

Association. The Association may provide a single notice and opportunity for a hearing to an Owner for any alleged violation(s) of a continuing nature.

B. Covenants Enforcement Committee. All hearings regarding the proposed fine(s) and/or suspension(s) shall be conducted by the Covenants Enforcement Committee ("CEC"). The CEC shall consist of at least three (3) members who are appointed by the Board. The members of the CEC serve at the pleasure of the Board and may be removed at any time with or without cause. Members of the CEC cannot neither be officers, Directors or employees of the Association, nor the spouse, parent, child, brother or sister of any officer, Director or employee of the Association.

C. Hearing. The alleged violation(s) shall be presented to the CEC by the Board and/or an agent designated by the Board after which the CEC shall hear reasons why the proposed fine(s) and/or suspension(s) should not be imposed. A written decision of the CEC shall be submitted to the Owner no later than thirty (30) days after the date of the CEC meeting. The Owner shall have a right to be represented by counsel and to cross-examine witnesses. Failure by an Owner to contest and/or object to any proposed fine(s) and/or suspension(s) in accordance with these procedures shall constitute a waiver of that Owner's rights to further contest the proposed fine(s) and/or suspension(s). The CEC, by majority vote, must approve any proposed fine(s) and/or suspension(s) in order for the fine(s) and/or suspension(s) to be imposed.

D. Amounts of Fine(s). The Board may recommend, and the CEC impose, fine(s) in the following amounts:

(1) One Hundred Dollars and no cents (\$100.00) for each violation. A fine or fines may be levied on the basis of each day of a continuing violation.

(2) No fine or fines for a continuing violation shall exceed Five Thousand Dollars and no cents (\$5,000.00) in the aggregate.

E. Payment and Collection of Fines. A fine or fines that are imposed on an Owner by the CEC shall be paid to the Association within thirty (30) days of the date of the written decision of the CEC. In any action to recover a fine or fines, the prevailing party shall be entitled to collect its reasonable attorneys' fees and costs.

F. Application of Proceeds. All monies received from a fine or fines shall be allocated and/or used as determined by the Board.

G. Non-exclusive Remedy. Any fine or fines imposed shall not be construed to be an exclusive remedy, and shall exist in addition to all other rights and remedies to which the Association may be otherwise entitled to under Florida law or the Governing Documents; provided, however, any penalty paid by the offending Owner shall be deducted from or offset against any damages which the Association may otherwise be entitled to recover by law from such Owner.

H. Length of Suspension. The Board may recommend, and the CEC impose a suspension or suspension(s) for a period of time which is the longer of sixty (60) days or during the term of a continuing violation. Any suspension or suspensions imposed shall not be construed to be an exclusive remedy, and shall exist in addition to all other rights and remedies to which the Association may be otherwise entitled to under Florida law or the Governing Documents.

I. Exceptions. This Section 12.5 shall not apply to any suspension of voting rights of a Member imposed by the Board when that Member fails to pay Assessments when they are due. This Section 12.5 shall also not apply to any to any fine or fines imposed by the Board when an Owner fails to pay Assessments or any other charges when they are due.

ARTICLE XIII.

MORTGAGEE PROTECTION

13.1 Notices of Action. An institutional holder, insurer, or guarantor of a first Mortgage on a Lot who provides a written request to the Association (such request must state the name and address of such holder, insurer or

guarantor and the Lot number, thereby becoming an "Eligible Holder"), will be entitled to timely written notice of the following:

- A. Any condemnation loss or any casualty loss which affects a material portion of the Property or which affects any Lot on which there is a first Mortgage held, insured or guaranteed by such Eligible Holder;
- B. Any delinquency in the payment of Assessments and/or charges owed by an Owner of a Lot subject to the Mortgage of such Eligible Holder, where such delinquency has continued for a period of sixty (60) days; provided, however, notwithstanding this provision, any Eligible Holder, upon written request, is entitled to written notice from the Association of any default in the performance of an Owner of a Lot of any obligation under the Governing Documents which is not cured within sixty (60) days;
- C. Any lapse, cancellation or material modification of any insurance policy maintained by the Association; or
- D. Any proposed action which would require the consent of a specific percentage of Eligible Holders.
- E. The Association's failure to provide the written notice to an Eligible Holder pursuant to this Section 13.1 shall not subject the Association to damages and/or otherwise diminish the Association's rights under this Declaration.

13.2 Taxes and Other Charges. After forty-five (45) days' written notice to the Association, any holder, insurer or guarantor of a first Mortgage on a Lot shall have the right to pay, singly or jointly, taxes and/or other charges that are delinquent and have resulted or may result in a lien against or loss of the Association's title to any portion of the Common Area, and to receive prompt reimbursement from the Association.

