are normal and customary for comparable residential communities, as the Board determines.

(h) Woodpiles or other material shall be properly screened and stored in such a manner so as not to attract rodents, snakes and other animals or create a fire hazard, as the Board determines.

(i) No solar heating equipment or device is permitted outside the dwelling or other structures on the Unit except such devices whose installation and use is protected by federal or Florida law. Notwithstanding such protection, an application for such equipment or device must be submitted for approval under Chapter 5 prior to installation and approval will be granted only if: (i) First, such equipment or device is designed for minimal visual intrusion when installed (*i.e.*, is located in a manner which minimizes visibility from the street or an adjacent Unit and is consistent with the Community-Wide Standard); and (ii) Second, the equipment or device complies to the maximum visual extent feasible with the Architectural Guidelines within the confines of the applicable governmental regulations.

(j) Permanent basketball goals with black poles, clear fiberglass backboards and orange rims are permitted in locations approved in accordance with Chapter 5. Approval under Chapter 5 is required prior to the installation of any such basketball apparatus. Portable basketball goals may be used on a Unit with-

out prior approval, but must be stored so as not to be visible from any street or Common Area overnight or otherwise when not in use.

(k) Fences must be approved in accordance with Chapter 5. In the event a fence is approved for construction along the property line separating two Units, any subsequent fences along such property line shall attach to, and not run attached along, the existing approved fence.

EXHIBIT "D"

BY-LAWS

OF

RIVERTOWN COMMUNITY ASSOCIATION, INC.



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BY-LAWS
OF
RIVERTOWN COMMUNITY ASSOCIATION, INC.

Article 1
Name, Principal Office and Definitions

1.1. Name.

The name of the corporation is RiverTown Community Association, Inc. (the "**Association**").

1.2. Principal Office.

The Association's principal office shall be located in St. Johns County, Florida. The Association may have such other offices, either within or outside Florida, as the Board may determine or as the Association's affairs require.

1.3. Definitions.

The words used in these By-Laws shall have their normal, commonly understood definitions. Capitalized terms shall have the same meaning as set forth in the Community Charter for RiverTown recorded by The St. Joe Company, a Florida corporation, in the public records of St. Johns County, Florida, as it may be amended (the "**Charter**"), unless the context indicates otherwise. The term "majority," as used in these By-Laws, means those votes, Owners or other group, as the context may indicate, totaling more than 50 percent of the total eligible number. The term "Act," as used in these By-Laws, means Chapter 720 Part I, Florida Statutes (Homeowners' Associations), as amended from time to time.

Article 2
Membership: Meetings, Quorum, Voting, Proxies

2.1. Membership.

The Association shall have two classes of membership, Owner Membership and Founder Membership, as more fully set forth in the Charter. Provisions of the Charter pertaining to membership are incorporated by this reference. Members of the Association are referred to generally in these By-Laws as "Members."

2.2. Place of Meetings.

The Association shall hold meetings at its principal office or at such other suitable place convenient to the Members as the Board may designate.

2.3. Association Meetings.

(a) **General.** Association meetings shall be of the Voting Delegates unless the Board otherwise specifies or Florida law otherwise requires; provided, until Voting Delegates are selected, meetings shall be of the Members and references in these By-Laws to Voting Delegates shall be deemed to be references to the Members. The Association shall hold its first meeting, whether a regular or special meeting, within one year after the date of the Association's incorporation. The Board shall set the date and time of subsequent regular annual meetings.

(b) **Annual Meetings.** The Board shall schedule regular annual meetings to occur within 90 days after the close of the Association's fiscal year, on such date and at such time and place as the Board shall determine. Annual meetings may be conducted electronically (*i.e.*, *via* the Internet, intranet or teleconference) if, and to the extent, permitted by law.

(c) **Special Meetings.** The President may call special meetings of the general membership or special meetings of the Members owning Units within any Service Area. It shall also be the President's duty to call a special meeting of the general membership if so directed by Board resolution or upon a written petition of Voting Delegates representing at least 25 percent of the total votes in the Association. It shall also be the President's duty to call a special meeting of the Members within any Service Area if so directed by Board resolution or upon a written petition of the Members owning Units within any Service Area representing at least 25 percent of the total votes in the Service Area.

If the President does not send notice of a special meeting pursuant to Section 2.4 within 30 days after the date written demand is delivered to the Association's Secretary, any Member signing the demand may set the time and place of the special meeting and give the Association notice pursuant to Section 2.4.

(d) **Agenda Items.** If Members entitled to cast at least 20 percent of the total votes in the Association petition the Board in writing to address an item of business, the Board shall place the petitioned item of business on its agenda at its next regular Board meeting or at a special meeting of the Board, which shall be held within 60 days after the receipt of the petition.

2.4. **Notice of Meetings.**

The President, the Secretary or the officers or other persons calling a meeting of the Voting Delegates shall deliver or cause to be delivered to each Voting Delegate entitled to vote at such meeting a written notice stating the place, day and hour of the meeting to be given in any manner permitted by Florida law.

In the case of a special meeting or when otherwise required by statute, the Charter or these By-Laws, the purpose or purposes for which the meeting is called shall also be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

Such notice shall be delivered by such means as permitted under Section 9.4, at least 10 but not more than 50 days before the date of such meeting.

2.5. **Waiver of Notice.**

Waiver of notice of an Association meeting shall be deemed the equivalent of proper notice. Any Voting Delegate may waive, in writing, notice of any Association meeting, either before or after such meeting. A Voting Delegate's attendance at a meeting shall be deemed a waiver by such Voting Delegate of notice of the time, date and place thereof, unless the Voting Delegate specifically objects to lack of proper notice at

the time the meeting is called to order. Attendance at a special meeting also shall be deemed a waiver of notice of all business transacted at such meeting unless an objection on the basis of lack of proper notice is raised before the business is put to a vote.

2.6. Adjournment of Meetings.

If any Association meeting cannot be held because a quorum is not present, the Voting Delegates entitled to cast a majority of the votes present at such meeting may adjourn the meeting to a time at least five but not more than 30 days from the scheduled date of the original meeting. At the reconvened meeting, if a quorum is present, any business may be transacted that might have been transacted at the meeting originally called. If those in attendance at the original meeting do not fix a time and place for reconvening the meeting, or if for any reason a new date is fixed for reconvening the meeting after adjournment, the Board shall provide notice to the Voting Delegates of the time and place for reconvening the meeting in the manner prescribed for regular meetings.

Voting Delegates present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the departure of enough Voting Delegates to leave less than a quorum, provided at least a majority of the votes required to constitute a quorum must approve any action taken.

2.7. Voting.

(a) Voting Rights. Members shall have such voting rights as are set forth in the Charter, which provisions are specifically incorporated by this reference. Until such time as the Board first calls for election of a Voting Delegate for any Neighborhood, the Owners within such Neighborhood shall be entitled personally to cast the votes attributable to their respective Units on any issue as to which a Voting Delegate representing the neighborhood would be entitled to vote, and the term "Voting Delegate" shall include all such Owners.

(b) Election of and Removal of Voting Delegates. The Owner Members owning Units within each Neighborhood shall elect a Voting Delegate to cast all votes attributable to their Units on all Association matters requiring a membership vote, except as otherwise specified in the Charter or these By-Laws. In addition, each Neighborhood shall elect an alternate Voting Delegate who shall be responsible for casting such votes in the absence of the Voting Delegate.

The first election of a Voting Delegate and alternate Voting Delegate from each Neighborhood shall occur at least 30 days prior to any Association meeting at which the Voting Delegate from such Neighborhood will be entitled to vote. Thereafter, the Board shall call for an election of Voting Delegates and alternates on an annual basis.

Voting Delegate elections shall be by ballots cast by mail, computer or at a meeting of the Owner Members within such Neighborhood, as the Board determines. Upon written petition signed by Owner Members holding at least 20 percent of the votes attributable to Units within any Neighborhood, the election for such Neighborhood shall be held at a meeting. Candidates for election as Voting Delegates may be nominated by the Board, a nominating committee the Board may appoint, or from the floor at any meeting at which such election is to be held. In addition or in the alternative, any Person may submit his or her name for consideration.

The presence, in person or by proxy, or the filing of ballots of Owner Members representing at least 50 percent of the total votes attributable to Units in the Neighborhood shall constitute a quorum for any Neighborhood meeting or election. In the event of a failure to obtain a quorum or vacancy in such positions for any Neighborhood, the Board may appoint a Voting Delegate or alternate Voting Delegate to represent such Neighborhood until a successor is elected.

Subject to the above quorum requirement, in any election of Voting Delegates the candidate who receives the greatest number of votes shall be elected as the Voting Delegate and the candidate receiving the next greatest number of votes shall be elected as the alternate Voting Delegate. In the event of a tie vote among the leading candidates, the Voting Delegate shall be determined by drawing names from a hat, with the first person drawn being the Voting Delegate and the second being the alternate Voting Delegate. The Voting Delegate and the alternate Voting Delegate shall serve a term of one year or until their successors are elected, whichever is longer.

Any Voting Delegate may be removed, with or without cause, upon the vote or written petition of Owner Members representing a majority of the total number of Units in the Neighborhood that the Voting Delegate represents.

(c) Establishment of Election Districts. Founder shall establish Election Districts, if at all, not later than the date of expiration of the Founder Control Period by filing with the Association and recording a Supplement identifying the Units comprising each Election District by Neighborhood designation, legal description or other means such that the Units within each Election District can easily be determined. The Founder, acting alone, may amend the Supplement to change such designation at any time prior to the expiration of the Founder Control Period. After the Founder Control Period, the Founder may amend to designate additional Units as part of any Election District.

After termination of the Founder Control Period, the Board shall have the right to record or amend any such Supplement upon the vote of a majority of the total number of directors and approval of Voting Delegates representing a majority of the total number of Neighborhoods and a majority of the total votes in the Association. Neither recordation of, nor the Founder's amendment of, such Supplement shall constitute an amendment to the Charter. No consent or approval of any Person shall be required except as stated in this subsection. Until such time as Election Districts are established, all of the Community shall constitute a single Election District. After a Supplement establishing Election Districts has been recorded, any and all portions of the Community that are not assigned to a specific Election District shall constitute a single Election District.

2.8. Proxies.

Voting Delegates may not vote by proxy but only in person or through their designated alternates; however, any Voting Delegate who is entitled to cast only the vote(s) for his or her own Unit(s) pursuant to the Charter may cast such vote(s) in person or by proxy until such time as the Board first calls for election of a Voting Delegate to represent the Neighborhood of which the Unit is a part. Likewise, if a Member is entitled personally to cast the vote for his or her Unit on any matter, he or she may vote in person or by proxy, subject to the limitations of Florida law and subject to any specific provision to the contrary in the Charter or these By-Laws.

Every proxy shall be in writing, shall identify the Unit for which it is given, shall be signed by the Member or the Member's duly authorized attorney-in-fact and shall be dated and filed with the Association's Secretary prior to the meeting for which it is to be effective. Unless the proxy specifically provides otherwise, a proxy shall be presumed to cover all votes which the Member giving such proxy is entitled to cast, and in the event of any conflict between two or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated as of the same date, both shall be deemed invalid.

Every proxy shall be revocable and shall automatically cease upon: (a) conveyance of any Unit for which it was given, (b) the secretary's receipt of written notice of revocation of the proxy or of the death or judicially declared incompetence of a Member who is an individual given to the person presiding over a meeting of the Association, (c) attendance in person of the Person granting the proxy at any meeting for which the proxy may otherwise be used, or (d) 90 days from the meeting date for which the proxy was originally given, unless the proxy specifies a shorter period.

2.9. Quorum.

Except as these By-Laws or the Charter otherwise provide, the presence of Voting Delegates representing 30 percent of the total votes in the Association shall constitute a quorum at all Association meetings and the vote of Voting Delegates representing a majority of the total eligible votes cast shall constitute the action of the Voting Delegates.

2.10. Conduct of Meetings.

The President or other Board designee shall preside over all Association meetings. The Secretary shall ensure that minutes of the meetings are kept and that all resolutions adopted and all other transactions occurring at such meetings are recorded in the Association's minute books. The meetings shall be conducted pursuant to Roberts Rules of Order.

2.11. Action Without a Meeting.

Any action required by the Charter, the Articles or Florida law to be taken at a meeting of the Members or Voting Delegates may be taken without a meeting, without prior notice and without a vote if approved by Members or Voting Delegates representing at least the minimum number of votes in the Association necessary to authorize such action at a meeting, if all Members or Voting Delegates entitled to vote were present and voted. Such approval shall be evidenced by one or more written consents specifically authorizing the proposed action dated and signed by Members or Voting Delegates holding the requisite votes.

The Association need not give prior notice before soliciting such consent; however, the Association must send written consent forms to all Members or Voting Delegates for action authorized pursuant to this section to be valid. Members or Voting Delegates shall sign, date and deliver such consents to the Association within 60 days after the Association's receipt of the earliest dated consent. The Association's Secretary shall file (or cause to be filed) such consents with the Association's minutes, and the consents shall have the same force and effect as a vote of the Members or Voting Delegates at a meeting. Within 10 days after receiving authorization for any action by written consent, the Secretary shall give written notice to all Members entitled to vote who did not give their written consent, fairly summarizing the material features of the authorized action.

Article 3 Board of Directors: Selection, Meetings, Powers

A. Composition and Selection.

3.1. Governing Body; Qualifications.

The Board shall govern the Association's affairs. Each director shall have one vote. Directors shall be Members or residents of the Community. A director must be at least 18 years old.

If an Owner is not an individual, any officer, director, partner or any trust officer of such Owner shall be eligible to serve as a director unless a written notice to the Association signed by the Owner specifies otherwise. However, no Owner may have more than one such representative on the Board at a time except in the case of directors the Founder Member appoints.

3.2. Number of Directors.

The Board shall consist of three to seven directors, as provided in Section 3.3.

3.3. Selection of Directors; Term of Office.

(a) *Initial Board.* The initial Board shall consist of the three directors identified in the Articles of Incorporation, who shall serve until their successors are appointed or elected as provided in this Section.

(b) *Directors During Founder Control Period.* Except as otherwise provided in this subsection, the Founder Member may appoint, remove and replace at least a majority of the Board members until termination of the Founder Control Period. During such period, the Voting Delegates shall be entitled to elect a minority of the total number of directors according to the following schedule (directors elected by the Voting Delegates are referred to as "Owner Directors"):

(i) Within 90 days after the time that Owners other than the Founder, Founder Affiliates or Builders own 50 percent of the maximum number of Units permitted by the RiverTown DRI Development Order for the property described in the Development Plan or whenever the Founder earlier determines, the President shall call for an election by which the Voting Delegates, as a group, shall be entitled to elect one of the three directors, who shall be elected at large (*i.e.*, without regard to Election Districts). The remaining directors shall be appointees of the Founder. The Owner Director shall be elected for a term of two years or until the happening of the event described in Section 3.3(b)(ii), whichever is shorter. If such director's term expires prior to the happening of the event described in Section 3.3(b)(ii), a successor shall be elected for a like term.

(ii) Within 90 days after the time that Owners other than the Founder, Founder Affiliates or Builders own 75 percent of the maximum number of Units permitted by the RiverTown DRI Development Order for the property described in the Development Plan or whenever the Founder earlier determines, the Board shall be increased to five directors and the President shall call for an election by which the Voting Delegates, as a group, shall be entitled to elect two of the five directors, who shall be elected at large. The Founder shall appoint the remaining three directors. The Owner Directors shall be elected for a term of two years or until the happening of the event described in Section 3.3(c)(i), whichever is shorter. If such

directors' terms expire prior to the happening of the event described in Section 3.3(c)(i), successors shall be elected for a like term.

(c) Directors After the Founder Control Period.

(i) Not later than termination of the Founder Control Period, the Board shall be increased to seven directors. The President shall call for an election by which the Voting Delegates shall be entitled to elect six directors, with an equal number of directors elected by the Voting Delegates representing each Election District and any remaining directorships filled at large by the votes of all Voting Delegates. Three directors shall be elected to serve until the second annual meeting following their election, and three directors shall be elected to serve until the third annual meeting following their election, as such directors determine among themselves.

(ii) The Founder shall be entitled to appoint, remove and replace the seventh director until termination of the Founder Membership, at which time the director appointed by the Founder shall resign. The remaining directors shall be entitled to appoint a successor to fill the vacancy until the next annual meeting, at which time the Voting Delegates, voting at large, shall be entitled to elect a successor who shall be elected for a term of two years.

