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**DECLARATION OF COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS
FOR
RIVEREDGE**

TABLE OF CONTENTS

I. DEFINITIONS 1

II. ASSOCIATION..... 3

III. OWNER'S RIGHTS AND DUTIES WITH RESPECT TO COMMON PROPERTY..... 3

IV. EASEMENTS 3

V. STORMWATER MANAGEMENT SYSTEM..... 6

VI. MAINTENANCE, REPAIR AND REPLACEMENT 7

VII. ASSESSMENTS 8

VIII. ARCHITECTURAL CONTROL..... 12

IX. USE OF PROPERTY AND LOTS 17

X. INSURANCE 21

XI. RECONSTRUCTION OR REPAIR AFTER CASUALTY OR CONDEMNATION. 22

XII. ASSOCIATION LIABILITY. 22

XIII. PROPERTY SUBJECT TO THIS DECLARATION AND ADDITIONS THERETO..... 22

XIV. ENFORCEMENT OF COVENANTS 23

XV. GENERAL PROVISIONS 24

**DECLARATION OF COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS
FOR
RIVEREDGE**

THIS DECLARATION is made this 12th day of August 2014, by Mitchell-Dawson, L.L.C., a Florida limited liability company, hereinafter referred to as "Developer," who recites and provides:

RECITALS:

A. Developer is the owner of certain land located in Duval County, Florida, which it intends to develop as a planned unit community consisting of single family homes, which community will be commonly referred to as "RiverEdge", and which land is more fully described in Exhibit A attached hereto and made a part hereof (the "Property").

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

C. To provide for the efficient management of the Property, Developer deems it desirable to create a not-for-profit corporation with the power and duty of administering and enforcing the protective covenants, conditions, restrictions and easements, charges and liens hereinafter set forth, including, without limitation, the maintenance and administration of the Common Property and the collection and disbursement of the Assessments hereinafter created. To accomplish this objective, Developer has created the RiverEdge HOA, Inc., a Florida not-for-profit corporation, whose membership shall include all Owners of all or any part of the Property.

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

I. DEFINITIONS

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

1. "Additional Property" shall mean any property that may be added to the Property by supplemental declaration in accordance with Article XIII.C hereof, which Additional Property shall then be included within the term "Property."
2. "Annual Assessment" is defined in Article VII.B.
3. "ARB" means the Architectural Review Board of the Association.
4. "Articles" means the Articles of Incorporation for the Association, as amended from time to time, a copy of which is attached hereto and made a part hereof as Exhibit B.
5. "Assessment" means all types of charges to which a Lot is subject, including, without limitation, Annual Assessments, Special Assessments, Emergency Assessments and Lot Assessments.
6. "Assessment Charge" means all Assessments currently owed by each Owner, together with any late fees, interest, and costs of collection (including reasonable attorney's fees) when delinquent.
7. "Association" means RiverEdge HOA, Inc., a Florida not-for-profit corporation, its successors and assigns, which is responsible for the management and operation of the Property.
8. "Association Documents" are defined in Article XII.A.
9. "Board of Directors" means the Board of Directors of the Association.
10. "Bylaws" means the Bylaws of the Association, as amended from time to time, a copy of which is attached hereto and made a part hereof as Exhibit C.
11. "Common Property" or "Common Area" means all of the Property excluding the Lots, whether improved or unimproved, together with any Improvements thereon and all

personal property, intended for the common use and enjoyment solely of the Owners and any areas within the Property serving the Property as a whole, which the Association is obligated to maintain, notwithstanding that it may not own the underlying fee simple title to such areas. The Common Property includes tracts "A," "B" and "C". The Developer hereby reserves the right to designate additional property as Common Property in the future.

12. "County" means Duval County, Florida.

13. "Declaration" means this Declaration of Covenants, Conditions, Restrictions and Easements, as it may hereafter be amended and supplemented from time to time.

14. "Developer" means Mitchell-Dawson, L.L.C., a Florida limited liability company, its successors and assigns, or any successor or assign of all or substantially all of its interests in the development of the Property. Reference in this Declaration to Mitchell-Dawson, L.L.C., as the Developer under this Declaration is not intended and shall not be construed to impose upon Mitchell-Dawson, L.L.C., any obligations, legal or otherwise, for the acts or omissions of third parties who purchase Lots within the Property from Mitchell-Dawson, L.L.C., and develop and resell the same. Developer may also be an Owner, for so long as Developer shall be the record owner of any Lot.

15. "Emergency Assessment" is defined in Article VII.C.

16. "Improvements" means any Residence and any and all approved horizontal or vertical alterations or improvements installed or constructed on a Lot, including without limitation approved landscaping.

17. "Institutional Mortgagee" means the holder of a mortgage encumbering any portion of the Property, which holder in the ordinary course of business makes, purchases, guarantees, or insures mortgage loans. An Institutional Mortgagee may include, but is not limited to, a bank, savings and loan association, insurance company, real estate or mortgage investment trust, pension or profit sharing plan, mortgage company, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, an agency of the United States or any other governmental authority, or any other similar type of lender generally recognized as an institutional-type lender. For definitional purposes only, an Institutional Mortgagee shall also mean the holder of any mortgage executed by or in favor of Developer, whether or not such holder would otherwise be considered an Institutional Mortgagee.

18. "Lot" means (a) any plot of land designated as a "lot" upon the recorded subdivision Plat or (b) any Lots or parts of Lots or land included within the Property that consists of combined or recombined Lots. References to a Lot shall also include any Improvements, including without limitation a Residence, constructed thereon, unless specifically noted to the contrary.

19. "Lot Assessment" is defined in Article VII.E.

20. "Member" means a person entitled to membership in the Association as provided in this Declaration and the Articles.

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

22. "Permits" means the permits, easements, and other approvals secured from various governmental agencies and regulatory bodies which govern the development of the Property including without limitation, the Permits issued by the Florida Department of Environmental Protection, St. Johns River Water Management District, the U.S. Army Corps of Engineers, the U.S. Coast Guard, and the Florida Department of Transportation.

23. "Plat" means the plat of the Property recorded at Plat Book 66, pages 54, 55 & 56 and in the public records of the County, as such Plat may be amended or re-recorded from time to time.

24. "Property" means that certain real property described in Exhibit A and such additions thereto as may be added in accordance with the provisions of Article XIII below.

25. "Residence" means any single family residential dwelling constructed or to be constructed on or within any Lot, whether detached or attached, together with any permitted appurtenant Improvements, including without limitation, garages, driveways, detached buildings and patios, which have been approved by the ARB or Developer, as applicable.

26. "SJRWMD" means the St. Johns River Water Management District.

27. "Special Assessment" is defined in Article VII.D.

28. "Stormwater Management System" means a system which is designed and constructed, or implemented to control discharges which are necessitated by rainfall events, incorporating methods to collect, convey, store, absorb, inhibit, treat, use, or reuse water to prevent or reduce flooding, overdrainage, environmental degradation and water pollution, or to otherwise affect the quality and quantity of discharge from the system, as permitted pursuant to Chapter 40C-4, 40C-40 or 40C-42, Florida Administrative Code.

II. ASSOCIATION

A. Members. Every Owner shall be a mandatory Member of the Association. Membership shall be appurtenant to and may not be separated from title to each Lot. Membership shall be transferred automatically by conveyance of the title to any Lot, whereupon the membership of the previous Owner shall automatically terminate. Persons or entities which have an interest in any Lot merely as security for the performance of an obligation shall not be Members of the Association, and in such case the beneficial Owner shall retain the membership in the Association; provided that for so long as the Developer owns any portion of the Additional Property, if any, the Developer shall also be a member of the Association.

B. Voting Rights. The Members of the Association shall have such voting rights as are provided in the Articles.

C. Powers of Association. The Association shall have all the powers, rights and duties as set forth in this Declaration, the Articles and the Bylaws.

D. Amplification. The provisions of this Article are amplified by the Association's Articles and Bylaws, but no such amplification shall alter or amend substantially any of the rights or obligations of the Owners set forth in this Article. Developer intends the provisions of this Declaration and the Articles and Bylaws to be interpreted and enforced to avoid inconsistencies or conflicting results. If any such conflict necessarily results, however, the Developer intends the provisions of this Declaration to control anything in the Articles and Bylaws to the contrary and for the Articles to control anything in the Bylaws to the contrary.

III. OWNER'S RIGHTS AND DUTIES WITH RESPECT TO COMMON PROPERTY

A. Delegation of Use. Each Owner may delegate, subject to the Articles, Bylaws, and the Declaration, his right of enjoyment of the Common Property and facilities to the members of his family, his tenants, his guests, invitees, licensees, domestic servants, or contract purchasers who occupy the Lot.

B. Damage or Destruction. In the event any Common Property, facilities, or personal property of the Association or Developer are damaged or destroyed by an Owner or any of his guests, tenants, invitees, agents, employees, or family members as a result of negligence, misuse, error, act or failure to act, the Association shall repair the Common Property facilities and/or personal property in a good and workmanlike manner, in accordance with the original plans and specifications for the Common Property, or as the Common Property may have been modified or altered subsequently by the Association. The cost of such repairs shall be the responsibility of that Owner and shall be a Lot Assessment, payable by the responsible Owner immediately upon receipt of a written invoice or statement. Nothing contained herein shall impose absolute liability for damages to the Common Property on the Owners, and in the event a Lot Assessment is levied against any Owner, such Owner may make a written request for reconsideration to the Board of Directors within ten (10) days after receipt of the Lot Assessment notice.

IV. EASEMENTS

A. Easement of Enjoyment. Subject to the limitations provided elsewhere in this Declaration, every Owner is granted a non-exclusive right and perpetual easement of enjoyment in and to the Common Property, which easement is appurtenant to and shall pass with the title to every Lot, subject to the following:

1. The right and duty of the Association to levy Assessments against each Lot for the purpose of maintaining the Common Property and any facilities located thereon in compliance with the provisions of this Declaration and/or as set forth on the plats of the Property, from time to time recorded.

2. The right of the Association, subject to the applicable law, to suspend the Member's (and such Member's invitees) right to use the Common Property for any period during which any Assessment against such Member's Lot remains unpaid for more than forty-five (45) days; and for a period not to exceed sixty (60) days for any infraction of this Declaration or the rules and regulations.

3. The right of the Association to charge reasonable admission and other fees for the use of any recreational facilities situated on the Common Property.

4. The right of the Association to adopt at any time and from time to time and enforce rules and regulations governing the use of the Common Property and all facilities at any time situated thereon, including the right to fine Members as hereinafter provided. Any rule and/or regulation so adopted by the Association shall apply until rescinded or modified as if originally set forth at length in this Declaration.

5. The right of the Association to mortgage the Common Property for the purpose of improvement or repair of the Common Property, with the approval of the Owners of two-thirds (2/3) of the Lots owned by Class A Members, and to take such steps as are reasonably necessary to protect the Common Property against foreclosure, also with the approval of the Owners of two-thirds (2/3) of the Lots owned by the Class A Members.

6. The right of Developer or the Association to grant easements and rights of way as may be appropriate for the proper development and maintenance of the Property, including, without limitation, Developer's right to reserve easements for itself, its successors and assigns for ingress, egress, access, enjoyment, drainage maintenance, and utilities over all Common Property.

7. The right of the Association to sell, convey or transfer the Common Property or any portion thereof to a third party for such purposes as are not addressed in paragraph 2 above and subject to the Permits and such conditions as may be approved by the Owners of two-thirds (2/3) vote of the Lots owned by the Class A Members.

8. All provisions of this Declaration, the Plat, and the Articles and Bylaws of the Association.

9. The rules and regulations governing the use and enjoyment of the Common Property adopted by the Association.

10. The right of the Developer and the Association to authorize other persons to enter upon and use the Common Property for uses not inconsistent with the Owners' rights herein.

11. All easements depicted on the Plat and all easements and restrictions of record, including easements created by this Declaration, affecting any part of the Common Property.

B. Common Property Easements. The Association is granted a perpetual, non-exclusive easement for ingress and egress, at all times, over and across the Common Property and over and across any portion of a Lot that includes a portion of the Common Property, for the Association to fulfill its obligations as set forth this Declaration.