13.3 Insurance Premiums. After forty-five (45) days' written notice to the Association, any holder, insurer or guarantor of a first Mortgage on a Lot shall have the right to pay, singly or jointly, any overdue premiums on any casualty insurance policy covering the Common Area and/or obtain, singly or jointly, new casualty insurance coverage on the Common Area upon the lapse of a policy and, in either case, receive prompt reimbursement from the Association.

13.4 Voting Rights of Mortgagee. For purposes of this Section 13.4, an Eligible Holder of a first Mortgage shall be entitled to one (1) vote for each first Mortgage held, insured or guaranteed.

A. Unless at least two-thirds (2/3) of the first Mortgagees or Members Entitled To Vote representing at least two-thirds (2/3) of the total votes of the Association (other than Declarant) approve, the Association shall not:

- (1) By act or omission abandon, partition, subdivide, encumber, sell, or transfer all or any portion of the real property comprising the Common Area which the Association owns, directly or indirectly. The granting of easements for public utilities and/or other similar purposes consistent with the intended use of the Common Area shall not be deemed a transfer within the meaning of this Section 13.4(A)(1);
- (2) Change the method of determining the obligations, Assessments, dues and/or other charges which may be levied against an Owner. A decision by the Board, including but not limited to contracts, shall not be subject to this provision where such decision is otherwise authorized by this Declaration;
- (3) By act or omission change, waive, abandon any scheme of regulations or enforcement thereof pertaining to the architectural design or the exterior appearance and maintenance of Residences, Lots and the Common Area. The issuance and amendment of architectural standards, procedures, rules and regulations, and/or use restrictions shall not constitute a change, waiver, and/or abandonment within the meaning of this provision;
- (4) Fail to maintain any insurance required by this Declaration
- (5) Use casualty insurance proceeds for any Common Area losses for any purpose other than the repair, replacement and/or reconstruction of such Common Area. However, any surplus or net funds remaining following the repair, replacement and/or reconstruction of such Common Area may be allocated and/or used for any purpose as determined by the Board.

B. Any election to terminate the Association shall require: the approval of at least fifty-one percent (51%) of the Eligible Holders if the election to terminate the Association is the result of substantial destruction or a substantial taking in condemnation or eminent domain of the Property; or the approval of at least seventy-five percent (75%) of the Members Entitled To Vote representing the total votes of the Association and two-thirds (2/3) of the Eligible Holders.

C. If a portion of the Property is either condemned, destroyed or damaged by a hazard that is insured against, restoration, replacement and/or repair shall be performed substantially in accordance with the provisions of this Declaration and the original plans and specifications for the Property unless fifty-one percent (51%) of the Eligible Holders approve the taking of some other action by the Association.

13.5 No Priority. No provision of this Declaration or any of the Governing Documents gives and/or shall be construed as giving any Owner or other party priority over any rights of the first Mortgagee of a Lot in the case of distribution to such Owner of insurance proceeds or condemnation payments or awards for losses to and/or a taking of the Common Area.

13.6 Notice to Association. Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder, insurer, or guarantor of any Mortgage encumbering such Owner's Lot(s).

13.7 Applicability of this Article XIII. Nothing contained in this Article XIII shall be construed and/or interpreted to reduce the percentage vote that must be obtained under this Declaration, the Articles, the Bylaws or Florida law for any of the acts set out in this Article XIII.

13.8 Failure of Mortgagee to Respond. Any Mortgagee who receives a written request from the Association to respond to and/or consent to any action shall be deemed to have automatically approved such action if the Association does not receive a written response from that Mortgagee within thirty (30) days of the date of the Association's request.

ARTICLE XIV.

DURATION AND TERMINATION

This Declaration shall run with and bind the Property, and shall inure to the benefit of and be enforceable by Declarant, the Association and any Owner, and their respective legal representatives, heirs, successors and assigns, for a term of twenty-five (25) years from the date this Declaration is recorded in the Public Records of the County. Upon the expiration of the initial twenty-five (25) year period, this Declaration and each Supplemental Declaration shall be automatically renewed and extended for successive periods of ten (10) years. The number of ten (10) year renewal periods shall be unlimited with this Declaration being automatically renewed and extended upon the expiration of each ten (10) year renewal period for an additional ten (10) year period. However, there shall be no renewal or extension of this Declaration if during the last year of any ten (10) year renewal period, Members Entitled To Vote representing at least eighty percent (80%) of the total votes of the Association vote in favor of termination this Declaration at the end of its then-current term, and both the City and the St. Johns River Water Management District approve such termination in writing.