(iii) Upon expiration of the term of office of each Owner Director after termination of the Founder Control Period, the Voting Delegates entitled to elect such director shall be entitled to elect a successor to serve a term of two years. Owner Directors shall hold office until their respective successors have been elected. Directors may serve any number of consecutive terms.

The diagram below illustrates the concept of transition of control of the Board during and after the Founder Control Period.

TRANSITION OF CONTROL OF BOARD OF DIRECTORS				
Initial Board	50 percent of Total Units Conveyed	75 percent of Total Units Conveyed	Termination of Founder Control Period	Termination of Founder Membership
Founder	Owner Director	Owner Director	Owner Director	Owner Director
Founder	Founder	Owner Director	Owner Director	Owner Director
Founder	Founder	Founder	Owner Director	Owner Director
		Founder	Owner Director	Owner Director
		Founder	Owner Director	Owner Director
			Owner Director	Owner Director
			Founder	Owner Director

3.4. Nomination and Election Procedures.

(a) Nominations and Declarations of Candidacy. Prior to each election of directors, the Board shall prescribe the opening date and the closing date of a reasonable filing period in which every eligible person who has an interest in serving as a director may file as a candidate for any Owner Director position.

The Board also may appoint a Nominating Committee to make nominations for election to the Board. A Nominating Committee, if appointed, shall consist of a chairperson, who shall be a Board member, and three or more Owners or representatives of Owners. Any Nominating Committee shall serve a term of one year or until its successors are appointed. The names of the Nominating Committee members shall be announced in the notice of each election.

In preparation for each election, the Nominating Committee, if appointed, shall meet and make as many nominations for election to the Board as it shall in its discretion determine, but in no event less than the number of positions to be filled by the Voting Delegates at such election. The Nominating Committee shall nominate separate slates for the directors, if any, to be elected at large by all Voting Delegates and for the director(s) to be elected by the Voting Delegates within each Election District. In making its nominations, the Nominating Committee shall use reasonable efforts to nominate candidates representing the diversity that exists within the pool of potential candidates.

Nominations shall also be permitted from the floor at the meeting at which any election is held. All candidates shall have a reasonable opportunity to communicate their qualifications to the Voting Delegates and to solicit votes.

(b) Election Procedures. At each election, voting shall be by written ballot. Each Voting Delegate may cast all votes assigned to the Units it represents for each position to be filled from any slate of candidates on which such Voting Delegate is entitled to vote.

In the event of a tie vote on any slate, the Voting Delegates entitled to vote on such slate shall be informed of the tie vote and given the opportunity to discuss the candidates among themselves in an effort to resolve the tie before another vote is taken. If the second vote again results in a tie, then the Board shall call for election of the director(s) from such slate by the Owners represented by such Voting Delegates. Such election shall be held by mail, with ballots to be sent by first class mail to each Owner entitled to vote on such slate within 10 days after the meeting at which the original election was held.

3.5. Removal of Directors and Vacancies.

Any Owner Director may be removed, with or without cause, by written agreement signed, by written ballots cast without a membership meeting or by a vote taken at a meeting, by Voting Delegates holding a majority of the votes entitled to be cast for the election of such director. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. Any effort by Voting Delegates to recall or remove a director shall be conducted, and any vacancy thus created shall be filled, in accordance with the procedures set forth in Section 303 of the Act.

At any meeting at which a quorum is present, a majority of the directors may remove any Owner Director who has three consecutive unexcused absences from Board meetings or who is more than 30 days delinquent (or resides in a Unit owned by an Owner who is so delinquent) in the payment of any assessment or other charge due the Association. The Board may appoint a successor to fill the vacancy for the remainder of the term.

In the event of the death, disability or resignation of an Owner Director, the Board may declare a vacancy and appoint a successor to fill the vacancy until the next annual meeting, at which time the Voting Delegates entitled to fill such directorship shall elect a successor for the remainder of the term.

Any director whom the Board appoints shall be selected from among eligible Owners or residents of Units within the Election District represented by the director who vacated the position.

This Section shall not apply to directors the Founder appoints. The Founder may appoint a successor to fill any vacancy on the Board resulting from the death, disability or resignation of a director appointed by the Founder.

B. Meetings.

3.6. Organizational Meetings.

The Board shall hold an organizational meeting within 10 days following each annual Association meeting at such time and place as the Board shall fix.

3.7. Regular Meetings.

The Board shall hold regular meetings at such time and place as a majority of the directors shall determine, but the Board shall meet at least four times during each fiscal year with at least one meeting per quarter.

3.8. Special Meetings.

The President, Vice President or any two directors may call a special meeting of the Board.

3.9. Notice; Waiver of Notice.

(a) Notices of Board meetings shall specify the time and place of the meeting and, in the case of a special meeting, the nature of any special business to be considered. The Board shall give notice to each director by: (i) personal delivery; (ii) first class mail, postage prepaid; (iii) telephone (either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director); or (iv) facsimile, electronic mail or other electronic communication device, with confirmation of transmission. All such notices shall be given at the director's telephone number, fax number, electronic mail address or sent to the director's address as shown on the Association's records. Notices sent by first class mail shall be deposited into a United States mailbox at least seven business days before the time set for the meeting. Except for emergency meetings, notices given by personal delivery, telephone or other device shall be delivered or transmitted at least 72 hours before the time set for the meeting.

(b) Except for emergency meetings, notice of the time and place of any Board meeting shall be mailed or delivered to each Member at least seven days before the meeting or, in the alternative, posted in a conspicuous place within the Community at least 48 hours in advance of the meeting, except that written notice of any meeting at which special assessments, amendments to rules regarding use of Units, or any agenda item petitioned for by the Members pursuant to Section 2.3(d) will be considered, should be mailed, delivered or electronically transmitted to each Member and posted conspicuously in the Community not less than 14 days before the meeting. In lieu of mailing or posting in the Community, notice of Board meetings may be published in a Community publication, or broadcast four times per hour during the required notice period on a closed-circuit television utilized by the Association, or in the case of regularly

scheduled Board meetings, provided on a schedule distributed to the Members. Notice may be transmitted electronically only to those Members who have consented in writing to receive notice by electronic transmission, and then only in a manner authorized by law.

(c) Transactions of any Board meeting, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (i) a quorum is present, and (ii) either before or after the meeting each director not present signs a written waiver of notice, a consent to holding the meeting or an approval of the minutes. The waiver of notice or consent need not specify the meeting's purpose. Notice of a meeting also shall be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

(d) Notice of any meeting at which assessments are to be established shall state that fact and the nature of the assessment.

3.10. Telephonic Participation in Meetings.

Members of the Board or any committee designated by the Board may participate in a Board or committee meeting by means of telephone or other electronic means, through which all persons participating in the meeting can hear each other. Participation in this manner shall constitute presence at the meeting for all purposes.

3.11. Quorum of Board.

At all Board meetings, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the Board's decision, unless Florida law, these By-Laws or the Charter specifically provide otherwise. A meeting at which a quorum is initially present may continue, notwithstanding the withdrawal of directors, if at least a majority of the required quorum for that meeting approves any action taken. If the Board cannot hold a meeting because a quorum is not present, a majority of the directors present at such meeting may adjourn the meeting to a time not less than five nor more than 30 days from the date of the original meeting. At the reconvened meeting, if a quorum is present, any business that might have been transacted at the meeting originally called may be transacted without further notice.

3.12. Conduct of Meetings.

The President shall preside over all Board meetings; provided, in the President's absence, the Vice President or another Board designee shall preside. The Secretary shall cause to be kept a minute book of Board meetings, recording all Board resolutions and all transactions and proceedings occurring at such meetings. Members may tape record or videotape Board meetings subject to reasonable rules the Board imposes.

3.13. Open Meetings; Executive Session.

Subject to the provisions of Section 3.15, all Board meetings shall be open to all Members and Voting Delegates. Members and Voting Delegates shall have the right to attend all meetings of the Board and to speak on certain matters for at least three minutes as set forth in Section 303 of the Act.

Notwithstanding the above, the President may adjourn any Board meeting, reconvene in executive session, and exclude persons other than directors to discuss with the Association's attorney any matters relating to pending or threatened litigation that are protected by the attorney-client privilege, or to discuss among the Board any other matter of a sensitive nature to the extent Florida law permits.

3.14. Action Without a Formal Meeting.

Any action to be taken or that may be taken at a Board meeting may be taken without a meeting if all directors sign a written consent, setting forth the action so taken. Such consent shall have the same force and effect as a unanimous vote.

C. Powers and Duties.

3.15. Powers.

The Board shall have all of the powers necessary to administer the Association's affairs, perform the Association's responsibilities and exercise the Association's rights as set forth in the Governing Documents and as provided by law. The Board may do or cause to be done on the Association's behalf all acts and things except those that the Governing Documents or Florida law require to be done and exercised exclusively by the Voting Delegates or the membership generally.

3.16. Duties.

The Board's duties shall include, without limitation:

- (a) preparing and adopting, in accordance with the Charter, an annual budget establishing each Owner's share of the Common Expenses and any Service Area Expenses;
- (b) levying and collecting assessments from the Owners;
- (c) providing for the operation, care, upkeep and maintenance of the Area of Common Responsibility consistent with the Community-Wide Standard;
- (d) designating, hiring and dismissing personnel necessary to carry out the Association's rights and responsibilities and, where appropriate, providing for compensation of such personnel and for the purchase of necessary equipment, supplies and materials to be used by such personnel in the performance of their duties;
- (e) opening bank accounts on the Association's behalf and designating the signatories required;
- (f) depositing all funds received on the Association's behalf in a bank depository which the Board shall approve, and using such funds to operate the Association; however, in the Board's business judgment any reserve funds may be deposited in depositories other than banks;
- (g) making or contracting for the making of repairs, additions and improvements to or alterations of the Common Area in accordance with the Governing Documents. Such contracts shall be in writing and the Association shall obtain competitive bids if required by the Act;

(h) enforcing by legal means the provisions of the Governing Documents and bringing any proceedings that may be instituted on behalf of or against the Owners concerning the Association; however, the Association's obligation in this regard shall be conditioned in the manner provided in the Charter;

(i) obtaining and carrying property and liability insurance and fidelity bonds, as provided in the Charter, paying the cost thereof, and filing and adjusting claims, as appropriate;

(j) paying the cost of all services rendered to the Association;

(k) keeping a detailed accounting of the Association's receipts and expenditures;

(l) making available to any prospective purchaser of a Unit, any Owner, and the holders, insurers and guarantors of any Mortgage on any Unit, current copies of the Governing Documents and all other books, records and financial statements of the Association as provided in Article 9;

(m) indemnifying a director, officer, employee or committee member or former director, officer, employee or committee member to the extent such indemnity is required by these By-Laws; and

(n) maintaining, and retaining for the time periods required, the "official records" of the Association, as provided in Section 303 of the Act.

3.17. Conflicts of Interest.

Unless otherwise approved by a majority of the other directors, no Owner Director may transact business with the Association or any Association contractor during his or her term as director. A director shall promptly disclose in writing to the Board any actual or potential conflict of interest affecting the directors relative to his or her performance as a director. A director's failure to make such disclosure shall be grounds for removal by a majority vote of the other Board members.

Notwithstanding the above, directors appointed by the Founder may be employed by or otherwise transact business with the Founder or its affiliate, and the Founder may transact business with the Association or its contractors.

Article 4 Officers

4.1. Officers.

The Association's officers shall be a President, Vice President, Secretary and Treasurer. The President and Secretary shall be elected from among the Board members; other officers may, but need not, be Board members. The Board may appoint such other officers, including one or more Assistant Secretaries and Assistant Treasurers, as it shall deem desirable, such officers to have such authority and perform such duties as the Board prescribes. Any two or more offices may be held by the same person, except the offices of President and Secretary.

4.2. Election and Term of Office.

The initial officers of the Association shall be elected by the Board at its organizational meeting or by unanimous written consent in lieu thereof and shall serve until the Association's second annual meeting. Thereafter, the Board shall elect the Association's officers at the first Board meeting following each annual meeting of the Association or by unanimous written consent in lieu thereof, to serve until their successors are elected. Officers may not hold the same office for more than two consecutive terms.

4.3. Removal and Vacancies.

The Board may remove any officer, by a vote of at least 2/3 of the directors, whenever in its judgment the Association's best interests will be served and may fill any vacancy in any office arising because of death, resignation, removal or otherwise for the unexpired portion of the term.

4.4. Powers and Duties.

The Association's officers shall have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as the Board may specifically confer or impose. The President shall be the Association's chief executive officer. The Treasurer shall have primary responsibility for preparing the Association's budgets as provided for in the Charter and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both. The Secretary shall prepare or supervise the preparation of meeting minutes as required by Florida law.

4.5. Resignation.

Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at a later time specified therein. Unless the resignation specifies, acceptance of such resignation shall not be necessary to make it effective.

Article 5 Committees

5.1. General.

The Board may appoint such other committees as it deems appropriate to perform such tasks and to serve for such periods as the Board may designate by resolution.

In an effort to encourage and incorporate a broad base of Owner and resident participation in community governance, it shall be the Association's policy that the Board create and delegate its responsibilities to committees as reasonably appropriate.

Committees shall exercise only such authority as granted by Board resolution, provided the Board may, in the exercise of its reasonable discretion, elect not to follow a committee's advice on any matter. Committees may not act without specific Board authority and may not bind the Association contractually or financially. Committee members may serve no more than two consecutive two-year terms on the same committee.

5.2. Covenants Committee.

In addition to any other committees that the Board may establish pursuant to Section 5.1, the Board may appoint a Covenants Committee consisting of at least three and no more than seven Owners who shall not be officers, directors or employees of the Association or the spouse, parent, sibling or child of any officer, director or employee. Acting in accordance with the provisions of the Charter, these By-Laws and resolutions the Board may adopt, the Covenants Committee, if established, shall be the hearing tribunal of the Association and shall conduct all hearings held pursuant to Article 8. The Covenants Committee shall have no responsibility for seeking out violations of the Governing Documents.

5.3. Service Area Committees.

The Owners of Units within any Service Area that has no formal organizational structure or association may elect a Service Area Committee to determine the nature and extent of services, if any, that it desires to have the Association provide to the Service Area, over and above those services that the Association provides to all Units in the Community. A Service Area Committee, if elected, shall consist of three Owners of Units in the Service Area; however, if approved by the vote of at least 51 percent of the Owners of Units within the Service Area, the number may be increased to five.

Elections of Service Area Committees may be held by written ballot sent to all Owners of Units within the Service Area, or at a meeting of the Owners of Units within the Service Area, as the Board determines. The Board or any Owner of a Unit in the Service Area may nominate candidates for election to the Service Area Committee. That number of candidates equal to the number of positions to be filled receiving the most votes shall be elected. Service Area Committee members shall be elected for a term of one year or until their successors are elected. Any director elected to the Board from a Service Area shall be an *ex officio* member of the Service Area Committee. The members of the committee shall elect a chairperson from among themselves, who shall preside at committee meetings and shall be responsible for transmitting any and all communications to the Board.

Meetings of a Service Area Committee shall be open to all Owners of Units in the Service Area and their representatives.

Article 6 Standards of Conduct; Liability and Indemnification

6.1. Standards for Directors and Officers.

The Board shall exercise its powers in a reasonable, fair and nondiscriminatory manner and shall adhere to the procedures established in the Governing Documents. In performing their duties, directors and officers shall act as fiduciaries and shall discharge their duties as directors or officers, and as members of any committee to which they are appointed, in a manner that the director or officer reasonably believes in good faith to be in, or not opposed to, the best interest of the Association. A director is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, prepared or presented by others to the extent authorized under Florida law.

The actions and determinations of the Board, or any director or officer, shall not be subject to review or other challenge if the Board or the individual director or officer:

- (i) acts within the expressed or implied scope of the Governing Documents and such actions are not *ultra vires*;
- (ii) affirmatively undertakes to make decisions that the Board or the individual director or officer reasonably believes are necessary for the Association's continued and successful operation and, when decisions are made, makes them on an informed basis;
- (iii) acts on a disinterested basis, promptly disclosing any real or potential conflict of interests (pecuniary or other) and avoiding participation in decisions and actions on matters as to which the Board or the individual director or officer has a conflict of interest (beyond that which all Owners have by virtue of their ownership or occupancy of a Unit); and
- (iv) acts in a non-fraudulent manner and without reckless indifference to the Association's affairs.