1. It is the intention of the Developer to convey all Common Property to the Association; provided however, the Developer shall retain title to the Common Property until such time as it has completed any Improvements to the Common Property or until the first issuance of insurance by FHA/VA on a Lot, whichever shall first occur. Unless Developer sooner conveys such Common Property or any portion thereof to the Association by recorded instrument, all remaining Common Property not deeded to the Association shall be deemed conveyed to the Association, without further act or deed by Developer at such time as Developer has completed all Improvements to the Common Property or until the first issuance of insurance by FHA/VA on a Lot, whichever shall first occur.

2. The Association shall accept conveyance of the Common Property as provided in this Declaration. The Common Property shall be conveyed subject to easements shown on the Plat, easements and restrictions of record, all Permits affecting the Common Property and shall be free and clear of all liens and encumbrances, except taxes and matters of record prior to the conveyance. Notwithstanding the foregoing, no part of the Common Property may be conveyed to any party other than the Association, dedicated to the public (other than the roads and drainage easements as shown on the Plat), mortgaged, or otherwise encumbered without the written consent or vote of two thirds (2/3) of the Class A Members (voting at a duly noticed meeting at which a quorum is present in person or by proxy) and, until Turnover, the prior written consent of the FHA or VA in accordance with HUD regulations, if the FHA or VA is the insurer of any Mortgage encumbering a Lot.

3. Developer may reserve, to itself and for the benefit of adjacent land owners, certain rights to use the Common Property and Developer may terminate the designation of land as Common Property without the consent or joinder of any Owner or Institutional Mortgagee. Upon the conveyance of the Common Property to the Association, such Common Property shall be held for the benefit of the Association and its members.

C. Utility Easements.

1. **Blanket Easement.** Developer reserves for itself, its successors and assigns, a nonexclusive, perpetual, alienable blanket easement and right for the benefit of the Property upon, across, over, through, and under the Property, for ingress, egress, installation, replacement, repair, use and maintenance of all utility and service lines and service systems, public and private, including, but not limited to, water, sewer, drainage, irrigation systems, telephones, electricity, television cable or communication lines and systems now in existence or which are developed in the future, and police powers and services supplied by the local, state and federal governments. In addition to the rights of the Developer, the Association shall have the right to grant permits, licenses and easements over the Common Property for the installation, moving, and terminating of easements for utilities, roads and other purposes necessary or convenient for the operation of the Property. This easement shall in no way affect any other recorded easements on the Property. Upon construction of a Residence on a Lot, the blanket easement reserved herein shall be vacated with respect to any portion of the Lot on which the Residence is located.

2. **Lot Easements.** Developer reserves for itself, its successors and assigns, and grants to the Association and its designees, a ten foot (10') perpetual nonexclusive easement over, under and across the front of each Lot for the installation, repair and maintenance of utilities, including, without limitation, water, sewer, electrical and irrigation lines. In the event that the Owner shall construct any Improvements within such easement area specifically reserved on a Lot, and if, in connection with the exercise of the Developer's or the Association's easement rights hereunder, the Developer or the Association is required to remove such Improvements, the repair, replacement or restoration of such Improvements shall be at the cost and expense of the Owner.

3. **Fiber Optics, Cable and Telecommunications Easements.** Developer reserves for itself, its successors and assigns, a perpetual, exclusive, alienable easement and right for the installation, maintenance, and supply of fiber optic cables, radio and television cables and any telecommunications equipment now in existence or developed in the future over, under and across the rights of way and easement areas on the Plat and over, under and across the unimproved portions of the Lots and through the walls and roof of each Residence located on each Lot. If the Developer or the Association elects to enter into a bulk rate contract for fiber optic service, cable television or any other telecommunications service, such service shall be supplied to each Lot and each Owner shall be required to pay all costs in connection therewith.

4. **Water Service.** Pursuant to the requirements of the utility company providing water and sewer service to the Property, all Owners must connect to the central water provided by the franchisee for the Property.

D. **Encroachments.** In the event that any Residence or Improvement thereon erected by the Developer or the Association (including any fence) shall encroach upon any of the Common Property or upon any other Residence or Lot for any reason other than the intentional or negligent act of the Owner, or in the event any Common Property shall encroach upon any Residence, then an easement shall exist to the extent of such an encroachment so long as the same shall exist.

E. **Traffic.** A non-exclusive easement shall exist for pedestrian traffic over, through and across any sidewalks, paths, walks, and other portions of the Common Property, as may be from time to time, intended and designated for such purpose and use; and for vehicular and pedestrian traffic over, through and across such portions of the Common Property as may from time to time be paved and or otherwise intended for purposes of ingress, egress and access to the public ways and for such other purposes as are commensurate with need, and such easement or easements shall be for the use and benefit of the Owners, and those claiming by, through or under the Owners; provided, however, nothing herein shall be construed to give or create in any person the right to park upon any portion of the Common Property, except in a manner consistent with the Declaration.

F. **PERMITS.** THIS PROPERTY WAS DEVELOPED IN ACCORDANCE WITH REQUIREMENTS OF THE ARMY CORPS OF ENGINEERS ("ACOE") AND PERMIT NUMBER 4-031-105515-1 ISSUED BY THE SJRWMD. ANY OWNER OWNING A LOT WHICH CONTAINS OR IS ADJACENT TO JURISDICTIONAL WETLANDS AS ESTABLISHED BY THE ACOE OR SJRWMD, SHALL, BY ACCEPTANCE OF TITLE TO THE LOT, BE DEEMED TO HAVE ASSUMED ALL OBLIGATIONS UNDER THE FOREGOING PERMITS AS SUCH RELATES TO ITS LOT AND SHALL AGREE TO MAINTAIN SUCH JURISDICTIONAL WETLANDS IN THE CONDITION REQUIRED UNDER THE PERMITS AND TO OTHERWISE COMPLY THEREWITH. IN THE EVENT THAT AN OWNER VIOLATES THE TERMS AND CONDITIONS OF SUCH PERMITS AND FOR ANY REASON THE DEVELOPER IS CITED THEREFORE, THE OWNER AGREES TO INDEMNIFY AND HOLD THE DEVELOPER HARMLESS FROM ALL COSTS ARISING IN CONNECTION THEREWITH, INCLUDING WITHOUT LIMITATION ALL COST AND ATTORNEYS' FEES AS WELL AS ALL COSTS OF CURING SUCH VIOLATION.

G. **Developer's Rights.** Developer, its successors and assigns, shall have the unrestricted right, without approval or joinder of any other person or entity: (i) to designate the use of, alienate, release, or otherwise assign the easements shown on the Plat, (ii) to plat or replat all or any part of the Property owned by Developer, and (iii) to widen or extend any right of way shown on the Plat or convert a Lot to use as a right of way, provided that Developer owns the lands affected by

such change. Owners of Lots subject to easements shown on the Plat shall acquire no right, title, or interest in any of the cables, conduits, pipes, mains, lines, or other equipment or facilities placed on, over, or under the easement area unless installed by such Owner and specifically conveyed to such Owner. The Owners of Lots subject to any easements shall not construct any Improvements on the easement areas, alter the flow or drainage, or landscape such areas with hedges, trees, or other landscape items that might interfere with the exercise of the easement rights. Any Owner who constructs any approved Improvements or landscaping on such easement areas shall remove the Improvements or landscape items upon written request of Developer, the Association, or the grantee of the easement.

H. Easements and Reservations for Developer and Association for Ingress, Egress and Utilities. There is reserved in the Developer and the Association, their successors and assigns, the right to create utility easements and to install utilities and to use same over and across the Property for the benefit of the Developer and the Association, their successors and assigns and any designated provider of such utility services. Such right to create and install and use utilities shall not encumber or encroach upon any Residence or impair the exclusive use and ownership of any Residence. Such use of the lands for utilities shall be established as five feet (5') on either side of the actual installed Improvement. There is reserved in the Developer and the Association the right of ingress and egress over all of the Property, except within the Residences.

I. Reservation in the Developer to Use Facilities for Sale, Marketing, and Advertising. It is contemplated that the Developer will construct and market all of the Lots or Residences within the Property. Developer reserves, for Developer, its successors and assigns, the right to use all unsold Lots or Residences (including Residences designated as a sales office and/or model Residence) and all recreational facilities for the marketing, sale, and advertising of all Residences constructed. For so long as the Developer owns an interest in any portion of the Property with the intention to sell Residences and for a period running one (1) year from such date, the Owners, the Association and the Association's management company are prohibited from restricting access to the Property, including without limitation the Common Property, by agents or sales prospects, until all Residences or Lots have been conveyed to Owners. This reservation is made notwithstanding the use restrictions set forth in Article IX of this Declaration, and such reservation is intended with respect to the Developer, its successors and assigns, to be superior to such use restriction in Section IX.S. Such reservation shall continue for so long as the Developer, its successors and assigns, shall own an interest in the Property with the intention to sell Residences to the public. Notwithstanding anything to the contrary in this Declaration, Developer may maintain a model and sales center on the Property for a period of one (1) year following the date of sale of the last Lot owned by the Developer, which model and sales center may be used for the purpose of marketing other properties owned or developed by Developer.

J. Re-Use Water. At such time as re-use water is available to the Property, Developer or Association may be required to use such re-use water for irrigation. All Owners hereby understand and agree that they will comply with all applicable governmental requirements and hereby indemnify and agree to hold Developer harmless therefrom and from any and all claims, loss, damage or liability arising from or in connection with the installation, distribution and use of such re-use water.

K. Recorded Easements. All easements depicted on the Plat and all easements and restrictions of record, including easements created by this Declaration, affecting any Lot.

V. STORMWATER MANAGEMENT SYSTEM

A. Blanket Easement. The plan for the development of the Property includes the construction of a Stormwater Management System, which may include, without limitation, retention lakes, swales, conduits, wires, pipes, pumps, berms and access easements to the Stormwater Management System as shown on the Plat. Developer hereby reserves for itself, its successors and assigns, and grants to the Association and its designees, a perpetual, nonexclusive easement over and across all areas of the Stormwater Management System for the drainage of stormwater from the Property. Portions of the Stormwater Management System are located entirely within Lots. The Association is granted an easement over any Lots to the extent necessary or convenient for the Association to perform its maintenance, operation and repair of the storm water management system. Lot owners shall not place any structures or make any improvements within any areas of the Stormwater management system, to include areas where there are no structures or ponds, but are used for access, maintenance, operation and repair of the system.

B. Maintenance. The Association is granted a perpetual, nonexclusive easement for ingress and egress, at all reasonable times and in a reasonable manner, over and across the Stormwater Management System and over any portion of a Lot which is a part of the Stormwater Management System, or upon which a portion of the Stormwater Management System is located to operate, maintain, and repair the Stormwater Management System as required by the SJRWMD permit. Such right expressly includes the right to cut any trees, bushes or shrubbery, to make any gradings of soil, construct or modify any berms placed along the rear of any Lots as part of the Stormwater Management System, or take any other action reasonably necessary, following which Developer or the Association

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

The Association shall be responsible for the maintenance, operation, and repair of the surface water or Stormwater management system. Maintenance of the Stormwater Management System shall mean the exercise of practices which allow the Stormwater Management System to provide drainage, water Storage, conveyance or other surface water capabilities as permitted by the SJRWMD. Any repair or reconstruction of the Stormwater Management System shall be consistent with the Permit as originally issued or any modification that may be approved by the SJRWMD. In order to provide adequate assurance that the Stormwater Management System will adequately function, the following maintenance procedures shall be followed:

1. The Association shall inspect or cause to be inspected all inlets and control structures for vandalism, deterioration or accumulation of sand and debris.

2. The Association shall assure that all debris or sand shall be removed from the inlets and control structures and any orifice system.

The Association shall inspect and repair or cause to be inspected and repaired all skimmer boards around control structures as necessary.

Conservation Easement. Each Owner acknowledges and agrees that portions of the Property are subject to the terms and conditions of a conservation easement in favor of SJRWMD recorded at Official Records Book 15952 page 1687 of the public records of Duval County, Florida. Additionally, from time to time the Developer may be required to record a conservation easement over a portion of the Property, as determined by the SJRWMD, Department of Environmental Protection and/or the Army Corps of Engineers.