Written notice of any meeting at which such proposal to terminate this Declaration is to be considered setting forth the fact that such a proposal will be considered, shall be given at least sixty (60) days in advance of that meeting. If the required number of Members Entitled To Vote approve the termination of this Declaration, the President and Secretary of the Board shall execute a Certificate which sets forth the resolution of termination adopted by the Association, the date of the meeting of the Association's Members at which such resolution was adopted, the date that notice of such meeting was given, the total number of votes of Members Entitled To Vote, the total number of votes required to constitute a quorum at a meeting of the Association's Members, the total number of votes necessary to adopt a resolution to terminate this Declaration, the total number of votes cast in favor of such a resolution and the total number of votes cast against such a resolution.

This Certificate shall be recorded in the Public Records of Duval County, Florida, and may be relied upon for the correctness of the facts contained therein as they relate to the termination of this Declaration. Termination of this Declaration shall not have the effect of terminating easements herein provided or granted prior to such termination, or

terminating contractual rights created prior to termination which from the context of the contract were meant to survive any termination.

Should the Members Entitled To Vote terminate this Declaration as provided in this Article XIV, all Common Area owned by the Association at such time shall be transferred to another association or appropriate public agency having a similar purpose. If no other association or public agency will accept such property, then it will be conveyed to a Trustee appointed by the Circuit Court of Duval County, Florida, which Trustee shall sell the Common Area free and clear of the limitations imposed hereby and upon terms established by the Circuit Court of Duval County, Florida. That portion of the Property consisting of the Drainage System cannot be altered, changed and/or sold separate from the lands it serves and without the prior approval of the District. The proceeds of such a sale shall first be used for the payment of any debts and/or obligations constituting a lien on the Common Area, then for the payment of any obligations incurred by the Trustee in the operation, management, maintenance, repair, replacement, cleaning and/or upkeep of the Common Area. The excess of proceeds, if any, from the sale of Common Area shall be distributed among Owners in a proportion which is equal to the proportionate share of such Owners in the Common Expense.

In the event of termination, dissolution or final liquidation, and if the Association has the responsibility for the operation and maintenance of any portion of the Drainage System, those portions of the Drainage System must be transferred to and accepted by an entity which would comply with the District Permit and the applicable provisions of the Florida Administrative Code, and be approved by the District prior to any such termination, dissolution or liquidation.

ARTICLE XV.

GENERAL PROVISIONS

15.1 Notice. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when personally delivered or mailed, postage prepaid, to the last known address of the person who appears as Member or Owner in the official records of the Association at the time of such mailing.

15.2 Assignment of Rights and Duties. Any and all of the rights, powers and/or reservations of the Association and/or Declarant may be assigned to any person, corporation or association which will assume the duties of the Association and/or Declarant pertaining to the particular rights, powers and/or reservations assigned. Upon such assignee evidencing its consent in writing to accept such assignment and assume such duties, the assignee shall (to the extent of the assignment) have the same rights and powers and be subject to the same obligations and duties as are herein given to and/or assumed by the Association and/or Declarant. Further, the Association and/or Declarant may from time to time delegate any and all of their rights, powers, discretion and/or duties hereunder to such agent or agents as it may nominate, unless prohibited by Florida law or any of the Governing Documents.

15.3 Zoning Variances. Unless the written consent of the Association is first obtained, no Owner shall file a request for zoning variances, special exceptions and/or zoning changes affecting and/or relating to any real property located within the Property.

15.4 Relationships with Other Properties. The Association may enter into contractual agreements and/or covenants to share costs with any neighboring properties, other associations and/or any other Person to contribute funds for, among other things, shared or mutually beneficial property and/or services and/or a higher level of maintenance of any portion of the Property.

15.5 Reclaimed Water. If an Owner of a Lot has an irrigation system capable of using reclaimed water for irrigation purposes, and reclaimed water becomes available to the Property, then in such events, the Association may require that Owner to use the reclaimed water for irrigation purposes. The Association may charge a reasonable uniformly applied fee for the use of such reclaimed water. Costs of connection to the Reclaimed Water Source shall be paid by Declarant, if Declarant has requested such a connection for the Property, or by the Association, if the Association has requested such a connection for the Property.

15.6 Interpretation. The Article and Section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions and/or for interpretation or construction. Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular, and the masculine,

feminine and neuter genders shall each include the others. The Board shall have the right, except as limited by any other provisions of the Governing Documents, to determine all questions arising in connection with this Declaration and to construe and interpret its provisions, and the Board's determination, construction and/or interpretation shall be final and binding.

15.7 Indemnification. The Association shall indemnify every officer, Director, Committee member, employee of the Association and agent of the Association pursuant to the terms of the Governing Documents.