6.2. Liability.

A director or officer of the Association shall be insulated from liability to the same extent that liability of directors of corporations is limited under Florida law and the Articles.

6.3. Indemnification.

To the fullest extent permitted by Florida law, the Association shall indemnify every officer, director, employee and committee member against all damages and expenses, including counsel fees and expenses, reasonably incurred in connection with any action, suit or other proceeding (including settlement of any suit or proceeding, if approved by the then Board) to which he or she may be a party by reason of being or having been an officer, director, employee or committee member, if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Association and, with respect to any criminal action or proceeding, had no reasonable cause to believe the such action was unlawful. The termination of any such action, suit or proceeding by judgment, order, settlement, conviction or a plea of nolo contendere or its equivalent shall not in and of itself create a presumption that the director did not act in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interest of the Association or that he or she had reasonable cause to believe that his or her conduct was unlawful

This right to indemnification shall not be exclusive of any other rights to which any present or former officer, director, employee or committee member may be entitled. The Association shall, as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation if such insurance is reasonably available.

6.4. Advancement of Expenses.

In accordance with the procedures and subject to the conditions and limitations set forth in Florida law, the Board may authorize the Association to advance funds to pay for or reimburse the reasonable expenses incurred by a present or former officer, director, employee or committee member in any proceeding to which he or she may be a party by reason of being or having been an officer, director or committee member.

6.5. Board and Officer Training.

The Board may conduct or provide for seminars and continuing educational opportunities designed to educate and inform its officers and directors of their responsibilities as officers and directors. Such programs may include instruction on applicable Florida corporate and fiduciary law principles, other issues relating to administering community affairs and upholding and enforcing the Governing Documents. The Board may retain industry professionals, which may include property managers, attorneys and accountants, as appropriate or necessary for such purpose. Each newly elected officer and director shall be encouraged to complete a training seminar within the first six months of assuming such position. The seminar may be live, video or audiotape, or in other format. The cost of such seminar shall be a Common Expense.

The Board also may provide, or provide for, Owner and resident education designed to foster a better understanding of the Community's governance and operations and leadership training classes designed to educate Voting Delegates and Owners of the nomination, election and voting processes and the duties and responsibilities of directors and officers.

Article 7 Management and Accounting

7.1. Compensation of Directors and Officers.

The Association shall not compensate directors and officers for acting as such unless Voting Delegates representing a majority of the total votes in the Association approve such compensation at an Association meeting. The Association may reimburse any director or officer for expenses he or she incurs on the Association's behalf upon approval of a majority of the other directors. Nothing herein shall prohibit the Association from compensating a director or officer, or any entity with which a director or officer is affiliated, for services or supplies he or she furnishes to the Association in a capacity other than as a director or officer pursuant to a contract or agreement with the Association. However, such director must make known his or her interest to the Board prior to entering into such contract, and a majority of the Board, excluding any interested director, must approve such contract.

7.2. Right of Founder Member to Disapprove Actions.

So long as there is a Founder Membership, the Founder Member shall have a right to disapprove any action, policy or program of the Association, the Board and any committee that, in the Founder Member's sole judgment, would tend to impair rights of the Founder or Builders under the Charter or these By-Laws, interfere with development or construction of any portion of the Community, or diminish the level of services the Association provides. The Board shall not implement any action, policy or program subject to the right of disapproval set forth herein until and unless the requirements of this Section have been met.

(a) Notice. The Association shall give the Founder Member written notice of all meetings of the Members, the Board and committees and any actions that any of them propose to take by written consent in lieu of a meeting. The Association shall give such notice by certified mail, return receipt requested, or by personal delivery at the address the Founder Member has registered with the Association. Such notice shall comply as to Board meetings with Section 3.9, and shall, except in the case of regular Board meetings pursuant to these By-Laws, set forth with reasonable particularity the agenda to be followed at such meeting.

(b) Opportunity to be Heard. At any such meeting, the Association shall give the Founder Member the opportunity to join in or to have its representatives or agents join in discussion from the floor of any prospective action, policy or program that would be subject to the right of disapproval set forth herein.

The Founder Member, its representatives or its agents shall make its concerns, thoughts and suggestions known to the Board and/or the members of the subject committee. The Founder Member, acting through any officer or director, agent or authorized representative, may exercise its right to disapprove at any time within 10 days following the meeting at which such action was proposed or, in the case of any action taken by written consent in lieu of a meeting, at any time within 10 days following receipt of written notice of the proposed action.

The Founder Member may use this right to disapprove under this Section 7.2, to block proposed actions but shall not use it to require any action or counteraction of any committee, the Board or the Association. The Founder Member shall not use its right to disapprove to reduce the level of services the Association is obligated to provide or to prevent capital repairs or any expenditure required to comply with applicable laws and regulations.

7.3. Managing Agent.

The Board may employ for the Association professional management agents at such compensation as the Board may establish to perform such duties and services as the Board shall authorize. The Board may delegate such powers as are necessary to perform the manager's assigned duties but shall not delegate policy-making authority or ultimate responsibility for those duties set forth in Section 3.16. The Board may employ the Founder or its affiliate as managing agent or manager.

The Board may delegate to one of its members the authority to act on its behalf on all matters relating to the duties of the managing agent or manager that might arise between Board meetings.

The Association shall not be bound, either directly or indirectly, by any management contract executed during the Founder Control Period unless such contract contains a right of termination that may be exercised by the Association, with or without cause and without penalty, at any time after termination of the Founder Control Period upon not more than 90 days' written notice.

The managing agent shall not accept remuneration from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; any thing of value received shall benefit the Association. The managing agent shall promptly disclose to the Board any financial or other interest that it may have in any firm providing goods or services to the Association.

7.4. Accounts and Reports.

(a) The Board shall follow the following accounting standards unless the Board specifically determines otherwise by a resolution duly adopted and permitted under Florida law:

- (i) accounting and controls should conform to generally accepted accounting principles; and
- (ii) the Association's cash accounts shall not be commingled with any other accounts, and during the Founder Control Period, operating accounts shall not be commingled with reserve accounts.

(b) Commencing at the end of the quarter in which the first Unit is sold and closed, the following financial reports shall be prepared for the Association within 120 days after the end of each quarter:

- (i) an income statement reflecting all income and expense activity for the preceding period;
- (ii) a statement reflecting all cash receipts and disbursements for the preceding period;
- (iii) a variance report reflecting the status of all accounts in an "actual" versus "approved" budget format;
- (iv) a balance sheet as of the last day of the preceding period; and
- (v) a delinquency report listing all Owners who are delinquent in paying any assessments at the time of the report (any assessment or installment thereof shall be considered to be delinquent on the 15th day following the due date unless the Board specifies otherwise by resolution). A copy of the quarterly financial report shall be made available at no charge to any Member requesting a copy.

(c) An annual report shall be prepared within 60 days after the close of the fiscal year. Financial reports shall be prepared pursuant to Section 303 of the Act as follows:

(i) A complete set of financial statements in accordance with generally accepted accounting principles, based upon the Association's total annual revenues, as follows:

A. compiled financial statements for any fiscal year in which the Association has total annual revenues of \$100,000 or more, but less than \$200,000;

B. reviewed financial statements for any fiscal year in which the Association has total annual revenues of at least \$200,000, but less than \$400,000; and

C. audited financial statements for any fiscal year in which the Association has total annual revenues of \$400,000 or more.

(ii) A report of cash receipts and expenditures (for any fiscal year in which the Association has total annual revenues of less than \$100,000), which must disclose the amount of receipts by accounts and receipt classifications and the amount of expenses by accounts and expense classifications, including, but not limited to, the following, as applicable: costs for security, professional, and management fees and expenses; taxes, costs for recreation facilities, expenses for refuse collection and utility services; expenses for lawn care; costs for building maintenance and repair; insurance costs; administration and salary expenses; and reserves if maintained by the Association.

(iii) If 35 percent of the Members petition the Board for a level of financial reporting higher than that required by this subsection, the Board shall duly notice and hold a meeting of Members within 30 days of receipt of the petition for the purpose of voting on raising the level of reporting for that fiscal year. Upon approval of the Members representing at least a majority of the total votes in the Association, the Board shall prepare or cause to be prepared, shall amend the budget or adopt a special assessment to pay for the financial report regardless of any provision to the contrary in the Governing Documents, and shall provide within 90 days of the meeting or the end of the fiscal year, whichever occurs later:

A. compiled, reviewed or audited financial statements, if the Board is otherwise required to prepare a report of cash receipts and expenditures;

B. reviewed or audited financial statements, if the Board is otherwise required to prepare compiled financial statements; or

C. audited financial statements, if the Board is otherwise required to prepare reviewed financial statements.

(iv) If approved by a majority of the Members present at a properly called meeting of the Association, the Board may prepare or cause to be prepared:

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

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

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

Within 10 business days following its receipt of a written request, the Board shall provide a Member or its authorized agent with a copy of the annual financial report or a written notice that a copy of the annual financial report is available upon request at no charge to the Member. In addition, to the extent Florida law requires, the Association shall send a copy of the annual report to each Member, which may be sent along with notice of the Association's annual meeting.

7.5. Borrowing.

The Association shall have the power to borrow money for any legal purpose. However, the Board shall obtain Voting Delegate approval in the same manner provided in the Charter for Special Assessments if the proposed borrowing is for the purpose of making discretionary capital improvements and the total amount of such borrowing, together with all other debt incurred within the previous 12-month period, exceeds or would exceed 20 percent of the Association's budgeted gross expenses for that fiscal year.

7.6. Right to Contract.

The Association shall have the right to contract with any Person for the performance of various duties and functions. This right shall include, without limitation, the right to enter into common management, operational or other agreements with trusts, condominiums, cooperatives, any Neighborhood Association and other owners or residents associations within and outside the Community.

7.7. Agreements, Contracts, Deeds, Leases, Checks, Etc.

All Association agreements, contracts, deeds, leases, checks and other instruments shall be executed by at least two officers or by such other person or persons as the Board may designate by resolution.

Article 8 Enforcement Procedures

The Association shall have the power, as provided in the Charter, to impose sanctions for any violation of the Governing Documents. Such sanctions may include monetary fines and penalties, suspension or termination of Association privileges and other sanctions as the Board may impose. To the extent specifically required by the Charter, the Board shall comply with the following procedures prior to imposition of sanctions:

8.1. Notice and Response.

The Board or its delegate shall serve the alleged violator (and if the violator is not an Owner, the Board or its delegate shall also serve the Owner) with written notice describing (a) the nature of the alleged violation, (b) the proposed sanction to be imposed, (c) the alleged violator shall have 14 days to present a written request for a hearing before the Covenants Committee appointed pursuant to Article 5, and (d) a statement that the proposed sanction may be imposed as contained in the notice unless a hearing is requested within 14 days of the notice.

The alleged violator shall respond to the notice of the alleged violation in writing within such 14-day period, regardless of whether the alleged violator is challenging the imposition of the proposed sanction. If the alleged violator cures the alleged violation and notifies the Board in writing within such 14-day period the Board may, but shall not be obligated to, waive the sanction. Such waiver shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Person. If a timely request for a hearing is not made, the sanction stated in the notice shall be imposed; provided the Board or Covenants Committee may, but shall not be obligated to, suspend any proposed sanction if the violation is cured within the 14-day period.

Prior to the effectiveness of sanctions imposed pursuant to this Article, proof of proper notice shall be placed in the minutes of the Board or Covenants Committee, as applicable. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, director or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator or its representative requests and appears at the hearing.

8.2. Hearing.

If a hearing is requested within the allotted 14-day period, the hearing shall be held before the Covenants Committee. The alleged violator shall be afforded a reasonable opportunity to be heard. The minutes of the meetings of the Covenants Committee shall contain a written statement of the results of the hearing (*i.e.*, the Committee's decision) and the sanction, if any, to be imposed.

8.3. Appeal.

Following a hearing before the Covenants Committee, the violator shall have the right to appeal the decision to the Board. To exercise this right, the violator must deliver a written notice of appeal to the Association's manager, President or Secretary within 10 days after the hearing date.

Article 9 Miscellaneous

9.1. Fiscal Year.

The Association's fiscal year shall be the calendar year unless the Board establishes a different fiscal year by resolution.

9.2. Conflicts.

If there are conflicts among the provisions of Florida law, the Articles of Incorporation, the Charter and these By-Laws, the provisions of Florida law, the Charter, the Articles of Incorporation and the By-Laws (in that order) shall prevail.

9.3. Books and Records.

(a) Turnover of Books and Records. Within 90 days after termination of the Founder Control Period, the Founder shall deliver to the Association all property and other items required by Section 307 of the Act.

(b) Inspection by Members and Mortgagees. Except to the extent that Florida law permits the Association to restrict access to certain types of records, the Association's official records shall be maintained within the State of Florida and shall be made available for inspection and copying by any holder, insurer or guarantor of a first Mortgage on a Unit; any Member; or the duly appointed representative of any of the foregoing at any reasonable time and for a purpose reasonably related to his or her interest in a Unit: the Governing Documents; the membership register; books of account; the minutes of meetings of the Members, the Board and committees; and any other records as required by Florida law. The Board shall provide for such inspection to take place within 10 business days after receipt of a written request for access at the Association's office or at such other place within the Community as the Board shall designate.

(c) Rules for Inspection. The Board may adopt reasonable written rules governing the frequency, time, location, notice, scope and manner of inspections but may not impose a requirement that a parcel owner demonstrate any proper purpose for the inspection or state any reason for the inspection, and may not limit a parcel owner's right to inspect records to less than one 8-hour business day per month. The Association shall maintain an adequate number of copies of the recorded governing documents to ensure availability to Members and prospective Members. The Board may establish fees to cover the costs of providing copies of the official records, subject to the limitations of Section 303 of the Act.

(d) Inspection by Directors. Every director shall have the absolute right at any reasonable time to inspect all Association books, records and documents and the physical properties owned or controlled by the Association. A director's right of inspection includes the right to make a copy of relevant documents at the Association's expense.

9.4. Notices.

(a) Form of Notice and Method of Delivery. Except as otherwise provided in the Charter or these By-Laws or by Florida law, all notices, demands, bills, statements or other communications under the Charter or these By-Laws shall be in writing and may be delivered in person, by United States mail, by pri-

vate carrier, or if the intended recipient has given its prior written authorization to use such method of delivery, by facsimile or electronic mail with written confirmation of transmission.

(b) Delivery Address. Notices shall be delivered or sent to the intended recipient as follows:

(i) if to a Member or Voting Delegate, at the address, telephone facsimile number or e-mail address that the Member or Voting Delegate has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Unit of such Member or Voting Delegate;

(ii) if to the Association, the Board or a committee of either, at the address, facsimile number, or e-mail address of the principal office of the Association or its managing agent or at such other address as the Association shall designate by notice in writing to the Members pursuant to this Section; or

(iii) if to the Founder, at the Founder's principal address as it appears on the Department of State's records, or at such other address as the Founder shall designate by notice in writing to the Association pursuant to this Section.

(c) Effective Date. Notice sent in accordance with Section 9.4(a) and (b) shall be deemed to have been duly given and effective:

(i) if sent by United States mail, when deposited with the U.S. Postal Service, correctly addressed, with first class or higher priority postage prepaid;

(ii) if delivered personally or by private carrier, when actually delivered to the address of the intended recipient, as evidenced by the signature of the person at such address who accepts such delivery; or

(iii) if sent by telephone facsimile or electronic mail, upon transmission, as evidenced by a printed confirmation of transmission.

9.5. Amendment.

(a) By Founder Member. Until termination of the Founder Control Period, the Founder Member may unilaterally amend these By-Laws, subject to the approval requirements in the Charter, if applicable.

(b) By Members Generally. Except as provided above, these By-Laws may be amended only by the affirmative vote or written consent, or any combination thereof, of Voting Delegates representing 67 percent of the total votes in the Association, and the consent of the Founder Member, if such exists. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

(c) Validity and Effective Date of Amendments. Amendments to these By-Laws shall become effective upon recordation unless a later effective date is specified therein. Any procedural challenge to an amendment must be made within six months of its recordation, or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of these By-Laws.

No amendment may remove, revoke, or modify any right or privilege of the Founder or the Founder Member without the written consent of the Founder, the Founder Member or the assignee of such right or privilege.