VI. MAINTENANCE, REPAIR AND REPLACEMENT

A. Common Property. It shall be the responsibility of the Association to manage and maintain the Common Property in a clean, attractive, sanitary and serviceable condition, and in good order and repair, subject to all governmental regulations, for the benefit of all Owners. Such maintenance shall include without limitation the obligation to maintain the parking areas, any recreational facilities within the Common Property, all landscaping on any open areas or green space within the Common Property (provided, however, that neither Developer nor the Association shall be deemed a guarantor of such landscaping), any sidewalks or paved areas serving the Property, all fences and monuments serving the community as a whole, and all obligations under any Permits issued with respect to the Common Property. The Association's duties shall commence upon the completion of any Improvements upon the Property, irrespective of which entity holds title thereto, and shall include the management, operation, maintenance, repair, servicing, replacement, and renewal of all Improvements, equipment, and tangible personal property installed by Developer as a part of the Common Property. Without limiting the generality of the foregoing, the Association shall assume all of the Developer's responsibilities to the County and the State and their respective governmental and quasi-governmental subdivisions and similar entities with respect to the Common Property and shall indemnify and hold Developer harmless. In accordance with Articles III.A and XII, if any Common Property, facilities, or personal property of the Association or Developer are damaged or destroyed as a result of the negligence, misuse, error, act or the failure to act by an Owner or any of his guests, tenants, invitees, agents, employees, or family members, the Association shall repair the Common Property facilities and/or personal property in a good and workmanlike manner, in accordance with the original plans and specifications for the Common Property, or as the Common Property may have been modified or altered subsequently by the Association. The cost of such repairs shall be the responsibility of that Owner and shall be a Lot Assessment, payable by the responsible Owner immediately upon receipt of a written invoice or statement.

B. Residences.

1. Lot and Residence Maintenance. Each Owner shall keep all parts of his Lot and Residence in good repair and condition and shall, at such Owner's cost and expense maintain and repair his Residence including, without limitation, repainting or re-staining the exteriors of the Residence, repair or replacement of roofing, repair or replacement of windows and doors (including repair or replacement of glass and screens), repair or replacement of building materials on the exterior of the residence. The foregoing obligations shall include all maintenance, repair or replacement required because of the occurrence of any fire, wind, vandalism, theft or other casualty. All maintenance and repair shall be performed by each Owner at regular intervals as shall be necessary to keep the Residence in an attractive condition and in substantially the same condition

and appearance as existed at the time of completion of construction; subject to normal wear and tear that can not be avoided by normal maintenance. Each Owner shall promptly perform any maintenance or repair requested by the Association.

2. Owner Failure to Maintain. In the event an Owner fails to perform its obligations with respect to Lot maintenance as set forth herein, including maintaining his Lot and Residence in good order and in a clean and attractive manner, the Association may, but is not obligated to, after thirty (30) days written notice to the Owner and with the approval of the majority of the Board of Directors, shall have the right to enter upon such Lot to maintain the Lot, including without limitation mowing grass and weeds of the Lot. The cost of such maintenance shall be the responsibility of the Owner, payable by the responsible Owner immediately upon receipt of a written invoice or statement therefore. Such cost shall constitute a special assessment for which a claim of lien may be filed or enforced against the Owner's Lot. Further, it shall be each Owner's responsibility and obligation to keep all parts of his or her Lot free and clear of trash and debris.

VII. ASSESSMENTS

A. Rates of Assessments. Assessments shall be made at a uniform rate against applicable "Assessment Units". For the purposes hereof, each Lot shall constitute one (1) Assessment Unit.

B. Annual Assessments. For each Lot within the Property, Developer covenants, and Owner, by acceptance of a deed or other conveyance, agrees to pay annual assessments ("Annual Assessments") and other Assessments hereafter described, levied by the Association for the improvement, maintenance, repair and replacement and operation of the Common Property, the Lots and the Residences, including, without limitation, the maintenance, operation, repair and replacement of the Stormwater Management System (including, but not limited to, work within retention areas, drainage structures, and drainage easements), any rental or lease cost for street lighting, the management and administration of the Association, and the furnishing of services, maintenance, repair and replacements as set forth in this Declaration. As further hereinafter described, the Board of Directors, by majority vote, shall set the Annual Assessments at a level sufficient to meet the Association's obligations, including contingencies and reserves as the Board of Directors may from time to time deem reasonable and necessary.

C. Emergency Assessments. The Association may also levy an emergency assessment ("Emergency Assessment") at any time by a majority vote of the Board of Directors, for the purpose of defraying, in whole or in part, the cost of any extraordinary or emergency matters that affect the Common Property, the Lots or Members of the Association, including but not limited to, after depletion of any applicable reserves, any unexpected expenditures not provided for by the budget or unanticipated increases in the amounts budgeted. Any Emergency Assessment levied hereunder shall be due and payable at the time and in the manner specified by the Board of Directors in the action imposing such Assessment.

D. Special Assessments. In addition to the Annual and Emergency Assessments which are or may be levied hereunder, the Association (through the Board of Directors) shall have the right to levy a special assessment ("Special Assessment") against some or all Owner(s) to obtain funds for a specific purpose(s) which is of a non-recurring nature, for which no reserve funds (or inadequate reserve funds) have been collected or allocated, and which is not the appropriate subject of an Emergency Assessment; provided however that any Special Assessment shall be approved by a two-thirds (2/3) vote of the Members of the Association present in person or by proxy at a duly called meeting of the Association. Any such Special Assessment shall be subject to all of the applicable provisions of this Article including, without limitation, lien filing, foreclosure procedures, late charges and interest. Any Special Assessment levied hereunder shall be due and payable at the time and in the manner specified by the Board of Directors in the action imposing such Assessment.

E. Lot Assessments. The Association may, from time to time, levy a lot assessment ("Lot Assessment") against a particular Lot and the Owner thereof by a majority vote of the Board of Directors, (i) for the construction, reconstruction, repair, or replacement of a capital improvement upon or serving the specific Lot, including any additional special services to such Lot, the cost of which is not included in the Annual Assessment; or (ii) to reimburse the Association for any costs it incurs as a result of the Owner's failure to comply with this Declaration or any damage to the Common Property. Any fines assessed under Article XIV shall be deemed to be a Lot Assessment. Any Lot Assessment levied hereunder shall be due and payable at the time and in the manner specified by the Board of Directors in the action imposing such Assessment.

F. Commencement of Annual Assessments. The Annual Assessments provided for in this Article shall commence with respect to each Lot on the date of conveyance of the Lot to an Owner, other than Developer or a Developer appointed builder constructing the initial Improvements. During the initial year of ownership, the Owner subject to Assessments shall be responsible for the pro rata share of the Annual Assessment or Special Assessment charged to each Lot, prorated to the day of closing on a per diem basis. Each subsequent Annual Assessment shall be imposed for the year beginning January 1 and ending December 31. The Annual Assessments shall

be payable in advance in annual, semi-annual, quarterly or monthly installments, or in such other installment increments as the Board deems appropriate. The Assessment amount (and applicable installments) may be changed at any time by said Board from that originally stipulated or from any other Assessment that is in the future adopted, but the amount of any revised Assessment to be levied during any period shorter than a full calendar year shall be in proration to the number of months (or other appropriate installment) remaining in such calendar year.

G. Effect of Non-Payment of Assessment; the Personal Obligation; Remedies of the Association; the Lien; Application of Payments.

1. Each Owner of a Lot, by acceptance of a deed or other transfer document therefore, whether or not it shall be so expressed in such deed or transfer document, is deemed to covenant and agree to pay to the Association the Assessments established or described in this Article. If the Assessments (or installments) provided for herein are not paid on the date(s) when due (being the date(s) specified herein or pursuant hereto), then such Assessments (or installments) shall become delinquent and shall, together with late charges, interest thereon, reasonable attorney's fees and the cost of collection thereof as hereinafter provided (collectively "Delinquent Fees"), thereupon become a continuing lien on the Lot which shall bind such property in the hands of the then Owner, his heirs, personal representatives, successors and assigns. Except as provided below to the contrary, each such Assessment, together with such Delinquent Fees, shall be the personal obligation of the person who is the Owner of such property at the time when the Assessment fell due and all subsequent Owners until paid, and recourse may be had against either or both. Any and all persons acquiring title to or an interest in a Lot as to which the Assessment is delinquent, including without limitation persons acquiring title by operation of law and by judicial sales, shall not be entitled to the occupancy of such Lot or the enjoyment of the Common Property until such time as all unpaid and delinquent Assessments due and owing from the selling Owner have been fully paid. Provided, however, that the provisions of this Section shall not be applicable to the mortgagees and purchasers contemplated by Section VII.H below. Unless provided for in a Mortgage on a Lot, failure to pay Assessments does not constitute a default under a Mortgage.

2. If any installment of an Assessment is not paid within thirty (30) days after the due date, such unpaid installments shall accrue interest at the rate of eighteen percent (18%) per annum from the date when the installment was due until paid.

3. The Association may bring an action at law against the Owner(s) personally obligated to pay the delinquent Assessments, may record a claim of lien (as evidence of its lien rights as herein above provided for) against the Lot on which the Assessments and Delinquent Fees are unpaid, may foreclose the lien against the Lot on which the Assessments and Delinquent Fees are unpaid, or may pursue one or more of such remedies at the same time or successively. Attorneys' fees and costs actually incurred in preparing and filing the claim of lien and the complaint, if any, and prosecuting same, in such action shall be added to the amount of such Assessments and Delinquent Fees secured by the lien. In the event a judgment is obtained, such judgment shall include all such sums as above provided and attorneys' fees actually incurred, whether incurred before, or at trial, on appeal, in post judgment collection or in bankruptcy, together with the costs of the action. The lien provided for in this Article shall be perfected by filing a claim of lien in the public records of the County in favor of the Association.

4. Each Owner, by his acceptance of title to a Lot, expressly vests in the Association the right and power to bring all actions against such Owner personally for the collection of such Assessments as a debt and to enforce the aforesaid by all methods available for the enforcement of such liens, including foreclosures by an action brought in the name of the Association in a like manner as a mortgage lien on real property and such Owner is deemed to have granted to the Association a power of sale in connection with such lien. No Owner may waive or otherwise escape liability for the Assessments by abandonment of his Lot. Reference herein to Assessments shall be understood to include reference to any and all of said charges whether or not specifically mentioned.

5. All Assessments, late charges, interest, penalties, fines, attorney's fees and other sums provided for herein shall accrue to the benefit of the Association.

6. The Association, acting on behalf of the Owners, shall have the power to bid for an interest in any Lot at such foreclosure sale and to acquire, hold, lease, mortgage and convey the same, with the approval of two-thirds (2/3) of the Members.

7. All payments on accounts shall be first applied to interest accrued by the Association, then to any administrative late fees, then to outstanding fines, then to costs and attorneys fees and then to the delinquent Assessment payment first due.

8. It shall be the legal duty and responsibility of the Association to enforce payment of the Assessments hereunder. Failure of a collecting entity to send or deliver bills or notices of Assessments shall not, however, relieve Owners from their obligations hereunder.

9. The Association shall have such other remedies for collection and enforcement of Assessments as may be permitted by applicable law. All remedies are intended to be, and shall be, cumulative.

H. Subordination of the Lien. The lien of the Assessments shall be inferior and subordinate to real property tax liens and the lien of any Institutional Mortgagee, but only to the extent of the Mortgage balance outstanding as of the date the notice of an Assessment was first recorded against the Lot, plus interest and reasonable costs of collection accruing thereafter. The sale or transfer of any Lot shall not affect the Assessment; however, the sale or transfer of any Lot pursuant to foreclosure of a Mortgage or deed in lieu thereof shall extinguish the lien of an Assessment as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve the transferee of such Lot from liability for any Assessments thereafter becoming due or from the lien thereof, nor the Owner responsible for such payments from such Owner's personal liability as provided herein. Any unpaid assessment which cannot be collected as a lien against any Lot by reason of the provisions of this Section shall be deemed to be an assessment divided equally among, payable by and a lien against all Lots subject to assessment by the Association, including the Lots as to which the foreclosure (or conveyance in lieu of foreclosure) took place. Mortgagees shall in no event be responsible or liable for the collection of any Assessments.

I. Collection of Assessments. In the event that at any time the collection of Assessments levied pursuant hereto is made by an entity other than the Association, all references herein to collection (but not necessarily enforcement) by the Association shall be deemed to refer to the other entity performing such collection duties and the obligations of Owners to pay Assessments shall be satisfied by making such payments to the applicable collecting entity. No Mortgagee shall be required to collect Assessments.