15.8 Severability. Invalidation of any one of these covenants or restrictions or any part, clause or word hereof, or the application thereof in specific circumstances, by judgment or court order shall not affect any other provisions or applications in other circumstances, all of which shall remain in full force and effect.

15.9 Effective Date. This Declaration shall become effective upon its recordation in the Public Records of the County.

15.10 Conflict. This Declaration shall take precedence over conflicting provisions in the Articles and Bylaws, and said Articles shall take precedence over the Bylaws and any Rules and Regulations hereinafter promulgated. The Bylaws shall take precedence over any Rules and Regulations hereinafter promulgated.

15.11 Cooperation. Each Owner, by acceptance of a deed therefore or other conveyance thereof, whether or not it shall be so expressed in such deed or other conveyance, shall be deemed to covenant and agree, to cooperate in, and support, any and all zoning, administrative, governmental and/or quasi-governmental filings, applications, requests, submissions and other actions necessary or desired for development and/or improvement of the Property, including, without limitation, signing any required applications, plats, etc. as the owner of any portion of the Property owned or controlled thereby when necessary or requested.

Notwithstanding the foregoing, to the extent that said documents require the joinder of Owners, Declarant by its duly authorized officers may, as the agent or the attorney-in-fact for the Owners, execute, acknowledge and deliver such documents and the Owners, by virtue of their acceptance of deeds or other instrument of transfer or conveyance, irrevocably nominate, constitute and appoint Declarant, through its duly authorized officers, as their proper and legal attorneys-in-fact for such purpose. This appointment is coupled with an interest and is therefore irrevocable. Any such documents executed pursuant to this Section 15.11 shall recite that it is made pursuant to this Section 15.11.

15.12 Easements. Should the intended creation of any easement provided for in this Declaration fail by reason of the fact that at the time of creation there may be no grantee in being having the capacity to take and hold such easement, then any such grant of easement deemed not to have been so created shall nevertheless be considered as having been granted directly to the Association as agent for such intended grantees for the purpose of allowing the original party or parties to whom the easements were originally intended to have been granted the benefit of such easement and the Owners hereby designate the Declarant and the Association (or either of them) as their lawful attorney-in-fact to execute any instrument on such Owners' behalf as may hereafter be required or deemed necessary for the purpose of later creating such easement as it was intended to have been created herein. All parties using easements granted in this Declaration shall use reasonable efforts to minimize interference with all other permitted uses of the easements and the property subject thereto and shall restore any damage to such property caused in the exercise of any rights granted in any such easement.

15.13 No Public Right or Dedication. Nothing contained in this Declaration shall be deemed to be a gift or dedication of all or any part of the Common Area to the public and/or for any public use.

15.14 Constructive Notice and Acceptance. Every Person who owns, occupies or acquires any right, title, estate or interest in or to any Lot, shall be conclusively deemed to have consented and agreed to every limitation, restriction, rule, regulation, provision, easement, reservation, condition, lien and covenant contained in this Declaration, whether or not any reference to this Declaration is contained in the deed or any other instrument by which such person or entity acquired an interest in such Lot.

ARTICLE XVI.

DISCLAIMERS

16.1 Disclaimer of Representations or Warranties. EXCEPT AS EXPRESSLY PROVIDED IN THIS DECLARATION, NO REPRESENTATION OR WARRANTY OF ANY KIND, WHETHER EXPRESS OR IMPLIED, HAS BEEN GIVEN OR MADE BY DECLARANT OR ITS AGENTS OR EMPLOYEES IN CONNECTION WITH THE PROPERTY, ITS PHYSICAL CONDITION, ZONING, COMPLIANCE WITH APPLICABLE LAWS, MERCHANTABILITY, HABITABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR IN CONNECTION WITH THE SUBDIVISION, SALE, OPERATION, MAINTENANCE, COST OF MAINTENANCE, TAXES OR REGULATION THEREOF. IF ANY SUCH WARRANTY CANNOT BE DISCLAIMED, AND AS TO ANY CLAIMS WHICH CAN BE MADE AS TO THE AFORESAID MATTERS, ALL INCIDENTAL AND CONSEQUENTIAL DAMAGES ARISING THEREFROM ARE HEREBY DISCLAIMED.