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of RiverTown Community Association, Inc., a Florida corporation not-for-profit;

That the foregoing By-Laws constitute the original By-Laws of the Association, as duly adopted by resolution of the Board of Directors thereof on the 9th day of October, 2007

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 9th day of October, 2007

[SEAL]

Secretary

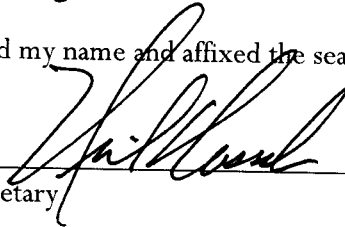


EXHIBIT "E"

Articles of Incorporation of RiverTown Community Association, Inc.

State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of RIVERTOWN COMMUNITY ASSOCIATION, INC., a Florida corporation, filed on May 17, 2007, as shown by the records of this office.

I further certify the document was electronically received under FAX audit number H07000133352. This certificate is issued in accordance with section 15.16, Florida Statutes, and authenticated by the code noted below.

The document number of this corporation is N07000004988.

Authentication Code: 107A00034881-051807-N07000004988-1/1

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
Eighteenth day of May, 2007



Kurt S. Browning
Secretary of State

FAX AUDIT NUMBER:
HO700013352 3

ARTICLES OF INCORPORATION

OF

RIVERTOWN COMMUNITY ASSOCIATION, INC.
(A Florida Corporation Not-For-Profit)

The undersigned, by these Articles, associate themselves for the purpose of forming a corporation not-for-profit under Chapter 617, Florida Statutes, and certify as follows:

Article 1. Name. The name of the Corporation is RiverTown Community Association, Inc. For convenience, the Corporation shall be referred to in this instrument as the "Association."

Article 2. Address. The address of the initial principal office of the Association is and the initial mailing address of the Association are 12724 Gran Bay Parkway, Suite 150, Jacksonville, Florida 32258.

Article 3. Definitions. All capitalized terms used herein that are not defined shall have the meaning set forth in the Community Charter for RiverTown, recorded or to be recorded by The St. Joe Company, a Florida corporation, ("Founder"), in the public records of St. Johns County, Florida, as such Charter may be amended from time to time (the "Charter").

Article 4. Purposes. The Association does not contemplate pecuniary gain or benefit, direct or indirect, to its members. By way of explanation and not of limitation, the purposes for which the Association is organized are:

(a) to be and constitute the Association to which reference is made in the Charter, to perform all obligations and duties of the Association and to exercise all rights and powers of the Association, as set forth in the Governing Documents and as provided by law; and

(b) to provide an entity for the furtherance of the interests of the owners of real property now and hereafter made subject to the Charter (such real property is referred to in these Articles as the "Community").

Article 5. Powers. In furtherance of its purposes, the Association shall have the following powers, which, unless indicated otherwise by the Charter or the Association's By-Laws, may be exercised by the Board of Directors:

(a) all of the powers conferred upon corporations not-for-profit by common law and Florida statutes in effect from time to time;

(b) all of the powers necessary or desirable to perform the obligations and duties and to exercise the rights and powers set out in these Articles, the By-Laws and the Charter, including, without limitation, the following:

**FAX AUDIT NUMBER:
HO700013352 3**

(i) to fix, levy, collect and enforce payment of all charges or assessments authorized by the Charter by any lawful means; to pay all expenses in connection therewith and all administrative and other expenses incident to conducting the business of the Association including all licenses, taxes, or governmental charges levied or imposed against the property of the Association;

(ii) to manage, control, operate, maintain, repair and improve the common areas and facilities, any property subsequently acquired by the Association or any property owned by another for which the Association, by rule, regulation, declaration or contract, has a right or duty to provide such services;

(iii) to make rules and regulations and to enforce covenants, conditions or restrictions affecting any property to the extent the Association may be authorized to do so under the Charter or By-Laws;

(iv) to engage in activities that will actively foster, promote and advance the common interests of all owners of property subject to the Charter;

(v) to buy or otherwise acquire, sell or otherwise dispose of, mortgage or otherwise encumber, exchange, lease, hold, use, operate and otherwise deal in and with real, personal and mixed property of all kinds and any right or interest therein for any purpose of the Association;

(vi) to borrow money for any purpose subject to such limitations as may be contained in the Charter and By-Laws;

(vii) to enter into, make, perform and enforce contracts of every kind and description, and to do all other acts necessary, appropriate or advisable in carrying out and enforcing any purpose of the Association, with or in association with any other corporation or other entity or agency, public or private;

(viii) to act as agent, trustee or other representative of other corporations, firms or individuals, and as such to advance the business or ownership interests in such corporations, firms or individuals;

(ix) to adopt, alter and amend or repeal such By-Laws as may be necessary or desirable for the proper management of the Association's affairs; provided, any amendment is subject to Member approval as required in the By-Laws, and such By-Laws may not be inconsistent with or contrary to any provisions of the Charter; and

(x) to provide any and all supplemental municipal services to the Community as may be necessary or desirable; and

(c) all of the powers necessary or desirable to operate and maintain the Stormwater Management System as permitted by the St. Johns River Water Management District, including the assessment of fees for operation and maintenance of such system and enforcement of collection of such assessments and enforcement of restrictions relating to the operation and maintenance of the Stormwater Management System;

**FAX AUDIT NUMBER:
HO700013352 3**

**FAX AUDIT NUMBER:
HO700013352 3**

The foregoing enumeration of powers shall not limit or restrict in any manner the exercise of other and further rights and powers that may now or hereafter be allowed or permitted by law; and the powers specified in each of the paragraphs of this Article are independent powers, not to be restricted by reference to or inference from the terms of any other paragraph or provision of this Article.

Article 6. Members. The Association shall be a membership corporation without certificates or shares of stock. There shall be two classes of membership, as more fully set forth in the Charter. The Owner of each Unit, as those terms are defined in the Charter, shall be a member of the Association and shall be entitled to vote as provided in the Charter and the By-Laws. In addition, the Founder shall be a Member for such period as provided in the Charter, regardless of whether the Founder owns any Unit.

Change of an Owner's membership in the Association shall be established by recording in the Official Records of St. Johns County, Florida, a deed or other instrument establishing record title to a Unit. Upon such recordation, the Owner designated by such instrument shall become a member of the Association and the membership of the prior Owner shall terminate.

Article 7. Board of Directors. A Board of Directors shall conduct, manage, and control the Association's business affairs. The Board may delegate its operating authority to such companies, individuals, or committees as it, in its discretion, may determine.

The initial Board shall consist of three members. The names and addresses of the initial directors, who shall serve until their successors are elected and have qualified, or until removed, are as follows:

Name	Address
Nicholas T. Cassala	12724 Gran Bay Parkway, Suite 150, Jacksonville, Florida 32258
William Petkoski	12724 Gran Bay Parkway, Suite 150, Jacksonville, Florida 32258
Mauro Chiaverini	12724 Gran Bay Parkway, Suite 150, Jacksonville, Florida 32258

The method of election and removal, the method of filling vacancies, and the term of offices of directors shall be as set forth in the By-Laws.

Article 8. Liability of Directors. Notwithstanding limitation of the Florida Corporation Not-For-Profit Act, as it exists on the date hereof or as it may hereafter be amended, permitting the limitation or elimination of the liability of directors, no director of the Association, including any director appointed by the Founder, shall be personally liable to the Association or its members for monetary damages for breach of duty of care or other duty as a director, if such person acted in good faith and in a manner he or she reasonable believed to be in, or not opposed to, the best interests of the Association and with respect to any criminal action or proceeding, had no reasonable cause to believe that such action was unlawful. The termination of any such action, suit or proceeding by judgment, order, settlement, conviction or a plea of nolo contendere or its equivalent shall not in itself create a presumption that the director did not act in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interest of the Association or that he or she had reasonable cause to believe that his or her conduct was unlawful. No amendment to or repeal of this Article shall apply to or have any effect on the liability or alleged liability of any director for or with respect to any acts or omissions of such director occurring prior to such amendment or repeal.

**FAX AUDIT NUMBER:
HO700013352 3**

FAX AUDIT NUMBER:
HO700013352 3

Article 9. Amendments. Until termination of the Founder Control Period, the Founder may unilaterally amend these Articles for any purpose. Thereafter, amendments to these Articles of Incorporation may be proposed and adopted upon a resolution duly adopted by the Board and the affirmative vote or written consent of Members representing at least 67 percent of the total votes in the Association. In addition, during the Development and Sale Period any amendment shall require the Founder's consent. No amendment may be in conflict with the Charter, and no amendment shall be effective to impair or dilute any rights of the Members granted under such Charter. All amendments to these Articles, the By-Laws and the Charter which alter the Stormwater Management System beyond maintenance in its original condition must be approved by the St. Johns River Water Management District prior to taking effect.

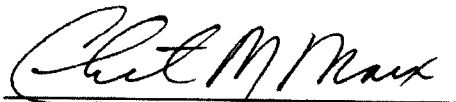
Article 10. Dissolution. The Association may be dissolved only as provided by Florida law. If the Association is dissolved, the net assets shall be conveyed to another Florida corporation not-for-profit with purposes similar to the Association. Prior to dissolution, ownership and maintenance of the Stormwater Management System shall be transferred to an entity acceptable to the St. Johns River Water Management District.

Article 11. Enforcement. The portions of these Articles, the By-Laws and the Charter that relate to the operation and maintenance of the Stormwater Management System may be enforced by the St. Johns River Water Management District in a proceeding at law or in equity.

Article 12. Incorporator. The name of the incorporator of the Association is Christine M. Marx, and such incorporator's address is 245 Riverside Avenue, Suite 500, Jacksonville, Florida 32202.

Article 13. Registered Agent and Office. The initial registered office of the Association is 245 Riverside Avenue, Suite 500, Jacksonville, Florida 32202, and the initial registered agent at such address is Christine M. Marx.

IN WITNESS WHEREOF, the undersigned Incorporator has executed these Articles of Incorporation this 16 day of May, 2007.



Christine M. Marx, Incorporator

FAX AUDIT NUMBER:
HO700013352 3

**CERTIFICATE OF DESIGNATION
REGISTERED AGENT/REGISTERED OFFICE**

Pursuant to the provisions of Section 617.0501, Florida Statutes, the undersigned corporation, organized under the laws of the State of Florida, submits the following statement in designating the registered office/registered agent, in the State of Florida.

1. The name of the corporation is:


RiverTown Community Association, Inc.

2. The name and address of the registered agent and office is:

Christine M. Marx
245 Riverside Avenue, Suite 500
Jacksonville, Florida 32202

HAVING BEEN NAMED AS REGISTERED AGENT TO ACCEPT SERVICE OF PROCESS FOR THE ABOVE STATED CORPORATION AT THE PLACE DESIGNATED IN THIS CERTIFICATE, I HEREBY ACCEPT THE APPOINTMENT AS REGISTERED AGENT AND AGREE TO ACT IN THIS CAPACITY. I AM FAMILIAR WITH AND ACCEPT THE OBLIGATIONS OF MY POSITION AS REGISTERED AGENT.

Signature



Christine M. Marx

Date

May 16, 2007

Prepared by and return to:
Jody Lane Brooks, Esq.
The St. Joe Company
12724 Gran Bay Parkway West
Suite 150
Jacksonville, Florida 32258

Cross-Reference: OR 2992 PG 568
COPY

**FIRST SUPPLEMENT TO COMMUNITY CHARTER
FOR RIVERTOWN**

(Main Street District – Section 2 Plat)
(Garden District – Section 1 Plat)

THIS SUPPLEMENT TO COMMUNITY CHARTER is made this 20th day of
December, 2007, by The St. Joe Company, a Florida corporation ("Founder").

WITNESSETH

WHEREAS, Founder recorded that certain Community Charter for RiverTown
(the "Charter"), on October 9, 2007, in **Official Records Book 2992, Pages 568-690, et
seq.**, Public Records of St. Johns County, Florida; and

WHEREAS, Founder is the owner of the real property described in Exhibit "A"
attached hereto ("Additional Property"); and

WHEREAS, in accordance with Section 18.1 of the Charter, until all property
described in Exhibit "B" to the Charter has been submitted to the Charter, or 40 years
after the Charter is recorded, whichever is earlier, Founder may subject all or any portion
of such Exhibit "B" property to the Charter by recording a Supplement describing the
property being submitted (as such capitalized terms are defined in the Charter); and

WHEREAS, a Supplement to the Charter recorded pursuant to Section 18.1 of the
Charter shall not require the consent of any person except the owner of such property, if
other than the Founder; and

NOW, THEREFORE, pursuant to the powers retained by Founder under the
Community Charter for RiverTown, Founder hereby submits the Additional Property to
the provisions of the Charter. Such property shall be sold, transferred, used, conveyed,
occupied, and mortgaged or otherwise encumbered pursuant to the provisions of the
Charter, as amended and supplemented from time to time, which shall run with the title to
such property and shall be binding upon all persons having any right, title, or any interest

in such property, their respective heirs, legal representatives, successors, successors-in-title, and assigns.

IN WITNESS WHEREOF, the undersigned Founder has executed this Supplement on the date and year first written above.

COPY

THE ST. JOE COMPANY, a Florida corporation

Witnessed By:

By: Molly Walker
Print Name: Molly Walker

By: [Signature]
Name: Nicholas T. Cassala
Its: Vice President

By: Lora Lee
Print Name: Lora Lee

State of Florida)
County of Duval)

The foregoing instrument was acknowledged before me this 28th day of December, 2007, by Nicholas T. Cassala as President of The St. Joe Company, a Florida corporation, on behalf of the corporation. He is personally known to me OR produced identification _____.

[NOTARIAL SEAL]

By: Kathryn Shriver Hazes
Name: _____
Serial Number, if any: _____
My Commission Expires: _____

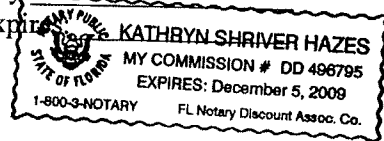


EXHIBIT "A"

ADDITIONAL PROPERTY

RiverTown Main Street District – Section 2 Plat

COPY
All land contained within the RIVERTOWN - MAIN STREET DISTRICT - SECTION 2 Plat, according to the Plat thereof recorded at Plat Book 64, Pages 28 through 37, of the Public Records of St Johns County, Florida.

RiverTown Garden District – Section 1 Plat

All land contained within the RIVERTOWN – GARDEN DISTRICT – SECTION 1 Plat, according to the Plat thereof recorded at Plat Book 64, Pages 38 through 46, of the Public Records of St. Johns County, Florida.

Upon recording, return to:
Ken Borick
The St. Joe Company
133 South WaterSound Parkway
WaterSound, FL 32413

Cross- Reference: Charter: Book 2992
Page 568

COPY
SECOND SUPPLEMENT TO COMMUNITY CHARTER
FOR RIVERTOWN
(Lakes District – Section 2 Plat)

THIS SUPPLEMENT TO COMMUNITY CHARTER is made this 7th day of
July, 2011, by The St. Joe Company, a Florida corporation ("Founder").

WITNESSETH

WHEREAS, Founder recorded that certain Community Charter for RiverTown, on October 9, 2007, in **Official Records Book 2992, Pages 568-690, et seq.**, Public Records of St. Johns County, Florida (as may be amended and supplemented from time to time, the "Charter"); and

WHEREAS, Founder is the owner of the real property described in Exhibit "A" attached hereto ("Additional Property"); and

WHEREAS, in accordance with Section 18.1 of the Charter, until all property described in Exhibit "B" to the Charter has been submitted to the Charter, or 40 years after the Charter is recorded, whichever is earlier, Founder may subject all or any portion of such Exhibit "B" property to the Charter by recording a Supplement describing the property being submitted (as such capitalized terms are defined in the Charter); and

WHEREAS, a Supplement to the Charter recorded pursuant to Section 18.1 of the Charter shall not require the consent of any person except the owner of such property, if other than the Founder; and

NOW, THEREFORE, pursuant to the powers retained by Founder under the Community Charter for RiverTown, Founder hereby submits the Additional Property to the provisions of the Charter. Such property shall be sold, transferred, used, conveyed, occupied, and mortgaged or otherwise encumbered pursuant to the provisions of the Charter, as amended and supplemented from time to time, which shall run with the title to such property and shall be binding upon all persons having any right, title, or any interest

in such property, their respective heirs, legal representatives, successors, successors-in-title, and assigns.

IN WITNESS WHEREOF, the undersigned Founder has executed this Supplement on the date and year first written above.