J. Developer's Assessments. Notwithstanding anything herein to the contrary, Developer shall have the option, in its sole discretion, to (i) pay Assessments on the Lots owned by it, or (ii) not pay Assessments on some or all Lots owned by it and in lieu thereof fund any resulting deficit in the Association's operating expenses not produced by Assessments receivable from Owners other than Developer and any other income receivable by the Association. The deficit to be paid under option (ii) above shall be the difference between (a) actual operating expenses of the Association (exclusive of capital improvement costs and reserves) and (b) the sum of all monies receivable by the Association (including, without limitation, Assessments, interest, late charges, capital contributions, fines and incidental income) and any surplus carried forward from the preceding year(s). Developer may from time to time change the option under which Developer is making payments to the Association by written notice to such effect to the Association. When all Lots within the Property are sold and conveyed to purchasers, neither Developer nor its affiliates shall have further liability of any kind to the Association for the payment of Assessments, deficits or contributions.

K. Association Funds. The portion of all Annual Assessments collected by the Association for reserves for future expenses, and the entire amount of all Special and Emergency Assessments, shall be held by the Association and may be invested in interest bearing accounts or in certificates of deposit or other like instruments or accounts available at banks or savings and loan institutions, the deposits of which are insured by an agency of the United States.

L. Working Capital Contribution. Each purchaser shall be required to make a one time working capital contribution to the Association in the amount determined by the Association from time to time, which may be used for additional capital improvements or services which were not included in the original budget categories and which may be used by the Developer to fund the operating deficit.

M. Budget.

1. Fiscal Year. The fiscal year of the Association shall consist of the twelve (12) month period commencing on January 1 of each year.

2. Initial Budget. Developer shall establish the budget for the fiscal year in which a Lot is first conveyed to an Owner other than Developer or a builder.

3. Preparation and Approval of Annual Budget. Commencing November 1st of the year in which a Lot is first conveyed to an Owner other than Developer, and on or before November 1 of each year thereafter, in accordance with the procedures set forth in the Bylaws, the Board of Directors shall adopt a budget for the coming year containing an estimate of the total amount which it considers necessary to pay the cost of all expenses to be incurred by the Association to carry out its responsibilities and obligations, including, without limitation, the cost of wages, materials, insurance premiums, services, supplies, and other expenses for the rendering to the Owners of all services required or permitted hereunder. Such budget shall also include such reasonable amounts as the Board of Directors considers necessary to provide working capital for the Association and to provide for a general operating reserve and reserves for contingencies and replacements.

a. The Board of Directors of the Association shall prepare a roster of the Lots and Assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner. The Board of Directors shall send to each Owner a copy of the budget, in a reasonably itemized form which sets forth the amount of the Annual Assessments payable by each Owner, on or before December 15 preceding the fiscal year to which the budget applies. Such budget shall constitute the basis for determining each Owner's Annual Assessment as provided above. The Assessments shall be determined by dividing the amount of the budget by the number of Lots subject to the Declaration.

b. In the event no such notice of the Assessments for a new Assessment period is given, the amount payable shall continue to be the same as the amount payable for the previous period, until changed in the manner provided for herein. The failure or delay of the Board of Directors to prepare or adopt an annual budget or adjusted budget for any fiscal year shall not constitute a waiver or release in any manner of an Owner's obligation to pay his Assessments, as herein provided, whenever the same shall be determined.

c. The Association, through the action of its Board of Directors, shall have the power, but not the obligation, to enter into an agreement or agreements from time to time with one or more persons, firms or corporations (including affiliates of Developer) for management services, including the administration of budgets and Assessments as herein provided. The Association shall have all other powers provided in its Articles of Incorporation and Bylaws.

4. Reserves. The Association shall maintain such reserves as it deems reasonable or necessary for (i) working capital, (ii) contingencies, (iii) replacements, and (iv) the performance of such other coordinating or discretionary functions not contrary to the terms of this Declaration which the Board of Directors may from time to time approve, which may be collected as part of the Annual Assessment as provided above. The Developer's obligation to fund the deficit shall not include any obligation to fund any reserve component of the budget. The amount and manner of collection of reserves shall be as determined by the Board of Directors, in its sole discretion. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year shall be charged first against such reserves. Except in the event of an emergency, reserves accumulated for one purpose may not be expended for any other purpose unless approved by a vote or written consent of the Members owning a majority of the Lots. If the reserves are inadequate for any reason, including nonpayment of any Owner's Assessment, the Board of Directors may, at any time, levy a Special Assessment or Emergency Assessment by establishing a budget for such Assessment and then after approved by the Board of Directors levying this Assessments, which may be payable in a lump sum or in installments as the Board of Directors may determine. In the event there is a balance of reserves at the end of any fiscal year and the Board of Directors so determines, any excess reserves may be taken into account in establishing the next year's budget and may be applied to defray general expenses incurred thereunder.

5. Accounts. Except as otherwise provided herein, all sums collected by the Board of Directors with respect to Assessments against the Owners may be commingled in a single fund.

N. Exempt Property. The following properties subject to this Declaration shall be exempted from the Assessments, Assessment Charges, and liens created herein: (a) all properties dedicated to and accepted by a governmental body, agency or authority; (b) all Common Property (except that portion of the Common Property located within a Lot); and (c) all Lots or Property owned by Developer (including, without limitation, any Lot used or leased by Developer for a model home, construction facility, or other use) shall be exempt from payment of Assessments for so long as Developer funds any deficit in the annual budget, which deficit shall be the difference between the actual expenses incurred by the Association and the budgeted amounts due from the Owners of Lots other than Developer (excluding any obligation to fund reserves). Developer shall fund such expenses only as they are actually incurred by the Association during the period that Developer is funding the deficit. Developer's obligation to fund any deficits shall terminate at Turnover. Developer may, but is not obligated to, assign this exemption right to any entity it may determine, including without limitation any builder owning Lots solely for the purpose of constructing Residences intended to be sold to ultimate purchasers. Any such assignment of Developer's exemption shall have no effect on Developer's exemption hereunder.

O. Real Estate Taxes. In the event the Common Property is taxed separately from the Lots, the Association shall include such taxes as part of the Annual Assessment. In the event the Common Property is taxed as a component of the value of the Lot owned by each Owner, it shall be the obligation of such Owner to promptly pay such taxes prior to their becoming a lien on the Property.

P. Certificate of Payment. The Treasurer of the Association, or the management company authorized by the Board of Directors, upon demand of any Owner liable for an Assessment, shall furnish to such Owner a certificate in writing setting forth whether such Assessment has been paid. Such certificate shall be conclusive evidence of payment of any Assessment therein stated to

have been paid. The Association or Management Company may assess a reasonable charge for the services involved in preparing such certificate, as applicable.

VIII. ARCHITECTURAL CONTROL

A. Purpose. The Association, through the ARB, shall have the right to exercise architectural control over all Improvements constructed, erected, or placed upon any part of the Property, to assist in making the Property a community of high standards and aesthetic beauty. Such architectural control may include all architectural aspects of any such Improvement including, without limitation, size, height, site planning, setbacks, exterior design, materials, colors, open space, landscaping, waterscaping, and aesthetic criteria; provided however, that any ARB approval shall not be deemed a statement, representation or indication that such Improvement complies with any applicable law, regulation or ordinance. The ARB review is not intended to be a condition to the issuance of a building permit by the County and the review undertaken by the Developer or the ARB is not to be construed as any quasi-governmental action. The Developer shall have the sole right to approve the initial Improvements on the Property and the rights granted to the ARB hereunder shall only be in effect after the Lot has been completed.

B. Members of ARB. Initially, the ARB shall consist of one (1) member designated by Developer. The initial member shall hold office until all Lots and improvements planned for the Property have been constructed and conveyed (if appropriate), or sooner at the option of Developer. Thereafter, the ARB shall consist of three (3) members and each new member of the ARB shall be appointed by the Board of Directors and shall hold office until such time as he has resigned or has been removed or his successor has been appointed, as provided herein. If the Board of Directors fails to so appoint the ARB, then the Board of Directors shall constitute the ARB. Members of the ARB (other than those appointed or designated by the Developer) may be removed by the Board of Directors at any time without cause. Members of the ARB appointed or designated by the Developer may only be removed by the Developer.

C. Meetings of the ARB. The ARB shall meet from time to time as necessary to perform its duties hereunder. The ARB may from time to time, by resolution unanimously adopted in writing, designate a ARB representative (who may, but need not, be one of its members) to take any action or perform any duties for and on behalf of the ARB, except the granting of variances pursuant to Section VIII.K hereof. In the absence of such designation, the vote of any two (2) members of the ARB shall constitute an act of the ARB.

D. Compensation of Members. The members of the ARB shall receive no compensation for services rendered, other than reimbursement for expenses incurred by them in the performance of their duties hereunder, or unless engaged by the Association in a professional capacity.

E. Improvements Subject to Approval. Construction, modifications and alterations subject to approval by the ARB specifically include, but are not limited to, (a) altering, painting, erecting or maintaining on the property a building, fence, wall, shed, storage, or other secondary or detached structure or improvement (including, but not limited to, landscaping, hurricane protection, basketball hoops, pool, birdhouses, other pet houses, swales, asphaltting or other improvements or changes of any kind); (b) any addition, change or alteration (including paint or exterior finishing) visible from the exterior of any Lot improvement; (c) any painting or other alteration of the exterior appearance of the Lot improvement or appurtenance including but not limited to garage, doors and windows; (d) installation of antennae, satellite dishes or receivers, solar panels or other similar devices; (e) screened enclosures; (f) signs, whether located on the Lot, or in the windows of any Improvements on the Lot; (g) gates; (h) playground equipment; (i) flower boxes, shelves, statues or other outdoor ornamentation; (j) patterned or brightly colored window coverings; (k) alteration of the landscaping or topography of the Property, including without limitation, any cutting or removal of trees (unless replacing an original tree with the exact same type of tree), planting or removal of plants; (l) construction, modification or alteration of any Improvement, any nature whatsoever, except for interior alterations not affecting the external structure or appearance of any Lot or any Improvement; (m) attachment of or placement upon outside walls or roofs of buildings or other improvements of an awning, canopy or shutter; and (n) all other modifications, alterations or improvements visible from any road or other Lots. All of the foregoing are jointly referred to herein as "Proposed Improvements". Interior alterations not affecting the external structure or appearance of any Lot or Improvement shall not require the approval of the ARB.

None of the above shall be commenced until the plans and specifications showing the nature, kind, shape, height, materials and location of the proposed construction, alteration or addition shall have been submitted to, and approved in writing by, the ARB. Notwithstanding the foregoing, all Owners may paint without the approval of the ARB provided that the paint color is the same or substantially similar to the color originally painted. The ARB shall approve proposals or plans and specifications submitted for its approval only if it deems that the construction, alterations or additions contemplated thereby, in the locations indicated, will not be detrimental to the appearance of the Property as a whole, and that the appearance of any structure affected thereby will be in harmony with the surrounding structures and landscaping and is otherwise desirable. The ARB may condition its approval of proposals and plans and specifications, as it deems appropriate, and may

require submission of additional plans and specifications or other information prior to approving or disapproving material submitted.

F. Procedures.

1. Application. It shall be the responsibility of each Owner to supply two (2) sets of the following documents, materials and items to the ARB for use in its review process: (i) the construction plans and specifications, if any, including all proposed landscaping; (ii) an elevation or rendering of all Proposed Improvements, if any; (iii) samples of materials or paint colors; and (iv) such other items as the ARB may deem appropriate. Until receipt by the ARB of any required plans and specifications, the ARB may postpone review of any plans submitted for approval. The ARB shall approve or disapprove the documents properly submitted to it in writing within thirty (30) days of such submission. If the ARB does not act within the thirty (30) day period (unless an extension is agreed to) from receipt of all required documentation in acceptable form, the plans and specifications for the Proposed Improvements shall be deemed to have been disapproved. With respect to all Improvements, other than the initial Improvements, a review fee may be established and charged on a case by case basis, in the sole discretion of and in an amount set by the ARB. If a review fee is charged by the ARB, it shall be non-refundable in any event, whether or not the application submitted by an Owner is approved.

2. Compliance Binder. At the time of submission of the review fee and the documents, materials and items listed above (as to other Proposed Improvements), and upon the request of the ARB, the Owner and/or builder shall also submit a construction compliance binder in such amount as may be required by the ARB from time to time in the sole discretion of the ARB. The construction compliance binder is intended to insure that the Owner and any contractors or builders comply with the plans approved by the ARB, the Declaration and any rules or regulations established by the ARB and to insure the satisfactory completion of all Proposed Improvements according to the plans approved by the ARB. If, in the opinion of the ARB, the Proposed Improvements have been satisfactorily completed in substantial compliance with the plans and specifications approved by the ARB, then the ARB agrees to return the construction compliance binder, less any fees or penalties as set forth below. The ARB has complete discretion to retain all or any portion of the construction compliance binder for any non-compliance, which remedy shall be in addition to any other remedy under this Declaration. Any retained sums shall be remitted to and shall be the property of the Association.