16.2 General. Notwithstanding anything contained herein or in the Articles, Bylaws and Rules and Regulations of the Association or any other document governing or binding the Association, Declarant or the Property (collectively, the "constituent documents"), neither the Association nor the Declarant shall be liable or responsible for, or in any manner a guarantor or insurer of, the health, safety or welfare of any Owner, occupant or user of any portion of the Property including, without limitation, residents and their families, agents, employees, contractors, guests or invitees, or for any property of any such persons. Without limiting the generality of the foregoing:

A. it is the express intent of the constituent documents that the various provisions thereof which are enforceable by the Association or Declarant or which govern the uses of the Property, have been written, and are to be interpreted and enforced, for the sole purpose of enhancing and maintaining the enjoyment of the Property and the value thereof;

B. the Association is not empowered, nor has been created, to act as an entity which enforces or ensures compliance with the laws of the United States, State of Florida, the County, the City or any other jurisdiction, or prevents tortious activities; and

C. any provisions of the constituent documents setting forth the uses of Assessments which relate to health, safety and/or welfare shall be interpreted and applied only as limitations on the uses of Assessment funds and not as creating a duty of the Association to protect or further the health, safety or welfare of any person(s), even if Assessment funds are chosen to be used for such reason.

Each Owner (by virtue of that Owner's acceptance of title to a Lot) and each other Person having an interest in or lien upon, or making any use of, any portion of the Property (by virtue of accepting such interest or lien or making such uses) shall be bound by this Article and shall be deemed to have automatically waived any and all rights, claims, demands and causes of action against the Association or Declarant and arising from or connected with any matter for which the liability of the Association or Declarant has been disclaimed in this Article XVI or in this Declaration generally.

As used in this Article XVI, the words "Association" and "Declarant" shall each include within their meanings all of the respective Directors, officers, Committees and board members, employees, agents, attorneys, contractors (including without limitation management companies), and successors and assigns of each.

16.3 No Liability For Acts of Others. Owners, their family members, tenants, guests, agents, invitees, employees and any occupants of Lots, are responsible for their own personal safety and for their property in and/or on the Property. The Association may, but is not obligated to, maintain or support certain activities within the Property which are intended to promote or enhance safety or security within the Property. However, the Association, the Board and Declarant shall not in any way be considered insurers and/or guarantors of safety or security within the Property, nor shall they be held liable for any loss, damage, personal injury and/or death by reason of failure to provide adequate security or ineffectiveness of any security measures that may be undertaken.

No representation or warranty is made that any systems or measures, including, without limitation, fire protection, burglar alarm, or other security monitoring systems, (or if there is any gate, barrier, and/or other mechanism or system for limiting access to the Property), cannot be compromised or circumvented, nor that any such systems or measures undertaken will prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges, understands, agrees and shall be responsible for informing that Owner's family members, tenants, guests, invitees, agents, employees and all occupants of that Owner's Lot that the Association, the Board and its committees and Declarant are not insurers and/or guarantors of security or safety and that each Person within the Property has voluntarily assumed all risks of

personal injury, death and loss or damage to property, including Lots and the contents of Lots, resulting from acts of others. Any gate, barrier and/or other mechanism or system for limiting traffic to the Property, if any, are solely intended to regulate traffic flow, and are not intended and/or designed to be a security feature, a safety feature, provide protection to persons and/or property, a warranty of personal safety, a guarantee of personal safety, a warranty of the safety of personal property and/or a guarantee of the safety of personal property. Any gate, barrier and/or other mechanism or system for limiting traffic to the Property will be used by the general public, and is not exclusive to the Owners. In addition, any gate, barrier and/or other mechanism or system for limiting traffic to the Property may be left completely open at any time to provide access to the public streets within the Property.

16.4 View Impairment. Neither Declarant nor the Association guarantee or represent that any view over, through and/or across the Lots, any open space or any other portion of the Property within the Property will be preserved without impairment. Neither Declarant nor the Association shall be obligated to relocate, prune, or thin trees or other landscaping. The Association (with respect to any Common Area) and Declarant have the right to relocate, prune, thin, or add trees and other landscaping from time to time subject to applicable law. Any express or implied easements for view purposes and/or for the passage of light and air are hereby expressly disclaimed.

16.5 Notices and Disclaimers as to Signal Reception. In recognition of the fact that interruptions in cable television, radio and satellite television will occur from time to time, neither Declarant nor the Association shall in any manner be liable for, and no Owner shall be entitled to refund, rebate, discount, or offset in applicable fees, for any interruption in any such services, regardless of whether or not such interruption is caused by reasons within the service provider's control. Declarant or Association shall be entitled to retain any rebate, discount, or other compensation received from the provider of any such services in connection with the installation and/or operation of such systems within the Property.