The St. Joe Company, a Florida corporation

Witnesses:

Georgie R. Campbell
Print Name: Georgie R. Campbell
Margaret P. Saunders
Print Name: Margaret P. Saunders

By: [Signature]
Print Name: Tom Spence
Its: SVP - Development

STATE OF FLORIDA
COUNTY OF Walter

The foregoing instrument was acknowledged before me this 7 day of July, 2011, by Tom Spence, as SVP - Development of The St. Joe Company, a Florida corporation, on behalf of said company, who is personally known to me or () has produced _____ as identification.

[Signature]
Notary Public
Print Name: Erin Chakaoui
My Commission Expires: 8.19.14

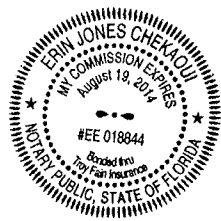


EXHIBIT "A"

ADDITIONAL PROPERTY

All land contained within the RIVERTOWN- LAKES DISTRICT- SECTION 2 Plat, according to the Plat thereof recorded at Map Book 67, Pages 8 through 13, of the Public Records of St. Johns County, Florida.

COPY

Upon recording, return to:
Ken Borick
The St. Joe Company
133 S. WaterSound Parkway
WaterSound, FL 32413

Cross-Reference: Charter: Book 2992
Pages 568

COPY
**THIRD SUPPLEMENT TO COMMUNITY CHARTER
FOR RIVERTOWN**

(Main Street District – Section 2-A Plat)

THIS THIRD SUPPLEMENT TO COMMUNITY CHARTER is made this 17th
day of July, 2013, by The St. Joe Company, a Florida corporation ("Founder").

WITNESSETH

WHEREAS, Founder recorded that certain Community Charter for Rivertown (the "Charter"), on October 9, 2007, in **Official Records Book 2992, Pages 568-690, et seq.**, Public Records of St. Johns County, Florida; and

WHEREAS, Founder is the owner of the real property described in Exhibit "A" attached hereto ("Additional Property"); and

WHEREAS, in accordance with Section 18.1 of the Charter, until all property described in Exhibit "B" to the Charter has been submitted to the Charter, or 40 years after the Charter is recorded, whichever is earlier, Founder may subject all or any portion of such Exhibit "B" property to the Charter by recording a Supplement describing the property being submitted (as such capitalized terms are defined in the Charter); and

WHEREAS, a Supplement to the Charter recorded pursuant to Section 18.1 of the Charter shall not require the consent of any person except the owner of such property, if other than the Founder; and

NOW, THEREFORE, pursuant to the powers retained by Founder under the Community Charter for RiverTown, Founder hereby submits the Additional Property to the provisions of the Charter. Such property shall be sold, transferred, used, conveyed, occupied, and mortgaged or otherwise encumbered pursuant to the provisions of the Charter, as amended and supplemented from time to time, which shall run with the title to such property and shall be binding upon all persons having any right, title, or any interest in such property, their respective heirs, legal representatives, successors, successors-in-title, and assigns.

IN WITNESS WHEREOF, the undersigned Founder has executed this Third Supplement on the date and year first written above.

THE ST. JOE COMPANY, a Florida corporation

Witnessed By:
By: [Signature]
Print Name: David Provas

By: [Signature]
Name: CHRISTIAN KUBN
Its: Director Development

By: [Signature]
Print Name: Angela Robinson

State of Florida)
County of St. Johns

The foregoing instrument was acknowledged before me this 17th day of July, 2013, by Christian Kubn as Director Development of The St. Joe Company, a Florida corporation, on behalf of the corporation. He is personally known to me OR produced identification _____.

[NOTARIAL SEAL]

By: [Signature]
Name: ANGELA B. ROBINSON
Serial Number, if any: EE 168705
My Commission Expires: 5/28/2013



EXHIBIT "A"

ADDITIONAL PROPERTY

RiverTown – Main Street District – Section 2-A

All land contained within the RIVERTOWN – MAIN STREET DISTRICT – SECTION 2-A Plat, according to the Plat thereof recorded in Plat Book 66, Pages 41 through 44, of the public records of St. Johns County, Florida.

COPY

OWNER CONSENT AND JOINDER

The undersigned, record fee title holder of Lot 501, as contained within that certain plat titled **RIVERTOWN MAIN STREET DISTRICT - SECTION 2-A PLAT**, as recorded in Plat Book 66, Pages 41 through 44, of the Public Records of St. Johns County, Florida, hereby consents to the terms and conditions of the Community Charter for RiverTown (the "Charter") recorded on October 9, 2007, in Official Records Book 2992, Pages 568-690, et.seq., Public Records of St. Johns County, Florida as may be amended from time to time and further consents to the submission of Lot 501 to the Charter.

Acknowledged and Consented to by:

WITNESS:

OWNER(s): **DENNIS HOMES, INC.**

Amber Atteberry
Print Name: Amber Atteberry

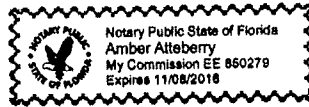
John H. Latschaw, Jr.
Printed: John H. Latschaw, Jr.

Lisa Tallant
Print Name: Lisa Tallant

STATE OF FLORIDA
COUNTY OF ST. JOHNS

The foregoing instrument was acknowledged before me this 3rd day of July, 2013 by John H. Latschaw Jr. Who is personally known to me or produced _____ as identification and did not take an oath.

[SEAL]



Amber Atteberry
Notary Public

OWNER CONSENT AND JOINDER

The undersigned, record fee title holder of Lot 520, as contained within that certain plat titled **RIVERTOWN MAIN STREET DISTRICT - SECTION 2-A PLAT**, as recorded in Plat Book 66, Pages 41 through 44, of the Public Records of St. Johns County, Florida, hereby consents to the terms and conditions of the Community Charter for RiverTown (the "Charter") recorded on October 9, 2007, in Official Records Book 2992, Pages 568-690, et.seq., Public Records of St. Johns County, Florida as may be amended from time to time and further consents to the submission of Lot 520 to the Charter.

Acknowledged and Consented to by:

WITNESS:

Blake Barkoski
Print Name: Blake Barkoski

OWNER(s):

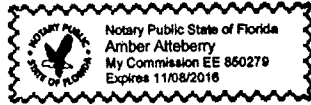
Scott Dennis
Printed: **Scott Dennis**

John H. Latschaw, Jr.
Print Name: John H. Latschaw, Jr.

STATE OF FLORIDA
COUNTY OF ST. JOHNS

The foregoing instrument was acknowledged before me this 15th day of July, 2013 by Scott Dennis. Who is personally known to me or produced as identification and did not take an oath.

[SEAL]



Amber Alteberry
Notary Public

[signatures on following page]

WITNESS:

Blake Barkoskie
Print Name: Blake Barkoskie

Wendy Dennis
Printed: Wendy Dennis

John H. Lotshaw, Jr.
Print Name: John H. Lotshaw, Jr.

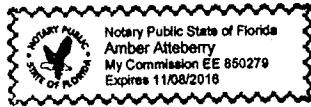
COPY

STATE OF FLORIDA
COUNTY OF ST. JOHNS

The foregoing instrument was acknowledged before me this 15th day of July, 2013 by Wendy Dennis. Who is personally known to me or produced as identification and did not take an oath.

[SEAL]

Amber Atteberry
Notary Public



OWNER CONSENT AND JOINDER

The undersigned, record fee title holder of Lot 506, as contained within that certain plat titled **RIVERTOWN MAIN STREET DISTRICT - SECTION 2-A PLAT**, as recorded in Plat Book 66, Pages 41 through 44, of the Public Records of St. Johns County, Florida, hereby consents to the terms and conditions of the Community Charter for RiverTown (the "Charter") recorded on October 9, 2007, in Official Records Book 2992, Pages 568-690, et.seq., Public Records of St. Johns County, Florida as may be amended from time to time and further consents to the submission of Lot 506 to the Charter.

Acknowledged and Consented to by:

WITNESS:

David Proost
Print Name: David Proost

OWNER(s):

David Houser
Printed: **David Houser**

Angela Robinson
Print Name: Angela Robinson

STATE OF FLORIDA
COUNTY OF ST. JOHNS

The foregoing instrument was acknowledged before me this 17th day of July, 2013 by David Houser. Who is personally known to me or produced _____ as identification and did not take an oath.

[SEAL]

Angela B. Robinson
Notary Public



[signatures on following page]

WITNESS:

David Provost
Print Name: David Provost

Deborah L. Houser
Printed: Deborah L. Houser

Angela Robinson
Print Name: Angela Robinson

COPY

STATE OF FLORIDA
COUNTY OF ST. JOHNS

The foregoing instrument was acknowledged before me this 17th day of July, 2013 by Deborah L. Houser. Who is personally known to me or produced _____ as identification and did not take an oath.

[SEAL]

Angela B. Robinson
Notary Public



Upon recording, return to:
Ken Borick
The St. Joe Company
133 S. WaterSound Parkway
WaterSound, FL 32413

Cross-Reference: Charter: Book 2992
Page 568

**FOURTH SUPPLEMENT TO COMMUNITY CHARTER
FOR RIVERTOWN**

(RiverTown Landings)

THIS FOURTH SUPPLEMENT TO COMMUNITY CHARTER is made this 17th
day of July, 2013, by The St. Joe Company, a Florida corporation ("Founder").

WITNESSETH

WHEREAS, Founder recorded that certain Community Charter for Rivertown (the "Charter"), on October 9, 2007, in **Official Records Book 2992, Pages 568-690, et seq.**, Public Records of St. Johns County, Florida; and

WHEREAS, Founder is the owner of the real property described in Exhibit "A" attached hereto ("Additional Property"); and

WHEREAS, in accordance with Section 18.1 of the Charter, until all property described in Exhibit "B" to the Charter has been submitted to the Charter, or 40 years after the Charter is recorded, whichever is earlier, Founder may subject all or any portion of such Exhibit "B" property to the Charter by recording a Supplement describing the property being submitted (as such capitalized terms are defined in the Charter); and

WHEREAS, a Supplement to the Charter recorded pursuant to Section 18.1 of the Charter shall not require the consent of any person except the owner of such property, if other than the Founder; and

NOW, THEREFORE, pursuant to the powers retained by Founder under the Community Charter for RiverTown, Founder hereby submits the Additional Property to the provisions of the Charter. Such property shall be sold, transferred, used, conveyed, occupied, and mortgaged or otherwise encumbered pursuant to the provisions of the Charter, as amended and supplemented from time to time, which shall run with the title to such property and shall be binding upon all persons having any right, title, or any interest in such property, their respective heirs, legal representatives, successors, successors-in-title, and assigns.

IN WITNESS WHEREOF, the undersigned Founder has executed this Fourth Supplement on the date and year first written above.

THE ST. JOE COMPANY, a Florida corporation

Witnessed By:
By: [Signature]
Print Name: David Provost

By: [Signature]
Name: Christian Kuhn
Its: Director Development

By: [Signature]
Print Name: Angela Robinson

State of Florida)
County of St. Johns

The foregoing instrument was acknowledged before me this 17th day of July, 2013, by Christian Kuhn as Director Development of The St. Joe Company, a Florida corporation, on behalf of the corporation. He is personally known to me OR produced identification _____.

[NOTARIAL SEAL]

By: [Signature]
Name: Angela B. Robinson
Serial Number, if any: EE 168705
My Commission Expires: 5/28/2016



EXHIBIT "A"

ADDITIONAL PROPERTY

RiverTown Landings

All Land contained within the RIVERTWON LANDINGS, according to the Plat thereof recorded in Plat Book 69, Pages 20 through 39, of the public records of St. Johns County, Florida.

Public Records of St. Johns County, FL Clerk # 2011035151, O.R. 3455 PG 349,
07/15/2011 at 12:36 PM REC. \$13.00 SUR. \$14.00

Upon recording, return to:

Ken Borick
The St. Joe Company
133 South WaterSound Parkway
WaterSound, FL 32413

Cross- Reference: Charter: Book 2992
Page 568

FIRST AMENDMENT TO THE COMMUNITY CHARTER

FOR

RIVERTOWN

THIS FIRST AMENDMENT TO THE COMMUNITY CHARTER FOR RIVERTOWN (the "First Amendment") is made this 7th day of July 2011, by The St. Joe Company, a Florida corporation ("Founder").

WITNESSETH

WHEREAS, on October 9, 2007 Founder recorded that Community Charter for RiverTown in Office Records Book 2992, Page 568 et seq., of the Official Records of St. Johns County, Florida (as may be amended and supplemented from time to time, the "Charter"); and

WHEREAS, pursuant to Section 22.2 of the Charter, until termination of the Founder Control Period, Founder may unilaterally amend the Charter for any purpose; and

WHEREAS, the Founder control period has not expired or been terminated; and

WHEREAS, Founder desires to amend the Charter.

NOW, THEREFORE, pursuant to Founder's reserved authority, Founder hereby amends the Charter as follows:

1. The above recitals are incorporated herein as true and correct and undefined terms shall have the same meaning as set out in the Charter.
2. A new **Section 5.9** is hereby added to the Charter as follows:

Any Owner of a Unit that develops the Unit shall construct any sidewalk on or in front of such Unit, in accordance with the subdivision construction plans submitted to and approved by St. Johns County. Such sidewalk shall be completed prior to the issuance of a certificate of occupancy for such Unit.

3. The following changes are hereby made to the first paragraph of **Section 13.7 (a)** of the Charter (the change is underlined):

Section 13.7 (a) *Existence of Lien*. The Association shall have a lien against each Unit to secure payment of assessments, as well as interest, late charges (subject to the limitations of Florida law), and costs of collection (including attorneys fees and expenses). Such lien shall be superior to all other liens except (i) the liens of all taxes, bonds, assessments, and other levies which by law would be superior, and (ii) the lien or charge of any recorded Mortgage made in good faith and for value having first priority over any other Mortgages on the Unit except as may be otherwise set forth in this Section 13.7.

4. The following changes are hereby made to **Section 13.7 (c)** of the Charter (the additions are underlined and the deletions are ~~struck through~~):

Section 13.7 (c) *Effect of Sale or Transfer*. Sale or transfer of any Unit shall not affect the assessment lien or relieve such Unit from the lien for any subsequent assessment. However, the sale or transfer of any Unit pursuant to foreclosure or deed in lieu of foreclosure (hereinafter "Foreclosure") ~~by~~ of the first Mortgage mortgagee shall extinguish the lien as to any installments of such assessments due prior to the Foreclosure Mortgagee's foreclosure ~~except to the extent Florida law permits the Association assessment lien to survive Foreclosure.~~ The subsequent Owner of the foreclosed Unit grantee of the Unit under a Foreclosure (the "Foreclosure Grantee") shall not be personally liable for assessments on such Unit due prior to such acquisition of title Foreclosure other than any amounts which survive Foreclosure under Florida law. Such unpaid assessments shall be deemed to be Common Expenses collectible from Owners of all Units subject to assessment under Section 13.5, including such acquirer, its successors and assigns. The Foreclosure Grantee, including the first mortgagee, shall be jointly and severally liable with the previous owner for any assessments which survive Foreclosure and that came due on such Unit up to the time of transfer of title to the extent permitted by Florida law. Foreclosure Grantee's obligations hereunder are without prejudice to any right the Foreclosure Grantee may have to recover from the previous owner the amounts paid hereunder by Foreclosure Grantee. The person or entity acquiring title, including Foreclosure Grantee, shall pay the

amount owed to the Association within thirty (30) days after transfer of title. Failure to pay the full amount owed when due shall entitle the Association to record a claim of lien against the Unit and proceed in the same manner as provided in this section for the collection of unpaid assessments.

5. Except as amended herein, all terms, covenants and restrictions of the Charter shall remain in full force and effect.

IN WITNESS WHEREOF, Founder has executed this First Amendment the day and year first above written.

FOUNDER:

The St. Joe Company, a Florida corporation

Witnesses:

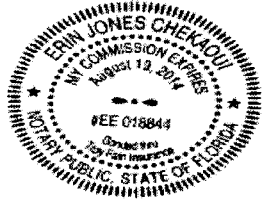
George P. Campbell
Print Name: George P. Campbell
Margaret P. Saunders
Print Name: Margaret P. Saunders

By: [Signature]
Print Name: Tom Spence
Its: Sub-Development

STATE OF FLORIDA
COUNTY OF Walton

The foregoing instrument was acknowledged before me this 7 day of July, 2011, by Tom Spence as Sub-Development of The St. Joe Company, a Florida corporation, on behalf of said company, who is personally known to me or () has produced _____ as identification.