3. Basis for Decision. Approval shall be granted or denied by the ARB based upon compliance with the provisions of this Declaration and any guidelines established pursuant thereto, the quality of workmanship and materials, the harmony of external design with its surroundings, the effect of the construction on the appearance from surrounding Lots, and all other factors, guidelines and standards promulgated from time to time, including purely aesthetic considerations, which, in the sole opinion of the ARB, will affect the desirability or suitability of the construction. In connection with its approval or disapproval of an application, the ARB shall evaluate each application for total effect. The evaluation relates to matters of judgment and taste which cannot be reduced to a simple list of measurable criteria. It is possible, therefore, that an application may meet individual criteria and still not receive approval, if in the sole judgment of the ARB, its overall aesthetic impact is unacceptable. The approval of an application shall not be construed as creating any obligation on the part of the ARB to approve applications involving similar designs for different Lots. In addition, the ARB shall have the right to waive or modify the requirements as more fully set forth in Section VIII.K.

4. Uniform Procedures. The ARB may establish revised uniform procedures for the review of applications, including the assessment of the Compliance Binder, review costs and fees, if any, to be paid by the applicant and the time and place of meetings. No submission for approval shall be considered by the ARB unless and until such submission, in compliance with the provisions of this Article, has been accepted by the ARB. Any architectural guidelines established by the Developer or ARB may be amended as the Developer or ARB may determine.

5. Notification. Approval or disapproval of applications to the ARB shall be given to the applicant in writing within thirty (30) days of receipt thereof, by the ARB in accordance with the procedures adopted by the ARB. The ARB shall indicate its approval by stamping the plans with its seal and the date of approval. If the ARB disapproves the requested Proposed Improvement, it shall provide written notice of such disapproval to the Owner. Disapproval by the ARB may be appealed to the Board of Directors, and the determinations of the Board of Directors shall be dispositive. If the ARB does not act within the thirty (30) day period (unless an extension is agreed to) from receipt of all required documentation in acceptable form, the plans and specifications for the Proposed Improvements shall be deemed to have been disapproved. No construction (other than initial Improvements) on any Lot or within the Property shall be commenced, and no Lot shall be modified, except in accordance with such approved plans and specifications. All work done by a Member after receiving the approval of the ARB shall be subject to the inspection by, and final approval of, the ARB in accordance with its procedural rules adopted as herein provided. All changes and alterations shall also be subject to all applicable permit requirements and to all applicable governmental laws, statutes, ordinances, rules, regulations, orders and decrees.

G. No Waiver of Future Approvals. The approval of the ARB of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of the ARB, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings or matters subsequently or additionally submitted for approval or consent.

H. Enforcement. In the event this paragraph is violated in that any Improvement is made without first obtaining the approval of the ARB, or is not made in strict conformance with any approval given or deemed given by the ARB, the ARB, as the authorized representative of the Association, shall specifically have the right to injunctive relief to require the applicable Owner to stop, remove and/or alter any Improvement in a manner which complies with the requirements of the ARB, or the ARB may pursue any other remedy available to it. In connection with the enforcement of this paragraph, the ARB shall have the right to enter onto any Property and make any inspection necessary to determine that the provisions of this paragraph have been complied with. The failure of the ARB to object to any Improvement prior to the completion of the Improvement shall not constitute a waiver of the ARB's right to enforce the provisions of this paragraph. Any action to enforce this paragraph must be commenced within one (1) year after notice of the violation by the ARB, or within three (3) years after the date of the violation, whichever occurs first. The foregoing shall be in addition to any other remedy set forth herein for violations of this Declaration.

I. ARB Rules. The ARB shall adopt reasonable rules of procedure and standards for the submission and review of any matter to be brought before it and the inspection and final approval of any completed work done pursuant to an approval of the ARB. Such rules shall be (i) subject to the prior approval of the Board of Directors, (ii) consistent with the covenants and restrictions set forth in this Declaration and (iii) published or otherwise made available to all Members and their contractors, subcontractors and other appropriate designees. All rules of the ARB shall be adopted and/or amended by a majority vote thereof, provided that no amendment shall be applicable to any matter submitted to the ARB prior to the making of such amendment.

J. Non-Liability. The ARB and Developer shall merely have the right, but not the obligation, to exercise architectural control and thus neither the Association, the Board of Directors, the ARB, the Developer nor any member thereof, nor any duly authorized representative of any of the foregoing, shall be liable to any Owner, its successors, assigns, personal representatives or heirs or any other person or entity for any loss, damage or injury arising out of or in any way connected with the performance or non-performance of the ARB's duties hereunder. The ARB shall review and approve or disapprove all plans submitted to it for any proposed improvement, alteration or addition solely on the basis of aesthetic considerations and the benefit or detriment which would result to the immediate vicinity and to the Property, generally. The ARB shall take into consideration the aesthetic aspects of the architectural designs, placement of buildings, landscaping, color schemes, exterior finishes and materials and similar features. Furthermore, the approval of any plans and specifications or any Proposed Improvements shall not be deemed to be a determination or warranty that such plans and specifications or Proposed Improvements are complete, do not contain defects, are structurally safe or in fact meet any standards, guidelines, or criteria of the ARB or Developer, or are in fact architecturally or aesthetically appropriate, or comply with any applicable governmental or industry requirements, standards or codes and neither the ARB, the Association, nor Developer shall be liable for any defect or deficiency in such plans and specifications or Proposed Improvements, the safety, soundness, workmanship, materials, usefulness for any purpose or any injury to persons or property resulting therefrom. By submitting a request for the approval of any improvement or alteration, the requesting Owner shall be deemed to have automatically agreed to hold harmless and indemnify the aforesaid members and representatives, and the Association generally, from and for any loss, claim or damages connected with the aforesaid aspects of the improvements or alterations. Additionally, neither the Association, the Board of Directors, any member or representative of the ARB nor Developer shall be liable for any work or construction performed by any builder approved by the ARB and/or Developer, and the selection or inclusion of any builder shall not be deemed to be a determination or warranty of such builder's skills, workmanship, product or abilities. An Owner shall rely exclusively on its contracts with the builder for any and all rights, obligations and remedies it may have with respect to the construction of the residence.

K. Variance. The ARB may authorize variances from compliance with any of the architectural control provisions of this Declaration when circumstances such as topography, natural obstructions, hardship, aesthetic or environmental considerations require, but only in accordance with its duly adopted rules and regulations. Such variances may only be granted, however, when unique circumstances dictate and no variance shall (i) be effective unless in writing, (ii) be contrary to the restrictions set forth in this Declaration, or (iii) stop the ARB from denying a variance in other circumstances.

L. Exemptions. Developer and its affiliates shall be exempt from the provisions hereof with respect to alterations and additions desired to be effected by any of them and shall not be obligated to obtain ARB approval for any construction or changes which any of them may elect to make at any time.

M. Reservation of Right to Release Restrictions. In each instance where a structure has been erected, or construction thereof has substantially advanced, in such a manner that some portion of the structure encroaches on any Lot line, setback line, or easement area, Developer reserves for itself, its successors, assigns and designees, the right to release such Lot from the encroachment and to grant a variance to permit the encroachment without the consent or joinder of any person, irrespective of who owns the burdened Lot or easement areas, so long as Developer, in the exercise of its sole discretion, determines that the release or exception will not materially or adversely affect the value of the adjacent Lot and the overall appearance of the Property. This reserved right shall automatically pass to the Association when Developer no longer owns any portion of the Property. Upon granting of an exception to an Owner, the exception shall be binding upon all subsequent Owners of the affected Lots.

N. General Powers of the Association and the ARB. The Association (and the ARB, as appropriate) shall have the absolute power to veto any action taken or contemplated to be taken which is or would be governed by this Article. The Association may require specific maintenance or repairs or aesthetic changes to be effected, require that a proposed budget include certain items and that expenditures be made therefore as the Association deems appropriate from time to time.

O. Remedy for Violations. If an Owner erects or constructs an Improvement or structure in violation of this Article, the Developer may summarily and without the permission or consent of the Owner, enter upon the Lot and remove the unpermitted Improvements or structure, in which case neither the Developer, the Association nor their agents or employees will be liable to the Owner or any party claiming by, through or under the Owner for any damages to person or property arising out of such entry and removal. The Owner shall be and remain liable for all costs incurred in connection therewith which costs will be due and payable to the Association on the day of entry and removal and will thereafter bear interest at the rate of the greater of eighteen percent (18%) per annum or the highest rate allowed by law. All such costs shall be a Special Assessment and shall be secured by a lien on the Lot, which lien is created, evidenced and enforced and is subject to those limitations as provided for in this Declaration. Alternatively, if any Improvement or structure is erected or constructed without first obtaining the approval of the ARB or Developer, as applicable, or is not constructed in strict compliance with any approval given or deemed given by the ARB or Developer, as applicable, or the provisions of this Article are otherwise violated, the ARB, as the authorized representative of the Association or the Developer, shall have the specific right to injunctive relief to require the Owner to stop, remove, and alter any Improvements in order to comply with the requirements hereof, or the ARB or Developer may pursue any other remedy available to it. In connection with this Section, the ARB and Developer shall have the right to enter into any Lot and make any inspection necessary to determine that the provisions of this Declaration have been complied with. The failure of the ARB or Developer to object to any Proposed Improvement prior to its completion shall not constitute a waiver of the ARB's or Developer's right to enforce this Article. The foregoing rights shall be in addition to any other remedy set forth herein, including without limitation the fining provisions set forth in XIV for violations of this Declaration.

P. Architectural Guidelines. The ARB or Developer, as applicable, shall consider the following paragraphs in connection with their review, together with any architectural guidelines which may be issued by the ARB or Developer from time to time. Specific references to the ARB or Developer in these provisions shall not be construed as a limitation of the general review power of the ARB or Developer, as set forth in this Article.

1. Builder Approval. Included within the Developer's right to approval initial Improvements is the Developer's right to approve the builder to construct the initial Improvements. The initial Improvements shall only be constructed by builders approved by the Developer; provided however, that Developer shall not be responsible for or a guarantor of the performance by any builder of all or any part of the builder's obligations.

2. Construction Obligation. The initial Improvements to be constructed on each Lot must be constructed within twenty-four (24) months from the date an initial purchase and sale agreement is entered into with the Developer.

3. Initial Home Building. Classic American Building and Remodeling d/b/a Lowcountry Classics Custom Homes has been granted the right to submit their plans in bulk at the onset of the community. These plans will follow the same criteria as set forth in this Article VIII.

4. Building Type. No building shall be erected, altered, placed or permitted to remain on a Lot, other than one (1) detached single family Residence which shall not exceed thirty-five (35) feet in height and shall have a private and enclosed garage.

5. Minimum Residence Area. Each Residence constructed upon the Property must contain at least sixteen hundred (1600) square feet of heated and air conditioned floor area, provided however, Developer shall have the right to approve Residences which contain up to ten percent (10%) less square feet of heated and air conditioned floor area, if the Developer deems it to be reasonable or necessary.

6. Lot Coverage. The total ground area to be occupied by any Residence shall not exceed thirty-five percent (45%) of the ground area of the Lot upon which the Residence is located.

7. Building Restriction Setback. The Property shall be subject to the following building setback restrictions: side setback is five (5) feet, rear setback is ten (10) feet and front setback is twenty (20) feet on all Lots except cul de sacs which shall have a minimum setback of twenty-five (25) feet. All homes shall be set back twenty (20) feet off the front Lot line. No vertical construction shall be permitted within the building setback area. All other buildings and structures shall be a minimum of ten (10) feet from the overall Property boundary.