16.6 Construction Activities. All Owners, occupants, and users of Lots are hereby placed on notice that Declarant and/or its agents, contractors, subcontractors, licensees, and other designees, successors, or assigns, shall continue, from time to time, to conduct construction activities within the Property. By the acceptance of a deed or other conveyance or mortgage, leasehold, license, or other interest in a Lot, and/or by using any portion of a Lot or the Property generally, Owners, occupants and users of Lots 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 Lot or any other portion of the Property where such activities are being conducted (even if not being actively conducted at the time of entry, such as at night, a holiday or otherwise during non-working hours); (c) that Declarant and all of its agents, contractors, subcontractors, licensees, and other designees, successors, and assigns, shall not be liable for any losses, damages (compensatory, consequential, punitive, or otherwise), injuries, or deaths arising from and/or relating to any breach of this covenant; (d) that any purchase or use of any portion of a Lot has been and will be made with full knowledge of the foregoing; and (e) this acknowledgment and agreement is a material inducement to Declarant to sell, convey, lease, and/or allow the use of Lots within the Property.

16.7 Natural Conditions. The Property may contain a number of manmade, natural, and/or environmentally sensitive areas that may serve as habitats for a variety of native plants and wildlife, including, without limitation, insects, venomous and non-venomous snakes, alligators, other reptiles, raccoons, foxes, wild dogs, wild cats, and other animals, some of which may pose hazards to persons and/or pets coming in contact with them. Each Owner and occupant of any Lot, and every Person entering the Property: (a) acknowledges and agrees that such plants and wildlife are indigenous to the area and are not restrained or restricted in their movements within and/or through the Property; and (b) knowingly and voluntarily assumes all risk of property damage, personal injury and/or death arising from the presence of such plants and wildlife within the Property. Neither the Association, Declarant, nor the members, partners, affiliates, officers, directors, shareholders, attorneys, agents, and/or employees of any of the foregoing, shall have any duty to take action to control, remove, or eradicate any plant or wildlife within the Property, nor shall they have any liability for any property damage, personal injury and/or death resulting from the presence, movement, and/or propagation of any plant or wildlife within or through the Property. The areas described in this Section 16.7 may also contain ponds, lakes, retention ponds, detention ponds, dry detention areas, intermittent pools of water, muddy areas and/or buffer areas, among other things, all of which are important to the ecological balance and maintenance of the area as a wildlife habitat. No Owner or occupant of a Lot shall enter upon, or permit their guests, family members,

invitees, agents, tenants, employees, contractors, subcontractors, visitors or any other Person acting on that Owner's behalf to enter upon and/or disturb any such areas in any way without the prior written approval of the Association.

ARTICLE XVII.

INSURANCE AND CASUALTY LOSSES

17.1 Insurance The Board shall have the authority to and may obtain blanket all-risk casualty insurance, if reasonably and commercially available, for the Common Area, including without limitation, any structures, improvements and/or facilities that may be located on the Common Area and/or any other real property owned by the Association. If blanket all-risk coverage is not reasonably available, then an insurance policy providing fire, casualty and extended coverage shall be obtained. This insurance shall be in an amount sufficient to cover one hundred percent (100%) of the replacement cost of any repair and/or reconstruction in the event of damage and/or destruction from any insured hazard.

To the extent available on commercially reasonable terms and conditions, the Board may also obtain a public liability policy covering the Common Area, the Association and its Members for all damage and/or injury caused by the negligence of the Association or any of its employees, Members and/or agents.

The Board may, in its discretion, also obtain additional insurance, including without limitation, fidelity bond coverage, Worker's Compensation insurance, flood insurance and directors and officers liability insurance. The insureds, deductibles, provisions and coverage types and amounts shall be determined by the Board, in the Board's discretion. Any fidelity bond coverage obtained by the Board shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation and shall require at least thirty (30) days' prior written notice to the Association of any cancellation, substantial modification or non-renewal. The Association may self-insure against any risk.

Premiums for any insurance coverage obtained by the Association shall be a Common Expense and shall be included in the Annual Assessment, as described in Article V of this Declaration. Any insurance policy obtained by the Board may contain a reasonable deductible, and, in the case of casualty insurance, the amount of the deductible shall be added to the face amount of the policy in determining whether the insurance at least equals the full replacement cost. The deductible shall be paid by the party who would be liable for the loss or repair in the absence of insurance and in the event of multiple parties shall be allocated in relation to the amount each party's loss bears to the total.

All insurance coverage obtained by the Board shall be written in the name of the Association as trustee for the respective benefited parties. Such insurance shall be governed by the following provisions:

A. All insurance policies shall be written with a company licensed to do business in the State of Florida;

B. All insurance policies on the Common Area shall be for the benefit of the Association, its Members and Mortgagees providing construction financing on the Common Area.

C. Exclusive authority to adjust losses under policies obtained by the Association on the Property shall be vested in the Board. However, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

D. In no event shall the insurance coverage obtained and maintained by the Board be brought into contribution with insurance purchased by individual Owners, occupants, tenants, or their Mortgagees.

E. All casualty insurance policies shall have an inflation guard endorsement, if reasonably available, and an agreed amount endorsement with an annual review by one or more qualified persons.