[Signature]
Notary Public
Print Name: Erin Chukaoui
My Commission Expires: 8.19.14



Public Records of St. Johns County, FL Clerk # 2013017847, O.R. 3701 PG 783,
03/18/2013 at 10:38 AM REC. \$29.00 SUR. \$32.00

Upon recording, return to:

The St. Joe Company
133 South WaterSound Parkway
WaterSound, Florida 32413

Cross-Reference(s):
OR Book 2992 Page 568

THIS SPACE FOR RECORDER'S USE

**SECOND AMENDMENT TO COMMUNITY CHARTER
FOR
RIVERTOWN**

This Second Amendment to Community Charter for RIVERTOWN ("Amendment") is made as of the date set forth below by The St. Joe Company, a Florida corporation (the "Founder").

WITNESSETH

WHEREAS, on October 9, 2007, Founder filed that certain Community Charter for RIVERTOWN, which was recorded in Official Records Book 2992, Page 568, *et seq.*, of the Official Records of St. Johns County, Florida (as may be amended and supplemented from time to time, the "Charter"); and

WHEREAS, pursuant to Section 22.2(a) of the Charter, until termination of the "Founder Control Period" (as defined in the Charter), Founder may unilaterally amend the Charter for any purpose; and

WHEREAS, the Founder Control Period has not expired or been terminated; and

WHEREAS, Founder desires to amend the Charter.

NOW, THEREFORE, pursuant to the powers retained by Founder in the Charter, the Charter is hereby amended as set forth below:

1. The above recitals are incorporated herein as true and correct and defined terms shall have the same meaning as set out in the Charter. The definitions set forth in the Charter are incorporated by reference in this Amendment.

2. The Charter is hereby amended by deleting the Exhibit C in its entirety and substituting with the Exhibit C attached hereto and made a part hereof.

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3. **Effect of Amendment.** Except as specifically amended by the provisions hereof, all terms, covenants and restrictions of the Charter shall remain in full force and effect.

IN WITNESS WHEREOF, the Founder has executed this Amendment this 14th day of March, 2013.

Witnessed by:

Georgia B. Campbell
Print Name: Georgia B. Campbell

Angela Robinson
Print Name: Angela Robinson

FOUNDER:

THE ST. JOE COMPANY,
a Florida corporation

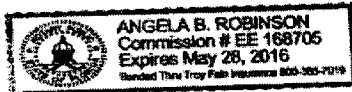
By: [Signature]
Name: Thomas Hoyer
Title: CEO
Address:
133 South WaterSound Parkway
WaterSound, Florida 32413

STATE OF FLORIDA
COUNTY OF WALTON

The foregoing instrument was acknowledged before me this 14th day of March, 2013, by Thomas Hoyer of **THE ST. JOE COMPANY**, a Florida corporation, on behalf of the corporation, who is personally known to me.

(Notary Seal must be affixed)

Angela B. Robinson
Signature of Notary
Angela B. Robinson
Name of Notary Typed, Printed or Stamped)
Commission # (if not legible on seal):
My Commission Expires: 5/28/2016



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EXHIBIT "C"**Initial Rules**

The purpose of Rules is not to anticipate all acceptable or unacceptable behavior in advance and eliminate all improvements or activities that fall outside of "the norm." Plats, Development Orders, Environmental Permits, PUDs and DRIs should be reviewed for particular rules. As such, while something may be approved or permitted for one Unit under one set of circumstances; the same thing may be disapproved for another Unit under a different set of circumstances. The exercise of discretion in approving or enforcement shall not be construed as a waiver of approval or enforcement rights, nor shall it preclude the Board from taking enforcement action in any appropriate circumstances.

The following initial Rules shall be subject to amendment or modification in accordance with the procedures set forth in the Charter.

1. **General.** Units shall be used only for residential, non-residential and ancillary purposes consistent with this Charter, any applicable Supplement and the Development Plan.

2. **Restricted Activities.** Unless expressly authorized by, and then subject to such conditions as may be imposed by, the Board or the Charter, the following activities are prohibited within the Community:

(a) Parking commercial vehicles or equipment, motor homes, recreational vehicles, boats, jet skis and other watercraft, trailers, stored vehicles or inoperable vehicles on CDD Roadways or Private Roadways or in places other than enclosed garages; provided, construction, service and delivery vehicles shall be exempt from this provision during normal business hours for such period of time as is reasonably necessary to provide service or to make a delivery to a Unit or the Common Area;

(b) Raising, breeding, capturing, trapping, keeping or killing animals or wildlife, except that (i) subject to the Board's right to place a limit on the number, a reasonable number of dogs, cats or other usual and common household pets may be permitted in a Unit without prior written permission of the Board; however, under no circumstances shall any dog whose breed is noted for its viciousness or ill-temper, in particular, the "Pit Bull" (as hereinafter defined), Mastiff, Rottweiler, Presa Canario or any crossbreeds of such breeds, be permitted. A "Pit Bull" is defined as any dog displaying a majority of the physical traits of any one or more of such breeds, or any dog exhibiting those distinguishing characteristics which substantially conform to the standards exhibited by the American Kennel Club or United Kennel Club for any of such breeds and (ii) the Association, its contractors, agents and employees may engage in such activities as part of a continuing resource management plan for the Community. Pets that are permitted to roam free or, in the Board's sole discretion, make objectionable noise, endanger the health or safety of, or constitute a nuisance or inconvenience to the occupants of other Units shall be removed from the Community upon the Board's request. If the pet owner fails to honor such request, the Board may remove the pet. Dogs shall be kept on a leash or otherwise confined in a manner acceptable to the Board whenever outside the dwelling. Owners shall clean up and

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properly dispose of pet waste left in Common Areas, parks or adjacent Units. All pets shall be registered, licensed and inoculated as required by law;

(c) Any activity that emits foul or obnoxious odors outside the Unit or creates noise or other conditions that, in the Board's reasonable discretion, tend to disturb the peace or threaten the safety of or cause embarrassment, discomfort, annoyance or nuisance to the occupants of other Units or persons using the Common Area, except that this Rule shall not restrict the ability of the Association and its contractors, agents or employees to engage in such activities as part of a continuing resource management plan for the Community;

(d) Any activity that violates local, state or federal laws or regulations; however, the Board shall have no obligation to take action to enforce such laws or regulations or to prevent a violation;

(e) Pursuing hobbies or other activities that tend to cause an unclean, unhealthy or untidy condition to exist outside of enclosed structures on the Unit;

(f) Outside burning of trash, leaves, debris or other materials, except that the Association and its contractors or agents may engage in ecological burning as part of a continuing resource management plan or as part of development or construction-related activities;

(g) Using or discharging any radio, loudspeaker, horn, whistle, bell or other sound device so as to be audible to occupants of other Units, except fire and security alarm devices used exclusively for such purposes;

(h) Using or discharging firecrackers and other fireworks;

(i) Accumulating rubbish, trash or garbage except between regular garbage pickups, and then only in approved containers;

(j) Discharging firearms; provided, the Board shall have no obligation to take action to prevent or stop such discharge;

(k) Dumping, pumping out or discharging fuel, gray water, pesticides or toxic substances onto the land or into bodies of water within or adjacent to the Community; Any activities that materially disturb or destroy the vegetation, wildlife, wetlands or air quality within the Community, that use excessive amounts of water or that result in unreasonable levels of sound or light pollution;

(l) Operating mini-bikes or all-terrain vehicles anywhere in the Community, on or off CDD Roadways or Private Roadways;

(m) Storage (except in approved structures or containers) of furniture, fixtures, appliances, machinery, equipment or other goods and chattels on the Common Area (except by the Association) or any portion of a Unit which is visible from outside the Unit is prohibited. Storage sheds of any type are prohibited.

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(n) Converting a any car port or garage to finished space for use as an apartment or other integral part of the living area on any Unit without prior approval pursuant to Chapter 5, or use of any garage for storage or other purposes which preclude its use for parking of that number of vehicles for which it was designed;

(o) Accumulation or storage of combustible materials or debris on Units, except to the extent reasonably necessary during construction of a dwelling on the Unit. This Rule shall not preclude storage of a reasonable amount of firewood on a Unit provided it is stacked and stored in a safe manner and location; and

(p) Any yard sale, garage sale, moving sale, rummage sale, or similar activity, except on such dates as the board may designate for such activities to be conducted on a community-wide basis;

(q) Constructing or modifying anything, permanently or temporarily, on the outside portions of the Unit, whether such portion is improved or unimproved, or on or over any marsh, wetland, creek, pond or waterway within or abutting any portion of the Community, except in strict compliance with the provisions of Chapter 5. This shall include, without limitation, signs, basketball goals and swing sets and similar sports and play equipment; clotheslines; garbage cans; above-ground swimming pools; docks, piers and similar structures; walls, dog runs, animal pens or fences of any kind; and satellite dishes and antennas, except that:

(i) an antenna designed to receive direct broadcast satellite services, including direct-to-home satellite services, that is one meter or less in diameter;

(ii) an antenna designed to receive video programming services via multipoint distribution services, including multi-channel multipoint distribution services, instructional television fixed services and local multipoint distribution services, that is one meter or less in diameter or diagonal measurement; or

(iii) an antenna that is designed to receive television broadcast signals; shall be permitted on Units, subject to such reasonable requirements as to location and screening as may be set forth in the Design Standards, consistent with applicable law, in order to minimize obtrusiveness as viewed from streets and adjacent property. The Founder and/or the Association shall have the right, without obligation, to erect an aerial, satellite dish, or other apparatus for a master antenna, cable or other communication system for the benefit of all or a portion of the Community, should any master system or systems be utilized by the Association and require such exterior apparatus.

3. Restricted Activities on Popo Point. The following shall be prohibited during construction of the Units located on Popo Point in the Coves District of the Community:

(a) No consumption of alcoholic beverages or illegal drugs shall be permitted at any time;

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- (b) No smoking or consumption of tobacco products shall be permitted at any time;
- (c) No playing of vehicle radios, portable radios, boom boxes or other audio equipment shall be permitted at any time;
- (d) No discharging of firearms, fireworks, explosives or other similar devices shall be permitted at any time;
- (e) Vehicle parking is permitted only within designated areas and not within conservation areas or green spaces;
- (f) Construction crews must clean up all debris on the site at the end of each day and place it in a dumpster. Crews must also break down all boxes and place them in a dumpster; and
- (g) Pets are prohibited on all construction sites.

4. Restricted Conditions. The following conditions and structures are restricted or prohibited in the Community:

- (a) Structures, equipment, furniture or other items on the exterior portions of a Unit that have become rusty, dilapidated, or otherwise fallen into disrepair must be removed or repaired.
- (b) Excessive exterior lighting on any Unit is prohibited. The Board in its sole discretion shall determine whether any exterior lighting is excessive.
- (c) Freestanding flagpoles, taller than 20 feet high on the homeowners' property. Flagpole may not obstruct sightlines at intersections and is cannot be erected within or upon an easement. Any homeowner may display one official US Flag and one that represents either the United States Army, Navy, Air Force, Marine Corp, or Coast Guard or the POW/MIA flag not larger than 4 ½ by 6 feet.
- (d) On-site storage of fuel, except that a reasonable amount of fuel may be stored on each Unit for emergency purposes and operation of mowers and similar tools and equipment, and the Association shall be permitted to store and sell fuel for refueling of boats, operation of maintenance vehicles, generators and similar equipment. This provision shall not apply to any underground fuel tank authorized pursuant to Chapter 5;
- (e) No sign shall be erected within the Community, except those required by law, including posters, circulars and billboards; provided, the following types of signs may be erected on a Unit without the Board's written consent: (i) residential identification signs for identification of the occupant and its address, in a style designated by the Architectural Guidelines or approved by the Reviewer; and (ii) security signs in a style and location designated by the Architectural Guidelines or approved by the Reviewer. This restriction shall not apply to entry, directional and marketing signs installed by or with the consent of Founder. The Association, with the Board's approval, shall have the right to erect signs on the Common Area Owners may

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display holiday decorations on their Unit if the decorations are of the kinds normally displayed in single family residential neighborhoods, are of reasonable size and scope and do not disturb other Owners and residents by excessive light or sound emission or by causing an unreasonable amount of spectator traffic. Permitted decorations may be displayed for such periods surrounding holidays as are normal and customary for comparable residential communities, as the Board determines.

(f) All pool equipment stored on any Unit shall be screened from view from outside the unit with Landscaping, walls and other visual barriers approved in accordance with Chapter 5.

(g) Holiday decorations on Lots, are allowed for a reasonable period of time before and after holiday. Decorations must be of the kinds normally displayed in single family residential neighborhoods, and must be of reasonable size and scope, and not disturb other owners and residents by excessive light or sound emission or by causing an unreasonable amount of spectator traffic.

(h) Woodpiles or other material shall be properly screened and stored in such a manner so as not to attract rodents, snakes and other animals or create a fire hazard, as the Board determines.

(i) No solar heating equipment or device is permitted outside the dwelling or other structures on the Unit except such devices whose installation and use is protected by federal or Florida law. Notwithstanding such protection, an application for such equipment or device must be submitted for approval under Chapter 5 prior to installation and approval will be granted only if: (i) First, such equipment or device is designed for minimal visual intrusion when installed (i.e., is located in a manner which minimizes visibility from the street or an adjacent Unit and is consistent with the Community-Wide Standard); and (ii) Second, the equipment or device complies to the maximum visual extent feasible with the Architectural Guidelines within the confines of the applicable governmental regulations.

(j) Window air-conditioning units are not allowed.

(k) Permanent basketball goals with black poles, clear fiberglass backboards and orange rims are permitted in locations approved in accordance with Chapter 5. Approval under Chapter 5 is required prior to the installation of any such basketball apparatus. Portable basketball goals are not permitted

(l) Fences must be approved in accordance with Chapter 5. In the event a fence is approved for construction along the property line separating two Units, any subsequent fences along such property line shall attach to, and not run attached along, the existing approved fence.

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This Instrument Prepared by
And Return to:
Jeri Poller
Jeri Poller PA
6013 NW 23rd Avenue
Boca Raton, FL 33496

Third Amendment to
Community Charter for RiverTown
As recorded in Official Records Book 2992 Page 568
Public Records of St. Johns County, Florida

This Third Amendment to Community Charter for RiverTown ("Third Amendment") is made this 30 day of Oct, 2015 by Mattamy Rivertown LLC, a Delaware limited liability company, ("Founder") whose address is 7800 Belfort Parkway, Suite 195, Jacksonville, FL 32256 as follows:

WHEREAS, that certain Community Charter for RiverTown as recorded in Official Records Book 2992 Page 568, Public Records of St. Johns County, Florida (the "Original Charter"); and

WHEREAS, the Original Charter was amended by First Amendment as recorded in Official Records Book 3455 Page 349 ("First Amendment") and Second Amendment as recorded in Official Records Book 3701 Page 783 ("Second Amendment"), all of the Public Records of St. Johns County, Florida; and

WHEREAS, the Original Charter was further supplemented by First Supplement ("First Supplement") as recorded in Official Records Book 3022 Page 1356, Second Supplement as recorded in Official Records Book 3455 Page 352 ("Second Supplement"), Third Supplement as recorded in Official Records Book 3763 Page 175 ("Third Supplement") and Fourth Supplement as recorded in Official Records Book 3763 Page 183 ("Fourth Supplement"), all of the Public Records of St. Johns County, Florida (the Original Charter, First Amendment, Second Amendment, First Supplement, Second Supplement, Third Supplement and Fourth Supplement being collectively the "Charter"); and

WHEREAS, Founder is now the Founder under the Original Charter pursuant to that certain Assignment of Development Rights and Permits recorded in Official Records Book 3863 Page 1658, Public Records of St. Johns County, Florida; and

WHEREAS, pursuant to Section 22.2(a) of the Original Charter, until termination of the Founder Control Period, as defined in the Original Charter, Founder may unilaterally amend the Charter for any purpose; and

WHEREAS, the Founder Control Period has not expired or been terminated; and

WHEREAS, the Founder desires to amend the Charter.

NOW THEREFORE, pursuant to the powers retained by Founder in the Charter, the Charter is hereby amended as set forth below:

1. The above recitals are incorporated as true and correct and the defined terms shall have the same meaning as set forth in the Charter. The definitions set forth in the Charter are incorporated by reference in this Amendment.