8. Building Height Restriction. Residences shall be limited to a maximum of two (2) stories and thirty-five (35).

9. Roofs. Any protrusions through roofs for power ventilators, antenna or other apparatus shall not be permitted unless approved by Developer, in its sole discretion, as a part of the initial Improvements or approved thereafter by the ARB. To the extent any such protrusions are approved by the Developer or ARB, as applicable, such protrusion shall not be visible from lands adjacent to the Property or from any public street. To the extent any such protrusions are approved by the Developer or ARB, as applicable, the Owner shall be responsible, at its sole cost and expense, for any damage caused to the roof by such protrusion in accordance with the terms and conditions of Article VI.B.1. All Owner(s) shall obtain the prior written consent of the ARB for all re-roofing and re-shingling of the Residence other than with the same materials and same color. Notwithstanding the foregoing, thirty (30) year architectural shingles or metal roofing are required at a minimum.

10. Removal and Replacement of Trees. In order to preserve the environment and migratory bird populations, no trees which remain on a Lot at the time of completion of the initial Improvements thereon shall be felled, removed, or cut down unless such tree represents a hazard to the Residence or other Improvements on the Lot, or to persons occupying or utilizing the Property. If any tree located on the Lot at the time of completion of the initial Improvements thereafter dies, such tree shall be replaced by the Owner, at the Owner's expense, by a similar tree.

11. Garages. All garages must have either a single overhead door with a minimum door width of sixteen (16) feet for a two (2) car garage, or two (2) sixteen (16) foot doors for a four (4) car garage, or two (2), three (3) or four (4) individual doors, each a minimum of ten (10) feet in width (or eight (8) feet with a two (2) foot separation). No carports will be permitted unless approved by Developer or the ARB, as applicable.

12. Driveway Construction. All Residences shall have a paved driveway of stable and permanent construction of a width of at least nine (9) feet, but not less than door-to-door width, at the entrance of the garage. All driveways must be constructed with approved materials.

13. Fences. No fences or walls shall exceed six (6) feet in height and no chain link fence shall be allowed on any Lot. All fences must be approved in advance by the ARB. No fence or wall shall be built beyond the imaginary line extending from the front corner of the Residence to the side lot lines. For corner Lots, no fence or wall on the side common to the street right of way shall extend forward of the rear corner of the Residence.

14. Patios and Patio Enclosures. The Developer must approve any screened patio enclosure that is constructed as part of the initial Improvements. The ARB must approve any screened or glassed in patio enclosure that is constructed thereafter. The patio shall not be used for storage. All furniture on patios shall be of a type designed for outdoor use.

15. Antennae and Other Devices. Subject to federal guidelines, all antennae, satellite dishes and other receptor devices to be installed on the Property shall be no larger than thirty-nine inches (39") in diameter and twelve (12') feet in height and must be approved in advance by the ARB. Owners shall endeavor to assure that such a device is placed in the backyard or screened in to the extent possible away from the view of others.

16. Landscape Buffers. The Property shall be subject to the landscape setback requirements depicted on the Plat. No Improvements other than driveways and landscaping and related Improvements shall be allowed within the landscape buffer area; provided, however, that the landscape setback restrictions shall not prohibit Developer from constructing a wall along the perimeter of the Property.

17. Landscaping. A detailed landscaping plan for each Lot must be submitted to and approved by Developer as part of the plans and documents for the initial Improvements. All plant material shall be of Florida Grade Number One or better. Each Lot shall be fully sodded (except for natural areas) and irrigated. Every effort should be made to use indigenous, drought tolerant species

18. Artificial Vegetation. No artificial grass, plants, or other artificial vegetation shall be placed or maintained upon the exterior portion of any Lot, unless approved by Developer or the ARB, as applicable.

19. Lighting. No lighting will be permitted which alters the residential character of the Property.

20. Recreational Structures and Equipment. No basketball backboards, tennis courts or play sets or structures shall be located on or within a Lot or basketball backboards in the street without ARB approval.

21. Utility Connections. Building connections for all utilities, including, but not limited to, electricity, telephone and television, shall be run underground from the connecting points to the Residence in a manner acceptable to the governing utility authority.

22. Window Coverings. Reflective window coverings, heat mats and window coverings made of paper products are expressly prohibited. Stained-glass windows shall be permissible upon approval of the ARB. The ARB may prohibit window treatments which are not reasonably compatible with the aesthetic standards of the Property.

23. Mailboxes. No mailboxes other than those approved by Developer shall be permitted. No paper box or other receptacle of any kind for any use in the delivery of mail, newspapers, magazines, packages, or similar materials shall be erected on any Lot unless approved by the ARB.

24. Energy Conservation. Solar energy and other energy conservation devices shall not be erected on a Residence or Lot without first obtaining the prior written consent of the Developer or ARB, as applicable. Such devices are not prohibited or discouraged, but the design and appearance of such devices will be closely scrutinized and controlled by the ARB or Developer, as applicable, to assure consistency with the aesthetic standards of the Property.

25. Docks. The SJRWMD specifically reserves the right to construct, operate, and maintain one private dock or pier upon each waterfront lot on Merritt Creek. Each dock or pier shall meet the requirements of 62-330.427 of the Florida Administrative Code and shall not together with any existing structures, exceed a total area of 2,000 square feet and shall not accommodate the mooring of more than two watercraft. Prior to construction, the property owner shall submit a dock construction plan drawing to the SJRWMD and the HOA for review and approval. The plan shall include sufficient information to verify the dock is consistent with all of the criteria in 62-330.427, F.A.C.

IX. USE OF PROPERTY AND LOTS

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

B. Applicability. The provisions of this Section IX shall be applicable to all of the Property but shall not be applicable to Developer or any of its designees or to Lots, or other property owned by Developer or its designees.

C. Lot Resubdivision. No Lot shall be further subdivided, replatted, or separated into smaller Lots by any Owner. Provided however, this restriction shall not prohibit corrective deeds or similar corrective instruments. As set forth above, Developer shall have the right to reconfigure Lots or modify subdivision plats of the Property if Developer owns all the Lots within the legal description of the Property to be subjected to the replat, or if all Owners of Lots which are included within the portion of the Plat so modified consent to such modification, which consent shall not be unreasonably withheld or delayed.

D. Uses of Lots. RiverEdge is a residential community, and therefore, each of the Lots shall be occupied only as a single-family residential private dwelling by no more than eight (8) persons at any one time. Home-based occupations may be operated out of the Lots, provided, that: (i) there are no employees working within the Lots, (ii) there is no signage; (iii) the Lot is not used to receive clients and/or customers; (iv) there are not excessive deliveries made to the Lot; (v) the home-based occupation does not generate additional visitors or traffic into the Lot or any part of the Property and (vi) such use meets all other municipal code and zoning requirements. Notwithstanding the foregoing, the Developer has the right to use the Property for sales and marketing purposes.

E. Easements. Easements for the installation and maintenance of utilities and community systems are reserved as shown on the recorded plats covering the Property and/or as provided herein. The area of each Lot covered by an easement and all improvements in such area shall be maintained

continuously by the Association to the extent provided herein, except for installations for which a public authority or utility company is responsible. The appropriate water authority, electric utility company, telephone company, the Association, and Developer and its affiliates, and their respective successors and assigns, shall have a perpetual use easement (but not the obligation for the installation and maintenance of all underground utilities) in, over, under and through water lines, storm drains, and electric, telephone and community system lines, cables and conduits, under and through the utility easements as shown on the plats.

F. Nuisances; Other Improper Use. Nothing shall be done or maintained on any Lot or Common Property, which may be or become an annoyance, nuisance or be detrimental to the other Lots or Common Property or its occupants. Any activity on a Lot, which interferes with television, cable or radio reception on another Lot shall be deemed a nuisance and a prohibited activity. No immoral, offensive, or unlawful use shall be made of the Property or any part thereof as determined by the Board of Directors. All laws, zoning ordinances, orders, rules, regulations, and requirements of any governmental agency having jurisdiction relating to any portion of the Property shall be complied with, by and at the sole expense of the Owner or the Association, whichever shall have the obligation to maintain or repair such portion of the Property. No waste will be committed upon the Common Property. Owners hereby acknowledge that construction and development activities on or about the Property during daylight hours shall not be deemed to be a nuisance. In the event of a dispute or question as to what may be or become a nuisance, such dispute or question shall be submitted to the Board of Directors, which shall render a decision in writing, which decision shall be dispositive of such dispute or question.

G. Oil and Mining Operation. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in the Property, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in the Property. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any portion of the Property subject to these restrictions.

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

I. Retention Pond. Swimming in the Retention Pond on the Property is prohibited. Boating of any kind on the Retention Pond, including, without limitation, sailboats, canoes, gas powered boats, electric powerboats and jet skis is prohibited.

J. Insurance. Nothing shall be done or kept in any Lot or in the Common Property that will increase the rate of insurance for the Property or any other Lot, or the contents thereof, without the prior written consent of the Association. No Owner shall permit anything to be done or kept on his Lot or in the Common Property which will result in the cancellation of insurance on the Property or any other Lot, or the contents thereof, or which would be in violation of any law.

K. Soliciting. No soliciting, for profit or non-profit means, will be allowed at any time within the Property, which shall include without limitation, distribution of marketing materials or newsletters without approval by the Board of Directors.

L. Leasing of Residences. Entire Residences may be rented provided the occupancy is only by the lessee, his family and guests. No rooms may be rented. The lease of any Residence shall not release or discharge the Owner from compliance with any of his obligations and duties as a Owner. No lease or sublease shall be for a period of less than twelve (12) calendar months unless approval is obtained from the Board of Directors (e.g. a Owner cannot lease its Residence for twelve (12) months or more and then allow the lessee to rent out all or any portion of the Residence for periods of less than twelve (12) months).

Every lease shall be in writing and must be provided to the Association at least ten (10) days prior to the commencement of the lease. Such lease must provide the name and contact information for the tenants as well as a current address of the Owner. Leases are not subject to approval by the Association.

The lease shall specifically provide (or, if it does not, shall be automatically deemed to provide) that a material condition of the lease shall be the tenant's full compliance with the covenants, terms, conditions and restrictions of the Declaration (and all exhibits thereto), and with any and all rules and regulations adopted by the Association from time to time (before or after the execution of the lease). The lease must contain a provision in which the tenant signs and acknowledges the receipt of a copy of the Declaration and the rules and regulations in effect at the time of the lease (if applicable). The lease must provide that a violation of the Declaration shall constitute a default under the lease. The Owner will be jointly and severally liable with the tenant to the Association for any amount which is required by the Association to repair any damage to the Property resulting

from acts or omissions of tenants (as determined in the sole discretion of the Association) and to pay any claim for injury or damage to property caused by the negligence of the tenant and special Assessments may be levied against the Lot therefore. All leases are subordinate to any lien filed by the Association, whether prior or subsequent to such lease.

When a Residence is leased, a tenant shall have all use rights in the Property otherwise readily available for use generally by Owners, and the Owner of the leased Residence shall not have such rights, except as a guest, unless such rights are waived in writing by the tenant. Nothing herein shall interfere with the access rights of the Owner as a landlord pursuant to Chapter 83, Florida Statutes. The Association shall have the right to adopt rules to prohibit dual usage by a Owner and a tenant of the Property otherwise readily available for use generally by Owners.

A covenant shall exist designating the Association as the Owner's agent for the purpose of and with the authority to terminate any such lease agreement in the event of violations by the tenant of the above referenced declarations or rules and regulations, which covenant shall be an essential element of any such lease or tenancy agreement.

M. Parking and Vehicular Restrictions. All parking within the Property shall be in accordance with rules and regulations adopted from time to time by the Association. All vehicles on the Property must be operational, in good repair, must bear a current license and registration tag, as required pursuant to state law and must be in a good, clean and attractive condition.

Prohibited Vehicles. No commercial trucks, vans or other commercial vehicles shall be parked in any parking space except with the written consent of the Board of Directors of the Association, except such temporary parking spaces provided for such purpose as may be necessary to effectuate deliveries to residents. It is acknowledged that there are pickup trucks and vans that are not used for commercial purposes, but are family vehicles. It is not intended that such noncommercial, family vehicles be prohibited. A commercial vehicle is one with signage, lettering or display on it, has equipment affixed to it, or is used in a trade or business. No trailers, campers, motor home or recreational vehicles, commercial vehicle, boat or utility trailers, boats, jet skis, personal watercraft, or any watercraft may be parked or stored anywhere on the Property except wholly within the confines of the garage. Notwithstanding the foregoing, motor home or recreational vehicles which are owned or being utilized by the Owner may be parked in the driveway for not more than twenty-four (24) hours straight for loading and unloading purposes. All vehicles will be subject to height, width and length restrictions and other rules and regulations now or hereafter adopted. No vehicle may block the sidewalk for more than twenty-four (24) hours straight.