F. The Board shall be required to make every reasonable effort to secure insurance policies that will provide for the following:

(1) a waiver of subrogation by the insurer as to any claims against the Board, its manager, its agent, the Owners, and their respective tenants, servants, agents, invitees and guests;

(2) a waiver by the insurer of its rights to repair and reconstruct, instead of paying cash;

(3) a statement that no policy may be canceled, invalidated, suspended, or subject to non-renewal on account of any one or more individual Owners;

(4) a statement that no insurance policy may be canceled, invalidated, suspended and/or subject to non-renewal on account of the conduct of any Director, officer, employee of the Association, agent of the Association and/or the Association's duly authorized manager without prior demand in writing delivered to the Association to cure the defect and the allowance of a reasonable time thereafter within which the defect may be cured by the Association, its agent, its manager, any Owner or Mortgagee;

(5) that any "other insurance" clause in any policy exclude the policies obtained by individual Owners from consideration; and

(6) that the Association will be given at least thirty (30) days' prior written notice of any cancellation, substantial modification or non-renewal.

17.2 Insurance Obtained by Owners. By virtue of taking title to a Lot, each Owner agrees to carry blanket all-risk casualty insurance on that Owner's Lot and any building, Residence, structure, improvement and/or landscaping constructed, placed, installed, built and/or located on that Lot. The insurance to be obtained by each and every Owner shall be in an amount sufficient to cover one hundred percent (100%) of the replacement cost of any repair and/or reconstruction in the event of damage or destruction from any insured hazard. Each Owner further covenants and agrees that in the event of a partial loss or damage resulting in less than total destruction of the buildings, structures, Residence, improvements, and/or landscaping on that Owner's Lot, the Owner shall proceed promptly to repair and/or to reconstruct the damaged structure in a manner consistent with the original construction or such other plans and specifications as are or may be approved in accordance with this Declaration. The Owner shall pay any costs of repair and/or reconstruction which are not covered by insurance proceeds. If the Residence is totally destroyed, the Owner may decide not to rebuild and/or to reconstruct, in which case the Owner shall clear the Lot of all debris and return that Lot to substantially the natural state in which it existed prior to the beginning of construction, and thereafter that Owner shall continue to maintain the Lot in a neat and attractive condition consistent with the terms, conditions and provisions of this Declaration.

17.3 Damage and Destruction

A. Immediately after damage and/or destruction by fire, hurricane or other casualty to all or any part of the Property covered by insurance written in the name of the Association, the Board or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged and/or destroyed Property. Repair and/or reconstruction, as used in this subsection, means repairing or restoring the Property to substantially the same condition in which the Property existed prior to the fire, hurricane or other casualty, allowing for any changes and/or improvements necessitated by changes in the then-applicable building codes.

B. Any damage and/or destruction to the Common Area shall be promptly repaired and/or reconstructed unless the Members Entitled To Vote representing at least seventy-five percent (75%) of the total vote of the Association shall decide within sixty (60) days after the casualty not to repair and/or reconstruct. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage and/or destruction, and/or reliable and detailed estimates of the costs of repair and/or reconstruction are not made available to the Association within the sixty (60) day time period, then the period shall be extended until such information is made available to the Members. However, such extension shall not exceed one hundred twenty (120) additional days. No Mortgagee shall have the right to participate in the determination of whether the damage and/or destruction to Common Area shall be repaired and/or reconstructed. This provision shall not apply to construction Mortgagees providing construction financing for such damaged property.

C. If determined in the manner described above that the damage and/or destruction to the Common Area shall not be repaired and/or reconstructed, and no alternative improvements are authorized, then and in that event the affected portion of the Property shall be restored to their natural state that existed prior to the development and shall be maintained by the Association in a neat and attractive condition consistent with the terms, conditions and provisions of this Declaration.

17.4 Disbursement of Proceeds. If the damage and/or destruction for which the proceeds of insurance policies are paid is to be repaired and/or reconstructed, the proceeds, or such portion thereof as may be required for

such purpose, shall be disbursed in payment of such repairs and/or reconstruction as hereinafter provided. Any proceeds remaining after defraying such costs of repair and/or reconstruction to the Common Area shall be retained by and for the benefit of the Association and placed in either the Association's general operating account or any reserve account that has been established by the Association. If no repair and/or reconstruction is made, any proceeds remaining after making settlements necessary and appropriate with the affected Owner or Owners and their Mortgagee(s) shall be retained by and for the benefit of the Association and placed in either the Association's general operating account or any reserve account that has been established by the Association. This is a covenant for the benefit of any Mortgagee of Lot and may be enforced by such Mortgagee.