2. The following changes are hereby made to Section 2.8 of the Original Charter (additions are underlined and deletions are ~~struck through~~):

"2.8. Community Development District

A "Community Development District" or "CDD" is a special taxing district formed in accordance with the provisions of Chapter 190, Florida Statutes. Two ~~A~~ community development district, which is called the Main Street Community Development District and the Rivers Edge Community Development District ~~have~~ has been established to own, operate, maintain and finance the construction of certain infrastructure improvements within RiverTown. Additional CDDs may be formed. CDDs may merge. The boundaries of CDDs may be modified from time to time. At any time, and from time to time, the Founder or the Association may transfer ownership and/or maintenance responsibility for properties within the Community to anyone of the ~~two~~ CDDs from time to time then existing. As a result of any such transfer, the scope of the Association's maintenance responsibilities under this Charter may be reduced."

3. The following changes are hereby made to Section 3.17 of the Original Charter (additions are underlined):

"3.17. Conflicts of Interest

Unless otherwise approved by a majority of the other directors, no Owner Director may transact business with the Association or any Association contractor during his or her term as director. A director shall promptly disclose in writing to the Board any actual or potential conflict of interest affecting the directors relative to his or her performance as a director. A director's failure to make such disclosure shall be grounds for removal by a majority vote of the other Board members.

Notwithstanding the above, directors appointed by the Founder may be employed by or otherwise transact business with the Founder or its affiliate, and the Founder, as well as directors appointed by the Founder, may transact business with the Association or its contractors."

4. The following changes are made to Section 4.2 of the Original Charter (additions are underlined and deletions are ~~struck through~~):

"4.2. Voting

Each Unit, whether owned by an Owner Member or the Founder or any Founder Affiliate, is assigned one equal vote, subject to the limitations on voting set forth in this Charter and the other Governing

Documents. No vote shall be exercised for any property exempt from assessment under Section 13.8. Further, during such time as there is a Founder membership, ~~no vote shall be exercised for Units that the Founder or any Founder Affiliate owns, except as otherwise specifically provided herein; rather, the Founder's consent shall be required for various actions of the Board, the membership and committees, as specifically provided elsewhere in the Governing Documents, in addition to its voting rights set forth above.~~ Unless the Founder specifically delegates such authority, the Founder shall act as, and on behalf of, the Founder Membership on all matters.

After termination of the Founder membership, the Founder and each Founder Affiliate owning a Unit shall be Owner Members for all purposes with respect to each Unit they own ~~and each Unit owned by the Founder or a Founder Affiliate shall be assigned one equal vote.~~ In addition, during the Development and Sale Period, the Founder shall continue to have such consent rights as are specifically provided for in the Governing Documents.

Due to the number of Units that may be developed in the Community, the Governing Documents provide for a representative system of voting. The Owners of Units in each Neighborhood may elect a "Voting Delegate" and an alternative Voting Delegate, in the manner provided in the By-Laws, to cast the votes of all Units in the Neighborhood on matters requiring a vote of the membership, except where the governing documents specifically require a vote of the Owners. However, until such time as the Board first calls for election of a Voting Delegate for a particular Neighborhood, each Owner of a Unit in such Neighborhood shall be considered a "Voting Delegate" and may personally cast the vote allocated to such Owner's Unit on any issue requiring a vote of the Voting Delegates under the Governing Documents.

Upon implementation of a Voting Delegate System, each Voting Delegate or, in his or her absence, the alternative Voting Delegate, attends Association meetings and casts all votes allocated to Units in the Neighborhood that he or she represents on any matters as to which such Voting Delegate is entitled to vote under the Governing Documents. A Voting Delegate may vote all votes it is entitled to cast in its discretion and may, but need not, poll the Owners of Units in the Neighborhood which he or she represents prior to voting. On any matter for which a Voting Delegate is entitled to cast more than one vote, the Voting Delegate may cast all such votes as a block or split them but shall not be entitled to fractionalize any single vote.

Voting Delegates are subordinate to the Board and their responsibility and authority does not extend to policymaking, supervising or otherwise being involved in Association governance beyond voting on matters put to a vote of the membership.

In any situation in which an Owner is entitled personally to exercise the vote for his or her Unit, if there is more than one Owner of a Unit, the vote for such Unit may be exercised by any co-Owner or by the proxy of any co-Owner; however, the Unit's vote shall be suspended if more than one authorized Person seeks to exercise it and they do not agree on the manner in which the vote is to be cast. The Unit's vote may not be split, and no more than one vote may be cast for any Unit."

5. Section 5.7 of the Charter is hereby deleted.

6. The following changes are made to Section 7.1(b) of the Original Charter (additions are underlined and deletions are ~~struck through~~):

"(b) Leasing. Any Residential Unit that is leased shall be leased only in its entirety; separate rooms, floors or other areas within a dwelling may not be separately leased; ~~however, any detached "in-law suite" or "guest house" approved pursuant to Chapter 5 or a garage apartment may be leased separately from the main dwelling.~~"

7. The following changes are made to Section 8.2(a) of the Original Charter (additions are underlined and deletions are ~~struck through~~):

"(i) impose reasonable monetary fines, not to exceed \$100.00 per violation (or per day in the case of a continuing violation, except that, in the case of a continuing violation, only a single notice and opportunity for hearing is required). Fines may be imposed within a graduated range. ~~There is no limit on the aggregate amount of any fine for a continuing violation~~ The maximum fine for any continuing violation shall be \$100,000.00.

(ii) suspend any Person's right to use any Common Area facilities (A) for any period during which any charge against such Owner's Unit remains delinquent, and (B) for a reasonable period ~~not to exceed 30 days for a single violation or for a longer period in the case of any continuing violation~~ (except that no hearing is required if the Owner is more than ~~60~~ 90 days delinquent in paying any assessment or other charge owed the Association); however, nothing herein shall authorize the Board to limit ingress or egress to or from a Unit;

(iii) suspend services the Association provides (except that no hearing is required if the Owner is more than ~~60~~ 90 days delinquent in paying any assessment or other charge owed to the Association), except that nothing herein shall authorize the Board to suspend essential utilities (i.e. electricity, natural gas or water)."

8. The following additions are added to Chapter 8 of the Original Charter (additions are underlined).

"8.7 Nonexclusive Election

The remedies recited in this Chapter, as well as those otherwise set forth in the Charter, and otherwise permitted by Florida law shall be cumulative, and shall be cumulative of all other legal, administrative and/or equitable remedies now or hereafter provided by Florida law or the Governing Documents, and all such remedies may be exercised and pursued singly, sequentially or in any combination."

9. The following changes are made to Chapter 12 of the Original Charter (additions are underlined and deletions are ~~struck through~~):

"12.1. Required Coverages

The Association shall obtain and maintain in effect ~~the following~~ insurance coverage, if reasonably available, under terms and conditions as determined desirable by the Board, from time to time ~~or if not reasonably available, the most nearly equivalent coverage as is reasonably available:~~

(a) Blanket property insurance covering "risks of direct physical loss" on a "special form" basis (or comparable coverage by whatever name denominated) for all insurable improvements on

(i) the Common Area; and

(ii) other portions of the Area of Common Responsibility, to the extent that the Association has responsibility for repair or replacement in the event of a casualty.

~~If such coverage is not generally available at reasonable cost, then "broad form" coverage may be substituted. If necessary, coverage for wind damage may be by separate policy, including any policy issued by a joint underwriting association or company or any company writing wind coverage exclusively or predominantly. The limits of Association property insurance policies shall be sufficient to cover the full replacement cost of the insured improvements under current building ordinances and codes.~~

(b) In addition, if a Supplement so specifies, the Association shall obtain and maintain property insurance on the insurable improvements within a Service Area, which insurance shall comply with the above requirements.

~~(c) Commercial general liability insurance on the Area of Common Responsibility, insuring the Association and its Members for damage or injury caused by the negligence of the Association or any of its Members, employees, agents or contractors while acting on its behalf. If generally available at reasonable cost, such coverage shall have a limit of at least \$2,000,000.00 per occurrence with respect to bodily injury, personal injury and property damage. Such coverage may be provided through a combination of primary and umbrella policies. However, if additional coverage and higher limits are available at reasonable cost that a reasonably prudent person would obtain, the Association shall obtain such additional coverages or limits;~~

~~(d) Workers compensation insurance and employers liability insurance, if and to the extent required by law;~~

~~(e) Directors and officers liability coverage; and~~

~~(f) Commercial crime insurance, including fidelity insurance covering all Persons responsible for handling Association funds in an amount determined in the Board's business judgment but not less than an amount equal to one fourth of the annual Base Assessments on all Units plus reserves on hand. Fidelity insurance policies shall contain a waiver of all defenses based upon the exclusion of Persons serving without compensation.~~

Unless otherwise specifically provided in a Supplement, Association property and liability insurance covers only the Area of Common Responsibility and improvements within the Area of Common Responsibility but does not cover Units and it is the responsibility of each Owner to insure its Unit and the contents of its Units.

The Association shall arrange for an annual review of the sufficiency of its insurance coverage by one or more qualified Persons, at least one of whom must be familiar with insurable replacement costs in St. Johns County. ~~In the exercise of its business judgment, the Board may obtain additional insurance coverage and higher limits than this Section requires.~~

12.2. Deductibles

The Board may hold any Persons who cause damage to insured improvements responsible for the insurance deductible payable on any insurance claim related to such damage.

The Association's policies may contain a reasonable deductible, ~~which shall not be subtracted from the face amount of the policy in determining whether the policy limits satisfy the requirements of Section 12.1.~~ In the event of an insured loss, the deductible shall be treated as a Common Expense or a Service Area Expense in the same manner as the premiums for the applicable insurance coverage. However, if the Board reasonably determines, after notice and an opportunity to be heard in accordance with the By-Laws, that the loss is the result of the negligence or willful misconduct of one or more Owners, their guests, invitees or lessees, then the Board may assess the full amount of such deductible against such Owner(s) and their Units as a Specific Assessment, but the right to do so shall not affect or impair any waiver of subrogation provision of any policy.

12.3. Policy Requirements

All Association policies shall provide for a certificate of insurance to be furnished to the Association and, upon request, to each Owner and Mortgagee.

~~To the extent available at reasonable cost and terms, all Association insurance shall:~~

~~(a) be written with a company authorized to do business in Florida that satisfies the requirements of the Federal National Mortgage Association or such other secondary mortgage market agencies or federal agencies as the Board deems appropriate;~~

~~(b) be written in the name of the Association as trustee for the benefited parties. All policies shall be for the benefit of the Association and its members, except that policies on Limited Common Area shall be for the benefit of the Owners of Units within the Service Area to which the Limited Common Area is assigned and their Mortgagees, as their interests may appear;~~

~~(c) not be brought into contribution with insurance purchased by Owners, occupants or their Mortgagees individually;~~

~~(d) contain an inflation guard endorsement;~~

~~(e) include an agreed amount endorsement, if the policy contains a co-insurance clause;~~

~~(f) provide that each Owner is an insured person with respect to liability arising out of such Owner's status as a member of the Association;~~

~~(g) provide a waiver of subrogation against any Owner or household member of an Owner; and~~

~~include an endorsement precluding cancellation, invalidation, suspension or non-renewal by the insurer on account of any act or omission of one or more Owners, unless acting on the Association's behalf within the scope of their authority, or on account of any curable defect or violation, without prior written demand to the Association and allowance of a reasonable time to cure the defect or violation.~~

Subrogation is a legal concept by which one person is substituted in the place of another with respect to a lawful claim or right. For example, once they have paid a claim by an insured party, insurance companies generally have the right to step into the shoes of the insured party and sue anyone that the insured party could have sued.

In addition, the Board shall use reasonable efforts to secure insurance policies that list the Owners as additional insureds and provide:

~~(a) a waiver of subrogation as to any claims against the Association's directors, officers, employees and manager;~~

~~(b) a waiver of the insurer's right to repair and reconstruct instead of paying cash;~~

~~(c) an endorsement excluding Owners' individual policies from consideration under any "other insurance" clause;~~

~~(d) an endorsement requiring at least 30 days' prior written notice to the Association of any cancellation, substantial modification, or non-renewal;~~

~~(e) a cross liability provision; and~~

~~(f) a provision vesting in the Board exclusive authority to adjust losses. However, Mortgagees having an interest in such losses may not be precluded from participating in the settlement negotiations, if any, related to the loss.~~

12.4. Insurance Premiums

Premiums for all Association insurance shall be a Common Expense, except that premiums for property insurance on Units within, or Limited Common Areas assigned to, a particular Service Area shall be a Service Area Expense unless the Board reasonably determines that other treatment of the premiums is more appropriate."

10. The following changes are made to Section 13.7 of the Original Charter (additions are underlined and deletions are ~~struck through~~):

~~13.7.4.2.~~
 "Each purchaser of a Unit other than the Founder or a Founder Affiliate or a Builder designated by the Founder shall make a contribution to the working capital of the Association to be collected at the closing of purchase of the Unit and to be in an amount equal to one-quarter percent (.25%) of the "gross selling price" of the Unit. The gross selling price is the total cost to the purchaser of the Unit, excluding transfer taxes and title fees imposed by St. Johns County and/or the State of Florida one year Base Assessment. This amount shall be in addition to, not in lieu of, the annual Base Assessment and any Service Area Assessment levied on the Unit and shall not be considered an advance payment of such assessments. This amount shall be due and payable to the Association immediately upon transfer of title for its use in covering initial startup expenses, operating expenses and other expenses that it incurs pursuant to this Charter and the By-Laws.

Notwithstanding the above, no capitalization fee shall be levied upon transfer of title to a Unit:

- a. to the Founder or Founder Affiliate;
- b. to the Owner's estate, surviving spouse, or heirs at law upon the death of the Owner;
- c. to an entity wholly owned by the grantor or to a family trust created by the grantor for the benefit of grantor, his or her spouse and/or heirs at law; provided, upon any subsequent transfer of an ownership interest in such entity, the Capitalization Fee shall become due;
- d. to an institutional lender pursuant to a Mortgage or upon foreclosure of a Mortgage; or
- e. to a Builder; or
- f. under circumstances which the Board, in its discretion, deems to warrant classification as an exempt transfer (e.g. a transfer made solely for estate planning purposes may be, but is not required to be, deemed exempt from payment of the fee)."

11. The provisions of Section 13.11 of the Original Charter shall not apply after the effective date of this Third Amendment. Any funds held by the Association collected as a RiverTown Enhancement Fee may be used for any purpose as deemed appropriate by the Board.

12. The following changes are hereby made to Chapter 17 of the Original Charter (additions are underlined):

"17.9 The foregoing provisions shall not apply to any Lender or mortgage placed after the effective date of this Third Amendment.

17.10 Notwithstanding any provision to the contrary in this Chapter 17 or elsewhere in the Charter or other Governing Documents, no consent or approval of any Mortgagee shall be required for any amendment for any mortgage recorded after July 1, 2013 unless that amendment to the Governing Documents adversely affects the priority of the Mortgagee's lien or the Mortgagee's rights to foreclose its lien or that otherwise materially affects the rights and interests of the Mortgagees. Any joinder and/or consent of a Mortgagee, if required, shall be in accordance with Florida Statutes 720.306(1)(d)."

13. The following changes are made to Section 19.1 of the Original Charter (additions are underlined and deletions are ~~struck through~~):

"19.1. Withdrawal of Property

During the Development and Sale Period, the Founder may amend this Charter to remove any portion of the Community from the coverage of this Charter, provided that (a) it is the owner or has the consent of the owner of the property being withdrawn; and (b) ~~such withdrawal does not reduce the total number of Units then subject to the Charter by more than 10 percent; and (c) such~~

withdrawal would not be contrary to the overall uniform scheme of development established for the Community.”

14. The following changes are made to Section 21.4 of the Original Charter (additions are underlined and deletions are ~~struck through~~):

“21.4. Transfer or Dedication of Common Area

The Association may dedicate portions of the Common Area to St. Johns County, Florida, to ~~the Main Street CDD, to the Rivers Edge a~~ CDD or to any other local, state or federal governmental or quasi-governmental entity; may subject Common Area to a security interest; or may transfer or convey Common Area as follows:

~~(a) if Common Area other than Limited Common Area, upon the written direction of Voting Delegates representing at least 75 percent of the total votes in the Association, and the Founder during the Development and Sale Period; or~~

~~(b) if Limited Common Area, upon written approval of Owners of at least 75 percent of the Units to which such Limited Common Area is assigned~~

(a) During the Development and Sale Period, if Common Area, other than Limited Common Area, upon the written direction of the Founder; or

(b) After the Development and Sale Period, if Common Area, other than Limited Common Area, upon the written direction of Voting Delegates representing a majority of the total votes of the Association.