Vehicle Maintenance. No person shall conduct any motor vehicle, boat, trailer or other vehicle maintenance or repair on or within the Property, including without limitation the Common Property and Lots, except wholly within the confines of the garage.

Towing. Any vehicle or recreational equipment parked in violation of these or other regulations contained herein or in the rules and regulations adopted by the Association may be towed by the Association at the sole expense of the owner of such vehicle or recreational equipment if it remains in violation of the terms and conditions of this Declaration following notice by the Association. The Association shall not be liable to the owner of such vehicle or recreational equipment for trespass, conversion, damages, or otherwise, nor guilty of any criminal act by reason of such towing, and neither its removal nor failure of the owner of such vehicle or recreational equipment to receive any notice of said violation shall be grounds for relief of any kind. All towing shall be performed in accordance with Section 715.07, Florida Statutes.

N. Signs. No sign, advertisement or notice of any type or nature whatsoever including, without limitation, "For Sale" and "For Lease" signs, shall be erected or displayed upon any Lot, Common Property, or from any window, while Developer is conducting its sales efforts. After Seller has finished its sales within RiverEdge property, all signs must have advance written approval of its size, shape, content, appearance and location from the ARB prior to being posted, which approval may be withheld for any reason, and the ARB may, in its sole discretion, prohibit all signs. Notwithstanding the foregoing, Developer shall be entitled to install such marketing signs as are necessary and convenient during the period of time the Developer is marketing the Lots.

O. Pets. Owners are granted a license to maintain not more than a total of three (3) pets per Lot, provided such pets are (a) permitted to be so kept by applicable laws and regulations, (b) not a breed considered to be dangerous by the Board of Directors (c) dogs or cats only, except as set forth below. Pets shall not create a nuisance to other Owners. No pet will be permitted on the Property which creates a nuisance. Pet sitting for outside pets is permitted as long as the number of pets maintained within a Lot does not exceed the maximum number allowed.

All permitted pets must be caged or on a short leash at all times when they are on any portion of the Property (except the Owner's Lot). Pets are not allowed to roam freely. Owners are required to pick up, remove and properly dispose of litter deposited by their pets on the Property.

Animals that are typically kept in cages or containers wholly within the Residences such as small

caged birds, fish, lizards, turtles and hamsters may be maintained provided such animals are of a breed or variety commonly kept as household pets in similar buildings, are not kept or bred for any commercial purpose, and are kept in strict accordance with the rules and regulations outlined in this policy and in accordance with applicable law. If any such pets become a nuisance, the Board of Directors shall have the right, but not the obligation, to require their removal. Wild animals, exotic animals, farm animals and poisonous/venomous creatures are not allowed, including but not limited to any variety of pigs, skunks, tarantulas and similar animals and snakes.

Neither the Board, Developer, nor the Association shall be liable for any personal injury, death or property damage resulting from a violation of the foregoing rules and regulations governing pets and every Owner maintaining a pet on the Property agrees to defend, indemnify and hold the Association, its Board of Directors, Developer, each Owner and the management company and their employees harmless against any loss, claim, damage or liability of any kind or character whatsoever arising or growing out of the privilege of having a pet on the Property. Any landscaping damage or other damage to the Property, caused by an Owner's pet must be promptly repaired by the Owner. The Association retains the right to affect said repairs and charge the Owner therefore.

A violation of the provisions of this Section shall entitle the Association and the Board of Directors to all of its rights and remedies available under the Declaration, Bylaws, Florida Statutes and any applicable rules and regulations, including, but not limited to, the right to fine Owners and/or to require any pet to be permanently removed from the Property. This Section shall also apply to tenants who have pets.

P. Flags. Each Owner may display one portable, removable United States flag or official flag of the State of Florida in a respectful manner and, on Armed Forces Day, Memorial Day, Flag Day, Independence Day, September 11 and Veterans Day, or one portable, removable official flag, not larger than 4½ feet by 6 feet, that represents the United States Army, Navy, Air Force, Marine Corps or Coast Guard in a respectful manner.

Q. Garbage and Trash Containers. All garbage and trash containers must be concealed by a structure built with the same exterior materials and color as the Residence. Each Owner shall be required to use the trash container, if any, provided by the City of Jacksonville. No garbage or trash shall be placed anywhere other than in the Owner's trash container, and no portion of the Property shall be used for dumping refuse. Each Owner shall be responsible for placing its trash container in its driveway for curb-side pick up by the applicable sanitary waste pick up provider; provided, however, that an Owner shall remove the trash container from the concealed area no earlier than the evening prior to trash pick up and shall return the trash container to the concealed area no later than the evening of the trash pick-up day. No rubbish, trash, garbage or other waste material shall be kept or permitted on Common Property except in containers located in appropriate areas, if any, and no odor shall be permitted to arise therefrom so as to render Common Property or any portion thereof unsanitary, unsightly, offensive or detrimental to any other property in the vicinity thereof or to its occupants.

R. Window Air Conditioners. No window air conditioning unit shall be installed in or on any of the Residences.

S. Temporary Structures. No structure of a temporary character, including, without limitation, any trailer, tent, shack, barn, shed, construction trailers, construction dumpsters, portable on demand storage units or other temporary storage units, or other outbuilding, shall be permitted on any Lot at any time, unless approved by the ARB, except temporary structures maintained by the Developer for the purpose of construction of Residences. All air conditioning units and pool equipment pads shall be concealed by a structure built with the same exterior materials and color as the Residence. This section shall not preclude Developer from maintaining temporary structures for the purpose of construction of any Improvements or Residences and the marketing and sales of Lots until such time as all Residences are constructed and sold.

T. Use of Common Property. The Common Property shall be used only for the purpose for which it is intended in the furnishing of services and facilities for the enjoyment of the Residences. All Owners and their guests and invitees shall comply with any and all rules and regulations adopted by the Board of Directors (including without limitation permitted hours of usage and guest policies) relating to the Common Property. Each Owner acknowledges and agrees that if the Owner is leasing its Residence, the tenant/occupant of the Residence shall have the right to use the Common Property recreational facilities, if any, during the term of the lease, and Owner shall not have any right to use any of the Common Property recreational facilities during such lease term.

U. Pest & Insect Control. Each Owner shall be responsible for all pest and insect control within the Lot and Residence.

V. Clothesline. No clotheslines or other clotheslines-drying facility shall be permitted without the prior written approval of the ARB.

W. Access. Owners shall allow the Board of Directors or the agents and employees of the Association to enter any Lot for the purpose of performing any obligation set forth in this Declaration or in case of emergency, for any lawful purpose, or to determine compliance with this Declaration.

X. Variances. The Board of Directors of the Association shall have the right and power to grant variances from the provisions of this Article and from the Association's rules and regulations for good cause shown, as determined in the reasonable discretion of the Board. No variance granted as aforesaid should alter, waive or impair the operation or effect of the provisions of this Article in any instance in which such variance is not granted.

Y. Proviso. Until the Developer has completed all of the contemplated Improvements and closed the sale of all of the Residences within the Property, neither the Owners nor the Association, nor the use of the Property shall interfere with the completion of the contemplated Improvements and the sale of the Residences. Developer may make such use of the unsold Residences and Common Property, as may facilitate such completion and sale, including, but not limited to, maintenance of a sales office, showing of the property within the RiverEdge community and the display of signs.

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

X. INSURANCE

The insurance that shall be carried by the Association and the Lots is governed by the following provisions:

A. Common Property Insurance. The Board of Directors shall obtain insurance on the Common Property, consistent with prudent business judgment, including the following:

1. Hazard insurance on the Common Property and any Improvements constructed thereon, with extended coverage, vandalism, malicious mischief and windstorm endorsements in an amount not less than that necessary to comply with the coinsurance percentage stipulated in the policy, and in any event not less than eighty percent (80%) of the insurable replacement value (based upon replacement cost) of the Improvements constructed on the Common Property.

2. All personal property included in the Common Property that is owned by the Association shall be insured for its value, as determined annually by the Board of Directors.

3. Public liability insurance in such limits as the Board of Directors may from time to time determine, insuring against any liability of the Association but not individual Owners arising out of, or incident to, the ownership or use of the Common Property. Such insurance shall be issued on a comprehensive liability basis and shall contain a "severability of interest" endorsement which shall preclude the insurer from denying the claim of an Owner because of negligent acts of the Association, the Board of Directors, or other Owners. The Board of Directors shall review such limits once each year.

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

C. Worker's Compensation. The Board of Directors shall obtain and maintain worker's compensation insurance for Association employees, if and to the extent necessary to meet the requirements of law.

D. Flood Insurance. The Board of Directors shall obtain and maintain flood insurance covering Improvements located within the Common Property, where such Improvements are located within a flood zone designated "A".

E. Other Insurance. The Board of Directors shall obtain such other insurance as the Board of Directors may determine or as may be requested from time to time by a majority of the Owners.

F. Generally. The Board of Directors may from time to time increase or decrease the types and amounts of insurance coverage, as may be necessary or convenient to comply with requirements of Institutional Mortgagees or based upon the cost and availability of such coverage. The premiums for policies maintained by the Association shall be paid by the Association as an

expense to be passed on to the Owners as part of their Annual Assessments. All insurance policies purchased by the Association shall be for the benefit of the Association, and shall provide that all proceeds covering losses shall be paid to the Association.

XI. RECONSTRUCTION OR REPAIR AFTER CASUALTY OR CONDEMNATION.

Common Property. Except as set forth in Article III.B, in the event of damage to or destruction of all or any the Improvements on the Common Property as a result of fire or other casualty, the Board of Directors shall arrange for and supervise the prompt repair and restoration of such Improvements substantially in accordance with the plans and specifications under which the Improvements were originally constructed, or any modification thereof approved by Developer or the ARB. The Board of Directors shall proceed towards reconstruction of such Improvements as quickly as practicable under the circumstances, and shall obtain funds for such reconstruction from the insurance proceeds and any Special Assessments that may be necessary after exhaustion of reserves for the repair and replacement of such Improvements. Nothing contained herein shall impose absolute liability for damages to the Common Property on the Owners.

XII. ASSOCIATION LIABILITY.

A. **Disclaimer of Liability.** Notwithstanding anything contained in this Declaration, in the Articles or Bylaws, or in any other document governing or binding the Association (collectively, "Association Documents"), neither Developer nor the Association shall be liable or responsible for, or shall be deemed in any manner a guarantor or insurer of, the health, safety or welfare of any Owner or user of any portion of the Property, including, without limitation, Owners, occupants, tenants, and their families, guests, invitees, agents, servants, contractors or subcontractors, nor for any property of such persons.

B. **Specific Provisions.** Without limiting the generality of the foregoing:

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

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

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

4. Notwithstanding the duty of the Association to maintain and repair parts of the Property, the Association shall not be liable to Owners for entry or damage, other than the cost of maintenance and repair, caused by any latent condition of the Property, including the Residences. Further, the Association shall not be liable for any such injury or damage caused by defects in the design or workmanship or other reason connected with any additions, alterations or Improvements or other activities done by or on behalf of any Owners regardless of whether or not the same shall have been approved by the Association as provided hereunder. The Association shall not be liable to any Owner or lessee or to any other person or entity for any property damage, personal injury, death or other liability on the grounds that the Association did not obtain or maintain insurance (or carried insurance with any particular deductible amount) for any particular matter where: (i) such insurance is not required hereby or (ii) the Association could not obtain such insurance at reasonable cost or upon reasonable terms.

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

XIII. PROPERTY SUBJECT TO THIS DECLARATION AND ADDITIONS THERETO

A. **Existing Property.** The land that initially is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration consists of the Property.

B. **Additional Property.**

1. By Developer. Developer shall have the right, but not the obligation, for so long as it owns Additional Property, from time to time in its sole discretion, to annex into the Property and to include within this Declaration, any Additional Property with no further consent of owners or mortgagees, except that if any land, other than the Property or Additional Property is annexed by the Developer, Developer shall obtain the prior approval of the VA/FHA.

2. By Association. The Association may annex Additional Property which it owns or which others own, to the Property with the approval of two thirds (2/3) of the vote of the Board of Directors and with the consent of the owners of the property to be annexed. Residences constructed on the Additional Property may be different in appearance from existing Residences, and may be constructed in a style or other manner.