17.5 Repair and/or Reconstruction. If the damage and/or destruction to the Common Area for which insurance proceeds are paid is to be repaired and/or reconstructed, and such insurance proceeds are not sufficient to defray the cost of such repair and/or reconstruction, the Board shall, without the necessity of a vote of the Members Entitled To Vote, levy a Special Assessment against all Owners calculated in the same manner as the Annual Assessments. The damaged and/or destroyed portions of the Common Area shall be repaired and/or reconstructed to substantially the same condition in which that Common Area existed prior to the damage and/or destruction, allowing for any changes and/or improvements necessitated by changes in the then-applicable building codes.

17.6 Negligence or Willful Misconduct. Each Owner shall be liable to the Association for the costs to repair, replace and/or reconstruct any portions of the Common Area damaged by reason of the negligence or willful misconduct of any Owner or that Owner's tenants, guests, invitees, agents and/or servants. In this situation, the Owner shall be liable to the Association for any amount not fully covered by any insurance policy of the Association, including but not limited to any deductible. In addition, the Association shall have the right to charge any Owner for the increase, if any, in the insurance premium attributable to damage caused by such Owner or that Owner's tenants, guests, invitees, agents and/or servants. The sums due from an Owner under this Section 17.6 shall be an Individual Assessment against the Owner and that Owner's Lot and may be collected as provided elsewhere in this Declaration for the collection of Individual Assessments.

17.7 Condemnation of Common Area. Whenever all or any part of the Common Area shall be taken (or conveyed in lieu of and under threat of condemnation) by any authority having the power of condemnation and/or eminent domain, each Owner shall be entitled to notice thereof. The award, payment and/or settlement made for such taking shall be payable to the Association as trustee for all Owners to be disbursed as herein provided:

If the taking involves a portion of the Common Area on which improvements have been constructed, then unless within ninety (90) days after such taking Declarant (so long as Declarant has Class B membership) and Members Entitled To Vote representing at least two-thirds (2/3) of the total vote of the Association otherwise agree not to restore, repair and/or replace such improvements, the Association shall restore, repair and/or replace such improvements taken on the remaining land included in the Common Area to the extent lands are available therefore. If such improvements are to be repaired, restored and/or replaced, the provisions of Article XVII of this Declaration regarding the disbursement of funds in respect to casualty damage and/or destruction which is to be repaired, replaced and/or restored shall apply. If the taking does not involve any improvements on the Common Area, or if there is a decision made by not to repair, replace and/or restore, or if there are net funds or surplus remaining after any such restoration, repair and/or replacement is completed, then such award, settlement, payment, surplus and/or net funds shall be disbursed to the Association and used for any purposes as the Board shall determine.

17.8 No Partition. Except as is permitted in this Declaration or any amendments thereto, there shall be no physical partition of the Common Area or any part thereof, nor shall any person, Owner or entity acquiring any interest in the Property or any part thereof seek any judicial partition unless the Property has been removed from the provisions of this Declaration. This Section 17.8 shall not be construed to prohibit the Board from acquiring and disposing of tangible personal property or from acquiring title to real property which may or may not be subject to this Declaration.

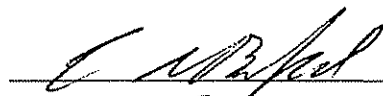
IN WITNESS WHEREOF, this Declaration of Conditions, Covenants, Easements and Restrictions has been executed as of the date first set forth above.

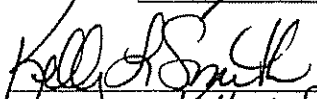
Signed, sealed, and delivered

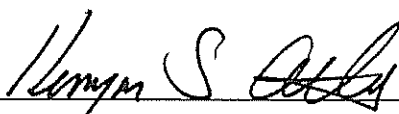
In the presence of:

DEASON'S WALK, LLC, a Florida limited liability company

By: ATLEE DEVELOPMENT GROUP, INC., a Florida corporation, its sole Member


Print Name: Eric M. Bradford

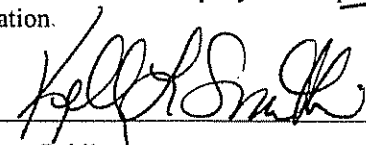

Print Name: Kelly L. Smith

By: 
KENYON S ATLEE, its President
5851 Timuaquana Road, #301
Jacksonville, Florida 32210

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 5th day of May, 2010, by KENYON S. ATLEE as President of ATLEE DEVELOPMENT GROUP, INC., a Florida corporation, as sole Member of DEASON'S WALK, LLC, a Florida Limited Liability company, on behalf of said Company. He is personally known to me or has produced _____ as identification.

(NOTARY SEAL)


Notary Public



Printed Name: _____

Commission Number: _____

My Commission Expires: _____