(c) During the Development and Sale Period, if Limited Common Area, upon the written direction of the Founder and approval of the majority of Units to which such Limited Common Area is assigned.

(d) After the Development and Sale Period, if Limited Common Area, upon the approval of the majority of the Units to which such Limited Common Area is assigned .

~~Notwithstanding the above, Further,~~ during the Founder Control Period, the Founder may cause the Association to dedicate to St. Johns County, Florida, to ~~the Main Street CDD, to the Rivers Edge a~~ CDD or to any other local, state or federal governmental or quasi-governmental entity any ~~streets and parks~~ improvements within the Community ~~over which access is not limited~~, without the consent of the Owners (upon acceptance by the entity to whom they are being dedicated) and may cause the Association to take such steps as may be necessary to transfer or assign responsibility for any conservation easements within RiverTown to a third party without consent of the Owners.

The proceeds from the sale or mortgaging of Common Area other than Limited Common Area shall be an asset of the Association to be used as the Board determines. The proceeds from the sale or mortgaging of Limited Common Area shall be disbursed in the manner approved by the Owners of Units to which the Limited Common Area is assigned at the time such sale or mortgage is authorized.

No conveyance or encumbrance of Common Area may deprive any Unit of rights of access or support essential services to their Unit."

15. The Initial Rules as attached as Exhibit C to the Second Amendment (replacing the Initial Rules as attached to the Original Charter) are hereby deleted and the Initial Rules as attached hereto as Exhibit C are replaced in their stead.

16. Except as modified and amended herein, all terms, covenants and restrictions of the Charter shall remain in full force and effect.

17. This Third Amendment shall be effective as of the date written above.

IN WITNESS WHEREOF, Founder has executed this Third Amendment the day and year first above written.

Signed, Sealed in the Presence of

MATTAMY RIVERTOWN LLC
a Delaware limited liability company

[Signature]
Print Name: GREGG GAYLE

By: [Signature]
Name: Jason Sessions
Title: VP

[Signature]
Print Name: Melinda Ockert

State of FLORIDA
County of DUVAL

The foregoing instrument was acknowledged before me this 30TH day of OCTOBER 2015, by JASON SESSIONS as VP of Mattamy Rivertown LLC, a Delaware limited liability company, on behalf of the company, who is personally known or produced _____ as identification.

[Signature]
Signature of Notary Public

(SEAL)

Name of Notary Public
(Typed, Printed or Stamped)
My commission expires: _____

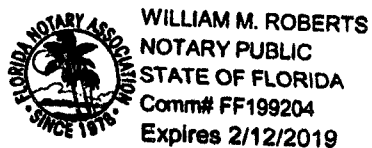


EXHIBIT C

RULES AND REGULATIONS

The purpose of Rules is not to anticipate all acceptable or unacceptable behavior in advance and eliminate all improvements or activities that fall outside of "the norm." Plans, Development Orders, Design Standards, Environmental Permits, PUDs and DRIs should be reviewed for particular rules. As such, while something may be approved or permitted for one Unit under one set of circumstances; the same thing may be disapproved for another Unit under a different set of circumstances. The exercise of discretion in approving or enforcement shall not be construed as a waiver of approval or enforcement rights, nor shall it preclude the Board from taking enforcement action in any appropriate circumstances.

The following initial Rules shall be subject to amendment or modification in accordance with the procedures set forth in the Charter.

1. General. Units shall be used only for residential, non-residential and ancillary purposes consistent with the Charter, any applicable Supplement, the Development Plan and the Design Standards.

2. Restricted Activities. Unless expressly authorized by, and then subject to such conditions as may be imposed by, the Board or the Charter, the following activities are prohibited within the Community:

(a) Parking in or on the Common Area or on any Unit shall be restricted to the parking areas therein designated for such purpose. However, this paragraph shall not apply to Founder, or a Builder, during any sales or construction period. No truck or van with more than $\frac{3}{4}$ ton capacity, boat, trailer, golf cart, low speed vehicle ("LSV") or recreational vehicle or commercial vehicle shall be parked, stored, or otherwise kept on any portion of the Community for more than twenty-four (24) hours, except that any of the foregoing vehicles may be stored in the garage on a Unit so long as the garage door is fully closed while such vehicle is located therein. The term "commercial vehicle" shall include, without limitation, all autos, trucks, vans and other vehicular equipment, which both: (1) bear signs or shall have printed thereon any reference to a commercial undertaking or enterprise (2) and which has ladders, racking, machinery, building materials or equipment, including without limitation, lawn mowers, air compressors, and the like, contained on or within said vehicle. Commercial vehicles in the process of loading or unloading shall not be considered to be "parked" so long as such vehicles shall not be kept on the Community overnight. No trailer, camper, motor home or recreation vehicle or other type of vehicle shall be used as a residence. No Person shall conduct major repairs (except in an emergency) or major restorations of any motor vehicle, boat, trailer, golf cart, LSV or other vehicle upon any portion of the Common Area or Unit. Disabled vehicles shall be promptly moved from the Unit, Common Area or street which abuts the Unit. The decision of Founder to assign specific parking spaces within the Common Area to designated companies or persons, or for specified uses, shall be final, binding and conclusive. No conversion of garages to living spaces is permitted. No screening within a garage is permitted. Parking may be subject to other Rules and Regulations now or hereafter adopted. In areas of extended construction, the Founder may establish temporary rules for such construction vehicle parking and ingress and egress to and from the Community;

(b) All golf carts and LSV's used within the Community must comply with St. Johns County codes and applicable Florida law for the use, operation and location of the golf cart and LSV.

(c) No animals, reptiles, wildlife, livestock or poultry of any kind shall be raised, or kept on any Lot, except household pets. For purposes hereof "household pets" shall mean dogs, cats, fish, birds and other animals which are usually and commonly kept as household pets. All dogs and cats shall be on leashes while walking in Common Areas, unless otherwise designated as a dog park or similar enclosed area used for such purpose and subject to Rules and Regulations as may be promulgated for such areas, should they exist. Wildlife and feral animals should not be fed by Owners, their guests and invitees. Provided however, the Association is not required to take legal action in order to enforce this provision. The Association may, in its sole discretion, determine to permit certain matters to be determined by and among the Owners. Owners shall clean up and properly dispose of pet waste left in Common Areas, parks or adjacent Units. Provided however, the Association is not required to take legal action in order to enforce this provision. The Association may, in its sole discretion, determine to permit certain matters to be determined by and among the Owners;

(d) Any activity that emits foul or obnoxious odors outside the Unit or creates noise or other conditions that, in the Board's reasonable discretion, tend to disturb the peace or threaten the safety of or cause embarrassment, discomfort, annoyance or nuisance to the occupants of other Units or persona using the Common Area, except that this Rule shall not restrict the ability of the Association and its contractors, agents or employees to engage in such activities as part of a continuing resource management plan for the Community;

(e) Any activity that violates local, state or federal laws or regulations; however, the Board shall have no obligation to take action to enforce such laws or regulations or to prevent a violation;

(f) Outside burning of trash, leaves, debris or other materials, except that the Association and its contractors or agents may engage in ecological burning as part of a continuing resource management plan or as part of development or construction related activities;

(g) Using or discharging any unusually loud radio, loudspeaker, horn, whistle, bell or other sound device so as to be audible to occupants of other Units, except fire and security alarm devices used exclusively for such purposes;

(h) Using or discharging firecrackers and other fireworks;

(i) Accumulating rubbish, trash or garbage except between regular garbage pickups, and then only in approved containers;

(j) Discharging firearms; provided, the Board shall have no obligation to take action to prevent or stop such discharge;

(k) Dumping, pumping out or discharging fuel, gray water, pesticides or toxic substances onto the land or into bodies of water within or adjacent to the Community; Any activities that materially disturb or destroy the vegetation, wildlife, wetlands or air quality within the Community, that use excessive amounts of water or that result in unreasonable levels of sound or light pollution;

(l) Storage (except in approved structures or containers) of furniture, fixtures, appliances, machinery, equipment or other goods and chattels on the Common Area (except by the Association) or any portion of a Unit which is visible from outside the Unit is prohibited. Storage sheds of any type are prohibited;

(m) Accumulation or storage of combustible materials or debris on Units, except to the extent reasonably necessary during construction of a dwelling on the Unit. This Rule shall not preclude storage of a reasonable amount of firewood on a Unit provided it is stacked and stored in a safe manner and location;

(n) Any yard sale, garage sale, moving sale, rummage sale, or similar activity, except on such dates as the Board may designate for such activities to be conducted on a community-wide basis; and

(o) Constructing or modifying anything, permanently or temporarily, on the outside portions of the Unit, whether such portion is improved or unimproved, or on or over any marsh,

wetland, creek, pond or waterway within or abutting any portion of the Community, except in strict compliance with the provisions of Chapter 5 and the Design Standards.

3. Restricted Activities on Popo Point. The following shall be prohibited during construction of the Units located on Popo Point in the Coves District of the Community:

- (a) No consumption of alcoholic beverages or illegal drugs shall be permitted at any time;
- (b) No smoking or consumption of tobacco products shall be permitted at any time;
- (c) No playing of vehicle radios, portable radios, boom boxes or other audio equipment shall be permitted at any time;
- (d) No discharging of firearms, fireworks, explosives or other similar devices shall be permitted at any time;
- (e) Vehicle parking is permitted only within designated areas and not within conservation areas or green spaces;
- (f) Construction crews must clean up all debris on the site at the end of each day and place it in a dumpster. Crews must also break down all boxes and place them in a dumpster; and
- (g) Pets are prohibited on all construction sites.

4. Restricted Conditions. The following conditions and structures are restricted or prohibited in the Community.

- (a) Structures, equipment, furniture or other items on the exterior portions of a Unit that have become rusty, dilapidated, or otherwise fallen into disrepair must be removed or repaired.
- (b) Excessive exterior lighting any Unit is prohibited. The Board in its sole discretion shall determine whether any exterior lighting is excessive.
- (c) On-site storage of fuel, except that a reasonable amount of fuel may be stored on each Unit for emergency purposes and operation of mowers and similar tools and equipment, and the Association shall be permitted to store and sell fuel or refueling of boats, operation of maintenance vehicles, generators and similar equipment. This provision shall not apply to any underground fuel tank authorized pursuant to Chapter 5;
- (d) All signage on Units shall be only as permitted by the Design Standards or approved by the Reviewer. This restriction shall not apply to entry, directional and marketing signs installed by or with the consent of Founder. The Association, with the Board's approval, shall have the right to erect signs on the Common Area.
- (e) Holiday decorations on Units are allowed for a reasonable period of time before and after holiday. Decorations must be of the kinds normally displayed in single family residential neighborhoods, and must be of reasonable size and scope, and not disturb other owners and residents by excessive light or sound emission or by causing an unreasonable amount of spectator traffic.
- (f) Woodpiles or other material shall be properly screened and stored in such a manner so as not to attract rodents, snakes and other animals or create a fire hazard, as the Board determines.
- (g) In accordance with Section 7.3(f) of the Charter the minimum lease term shall be 6 months for single family homes lying within the plats of RiverTown, as recorded in Map Book 63, Page 36, RiverTown –Main Street District – Section 2 as recorded in Map Book 64, Page 28, Rivertown – Garden District – Section 1 as recorded in Map Book 64, Page 38, RiverTown – Lakes District- Section 2 as recorded in Plat Book 67 Page 8, Rivertown –Main Street District- Section 2 as recorded in Map Book 66 Page 41 and Rivertown Landings as recorded in Map Book 69, Page 20, all of the Public Records of St. Johns County, Florida. Different lease terms may apply to different Neighborhoods within the Property and may be as set forth in an amendment to these Rules and Regulations, a supplemental declaration to the Community Charter or through a sub-association declaration.

This Instrument Prepared by
And Return to:
Jeri Poller
Jeri Poller PA
6013 NW 23rd Avenue
Boca Raton, FL 33496

Notice of Amendment to
By-Laws of Rivertown Community Association, Inc.
As recorded in Official Records Book 2992 Page 568
Public Records of St. Johns County, FL

This Notice of Amendment to By-Laws of Rivertown Community Association, Inc. ("First Amendment to By-Laws") is made this 30 day of Oct, 2015 by Mattamy Rivertown LLC, a Delaware limited liability company, ("Founder Member") whose address is 7800 Belfort Parkway, Suite 195, Jacksonville, FL 32256 as follows:

WHEREAS, the Community Charter for Rivertown, as recorded in Official Records Book 2992 Page 568, Public Records of St. Johns County, FL ("Charter") attached as Exhibit D thereto, the By-Laws of Rivertown Community Association, Inc.; and

WHEREAS, Founder Member is now the Founder Member under the By Laws pursuant to that certain Assignment of Development Rights and Permits recorded in Official Records Book 3863 Page 1658, Public Records of St. Johns County, Florida; and

WHEREAS, Pursuant to Section 9.5(a) of the By-Laws, the Founder Member may unilaterally amend the By-Laws until termination of the Founder Control Period, as defined in the Charter; and

WHEREAS, the Founder Control Period has not terminated: and

WHEREAS, the Founder Member desires to amend the By Laws.

NOW THEREFORE, pursuant to the powers retained by Founder Member in the Charter and By Laws, the By Laws are hereby amended as set forth below:

1. For the foregoing recitals are true and correct and incorporated herein by reference. All definitions shall be as set forth in the Charter and the By-Laws, unless the context shall otherwise require.
2. The following changes are hereby made to Section 3.7 of the By-Laws (additions are underlined and deletions are ~~struck through~~):

"3.7 Regular Meetings. The Board shall hold regular meetings at such time and place as a majority of the directors shall determine, but the Board shall meet at least ~~four times during each fiscal year~~ with at least one meeting per quarter at least once a year."

3. The following changes are hereby made to Section 5.2 of the By-Laws (additions are underlined and deletions are ~~struck through~~):

"5.2 Covenants Committee. In addition to any other committees that the Board may establish pursuant to Section 5.1, the Board may appoint a Covenants Committee consisting of at least three and no more than seven Owners who shall not be officers, directors or employees of the Association or the spouse, parent, sibling or child of any officer, director or employee. Acting in accordance with the provisions of the Charter, the By-Laws and resolutions the Board may adopt, the Covenants Committee, if established, shall be the hearing tribunal of the Association and shall conduct all hearings held pursuant to Article 8 ~~of the By -Laws~~. With respect to any hearings, the role of the Covenants Committee is limited to determining whether to confirm or reject the fine or suspension levied by the Board. The Covenants Committee shall have no responsibility for seeking out violations of the Governing Documents."

4. The following changes are hereby made to Section 8.2 of the By Laws (additions are underlined and deletions are ~~struck through~~):

"8.2 Hearing. If a hearing is requested within the allotted 14-day period, the hearing shall be held before the Covenants Committee. The alleged violator shall be afforded a reasonable opportunity to be heard. With respect to any hearings, the role of the Covenants Committee is limited to determining whether to confirm or reject the fine or suspension levied by the Board. ~~The minutes of the meetings of the Covenants Committee shall contain a written statement of the results of the hearing (i.e., the Committee's decision) and the sanction, if any, to be imposed~~ If the Board imposes a fine or suspension, the Association must provide written notice of such fine or suspension by mail or hand delivery to the Owner and, if applicable, to any tenant, licensee, or invitee of the Owner."

5. Section 8.3 of the By-Laws is hereby deleted.

6. Except as modified and amended herein, the By-Laws shall remain in full force and effect.

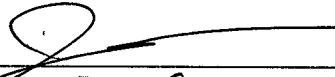
7. The First Amendment to By-Laws shall be effective as of the date of recordation in the Public Records of St. Johns County, FL.

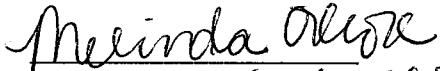
IN WITNESS WHEREOF, Founder has executed this First Amendment to By Laws the day and year first above written.

Signed, Sealed in the Presence of

MATTAMY RIVERTOWN LLC
a Delaware limited liability company


Print Name: Gregg Gayle

By: 
Name: Jason Sessions
Title: VP


Print Name: Melinda Okwore

State of FLORIDA
County of Duval

The foregoing instrument was acknowledged before me this 30TH day of September, 2015, by Jason Sessions as VP of Mattamy Rivertown LLC, a Delaware limited liability company, on behalf of the company, who is personally known or produced _____ as identification.



Signature of Notary Public

Name of Notary Public
(Typed, Printed or Stamped)

My commission expires: _____

(SEAL)