C. Supplemental Declaration. Any such additions authorized in paragraph B shall be made by the filing of record of one or more supplemental declarations. With respect to the Additional Property annexed by the Developer, the supplemental declaration need only be executed by the Developer; in the case of Additional Property to be annexed by the Association, the supplemental declaration shall be executed by the President of the Association and the owner of the land to be subjected, if not the Association, and shall state that such annexation is in accordance with the resolution passed by the Association in accordance with the terms of this Declaration. A supplemental declaration shall contain a statement that the real property that it the subject of the supplemental declaration constitutes Additional Property which is to become a part of the Property subject to this Declaration. In addition, the supplemental declaration may contain additional covenants and restrictions provided that such covenants and restrictions are consistent with those contained herein. Supplemental declarations may permit attached housing, zero lot line housing, condominium units or other styles of dwellings permitted by the applicable zoning and a separate declaration with respect thereto may also be recorded. Such supplemental declaration shall become effective upon being recorded in the public records of the County.

D. Effect of Annexation. In the event that any Additional Property is annexed to the Property pursuant to the provisions of this Article upon recording of the supplemental declaration, (a) such Additional Property shall be considered within the definition of the term Property for all purposes of this Declaration, and (b) all voting of each class of membership of the Association and all voting by the Owners hereunder shall be aggregated, it being intended that (i) any voting requirements need not be fulfilled separately for the Additional Property, and (ii) any Class B Member shall at all times have a majority of the votes of the Association until converted to Class A membership as described in Article II. Owners, upon recordation of any supplemental declaration, shall also have a right and non-exclusive use and enjoyment in and to the Common Property within the Additional Property so annexed and any obligation to contribute to the cost of improvement, operation and maintenance of such Common Property within the annexed land. Provided however, until a supplemental declaration is recorded subjecting any portion of the Additional Property to the Declaration, the fact that such Additional Property is described on Exhibit A shall not constitute and shall in no way be deemed or construed to be a defect or encumbrance on the title of the Additional Property.

E. Withdrawal. The Developer may, at any time in its sole discretion, determine to withdraw property, including but not limited to Tract A, from this Declaration by recording in the public records a Declaration of Withdrawal of the Property which shall be consented to by the owner of the Property and its mortgagee, if any, if such Property is not owned by the Developer. Subsequent to the termination of the Developer's ownership of any property subject to the Declaration, the Association may withdrawal property in the manner stated herein with the consent of the owner and any mortgagee, if the owner is not the Association.

XIV. ENFORCEMENT OF COVENANTS

A. Enforcement of Covenants. If any person, firm, corporation, company, partnership, trust, or other entity shall violate or attempt to violate any of the covenants or restrictions set forth in this Declaration or the Rules and Regulations, it shall be lawful for Developer, the Association, or any Owner: (a) to prosecute proceedings for the recovery of damages against those so violating or attempting to violate any such covenant or restriction; or (b) to maintain a proceeding in any court of competent jurisdiction against those so violating or attempting to violate any such covenant or restriction for the purpose of preventing or enjoining all or any such violations or attempted violations. In addition to all other remedies, the Board of Directors shall have the authority, in its sole discretion, to suspend the Owner's (and Owner's family, tenants, guests or invitees) right to use the Common Property recreational facilities for so long as the violation continues and to levy reasonable fines against Owner for the failure of the Owner, his family, tenants, guests or invitees, to comply with any covenant, restriction, rule, or regulation contained in this Declaration, the Articles, or the Bylaws, provided the following procedures are adhered to:

1. The Association shall give the Owner at least fourteen (14) days notice of the violation(s) and of the right to have a hearing before a committee of at least three (3) Owners appointed by the Board of Directors, which committee members shall not be officers, directors or employees of the Association or the spouse, parent, child, brother, or sister of an officer, director or

employee of the Association. The notice shall contain a date and time for a proposed hearing which shall be at least fourteen (14) days from the date of notice. If the Owner notified of the violation(s) and the fine fails to appear at the hearing or fails to request a hearing at another time, which time shall in no event be set more than thirty (30) days after notification of the violations(s) and the fine, the right to the hearing shall be deemed to be waived and the fine shall be considered levied.

2. At any hearing, the committee shall be presented with the violation(s) and shall give the Owner the opportunity to present reasons why penalties should not be imposed. A written decision of the committee shall be provided to the Owner within twenty-one (21) days after the date of the hearing.

3. If a hearing is requested and results in the approval of the fine by the committee, the fine levied by the Board of Directors may be imposed against the Owner, his family, tenants, guests or invitee.

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

5. Amounts: The Board of Directors (if its or such panel's findings are made against the Owner) may impose Special Assessments against the Lot owned by the Owner as follows:

a. First non-compliance or violation: a fine not in excess of One Hundred Dollars (\$100.00);

b. Second non-compliance or violation: a fine not in excess of Five Hundred Dollars (\$500.00);

c. Third and subsequent non-compliance, or a violation or violations which are of a continuing nature after notice thereof (even if in the first instance): a fine not in excess of One Thousand Dollars (\$1,000.00);

d. Provided, however, to the extent that state law is modified to permit fines of greater amounts, the Declaration shall be automatically amended to include such increase.

6. Payment of Fines: Fines shall be paid not later than thirty (30) days after notice of the imposition or assessment of the penalties.

7. Collection of Fines: Fines shall be treated as a Special Assessment subject to the provisions for the collection of Assessments, and the lien securing same, as set forth herein.

8. Application of Proceeds: All monies received from fines shall be allocated as directed by the Board of Directors.

9. Non-Exclusive Remedy: The imposition of a fine shall not be an exclusive remedy and shall exist in addition to all other rights and remedies to which the Association may otherwise be entitled, including without limitation the right to impose a Lot Assessment as a lien on the Lot; however, any fine paid by the Owner shall be deducted from or offset against any damages which the Association may otherwise be entitled to recover by law from such Owner. The limitations on fines in this paragraph do not apply to suspensions or fines arising from failure to pay Assessments.

10. No Waiver: The failure of Developer, the Association, or any Owner, or their respective successors or assigns, to enforce any covenant, restriction, obligation, right, power, privilege, authority, or reservation herein contained, however long continued, shall not be deemed a waiver of the right to enforce the same thereafter as to the same breach or violation, or as to any other breach or violation occurring prior or subsequent thereto.

XV. GENERAL PROVISIONS

A. Duration. This Declaration, as amended and supplemented from time to time, shall run with and bind the Property, and shall inure to the benefit of and be binding upon Developer, the Association, the Owners, and their respective legal representatives, heirs, successors or assigns, for a term of forty (40) years from the date this Declaration is recorded in the public records of the County, after which time all of said provisions shall be extended automatically for successive periods of ten (10) years each, unless an instrument or instruments signed by the then Owners of seventy-five percent (75%) of the Lots subject to this Declaration is recorded in the public records of the County, agreeing to terminate all of said provisions as of a specified date. Unless this Declaration is terminated as provided above, the Board of Directors shall rerecord this Declaration or other notice of its terms at intervals necessary under Florida law to preserve its effect.

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

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

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

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

F. Rules and Regulations. All Owners shall comply with any and all rules and regulations adopted and amended from time to time by the Board of Directors. Such rules and regulations shall be for the purpose of elaboration and administration of the provisions of this Declaration and shall relate to the overall development of the Property, including the operation, use, maintenance and control of the Residences, Lots, Common Property and any facilities or services made available to the Owners, and shall not in any way diminish the powers of self-government of the Association. A copy of any rules and regulations, which may be adopted from time to time, will be made available to each Owner upon receipt of such Owner's request. The Board of Directors shall publish all rule changes upon their implementation.

G. Developer Exemption.

In order that the development of the Property may be undertaken, no Owner, nor the Association shall do anything to interfere with Developer's activities as are more fully set forth as follows:

1. Prevent Developer, or its successors or assigns from filing Supplemental Declarations, which add or withdraw additional property as otherwise provided in this Declaration; or

2. Prevent Developer from modifying, changing, re-configuring, removing or otherwise altering any improvements located on the Common Property.

In general, the Developer shall be exempt from all restrictions set forth in this Declaration to the extent such restrictions interfere in any matter with Developer's plans for construction, development, use, sale or other disposition of the Property, or any part thereof.

H. Litigation. No judicial or administrative proceedings shall be commenced or prosecuted by the Association unless the same is approved by written consent of the Owners of seventy-five percent (75%) of the Lots subject to this Declaration. This paragraph shall not apply, however, to: (a) actions brought by the Association to enforce and provisions of this Declaration (including, without limitation, foreclosure of lien); (b) imposition of Assessments as provided herein; (c) proceedings involving challenges, to any taxation; or (d) counterclaims brought by the Association in proceedings instituted against it. Notwithstanding the provisions of this paragraph, this paragraph shall not be amended unless such Amendment is approved by Developer or is approved by the percentage vote pursuant to the same procedures as are necessary to institute proceedings and provided above.

I. Amendment. This Declaration may be amended at any time by an instrument signed by the President or Vice President and the Secretary or Assistant Secretary of the Association,

certifying that such amendment has been adopted by the written consent of sixty-six and two-thirds percent (66 2/3%) of the Class A Members or upon a sixty-six and two-thirds percent (66 2/3%) vote of the Class A Members voting in person or by proxy at a regular Association meeting or a special meeting called for that purpose at which there is a quorum, which amendment shall become effective upon its filing in the public records of the County. Provided, however, that:

1. As long as Developer is an Owner of any Lot, no amendment that materially and adversely affects the Developer shall become effective without the written consent of Developer.

2. Until Turnover, any amendments to this Declaration (including, without limitation, any amendment which results in the annexation of additional lands into the Property, the merger or consolidation of the Association with any other property owners association, the dedication of any part of the Common Property for public use (other than the initial Common Property), and the conveyance, mortgaging or encumbrance of any part of the Common Property) must have prior written approval of the FHA or VA in accordance with HUD regulations, if the FHA or VA is the insurer of any Mortgage encumbering a Lot.

3. Developer specifically reserves the absolute and unconditional right (subject only to FHA or VA approval as set forth above, if required), so long as it owns any of the Property, to amend this Declaration without the consent or joinder of any party: (i) to conform to the requirements of any holder of a Mortgage; (ii) to conform to the requirements of title insurance companies; (iii) to conform to the requirements of any governmental entity having control or jurisdiction over the Property; or (iv) to clarify the provisions of this Declaration or to correct scrivener's errors in this Declaration.

4. SJRWMD. This Declaration shall not be amended in any manner so as to adversely affect the rights of the SJRWMD without the written approval of the SJRWMD. Any such approval shall be evidenced by a recordable instrument executed by the SJRWMD.

5. Amendments to the Articles and Bylaws shall be made in accordance with the requirements of the Articles and Bylaws and need not be recorded in the public records of the County.

J. Assignment of Developer Rights. Developer may assign all or only a portion of its rights hereunder, or all or a portion of such rights in connection with appropriate portions of the Property. In the event of such a partial assignment, the assignee shall not be deemed to be the Developer but may exercise such rights of Developer specifically assigned to it. Any such assignment may be made on a nonexclusive basis. In addition, in the event that any person or entity obtains title to all of the Property owned by Developer as a result of foreclosure or deed in lieu thereof, such person or entity may elect to become the Developer by written election recorded in the public records of the County, and regardless of the exercise of such election, such person or entity may appoint the Developer or assign any rights of Developer to any other party which acquires title to all or any portion of the Property by written appointment recorded in the public records of the County. In any event, no subsequent Developer shall be liable for any actions or defaults of, or obligations incurred by, any prior Developer, except as the same may be expressly assumed by the subsequent Developer.

K. Rights of Institutional Mortgagees. All Institutional Mortgagees shall have the following rights:

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

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

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

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

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

M. Law to Govern. This Declaration shall be governed by and construed in accordance with the laws of the State of Florida, both substantive and remedial.

N. Tax Deeds and Foreclosure. All provisions of the Declaration relating to a Lot which has been sold for taxes or special assessments survive and are enforceable after the issuance of a tax deed or upon a foreclosure of an Assessment, a certificate or lien, a tax deed, tax certificate or tax lien, to the same extent that they would be enforceable against a voluntary grantee of title before such transfer.

O. 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 designate hereby the Developer 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 created herein. Formal language of grant or reservation with respect to such easements, as appropriate, is hereby incorporated in the easement provisions hereof to the extent not so recited in some or all of such provisions.

P. Constructive Notice and Acceptance. Every person who owns, occupies or acquires any right, title, estate or interest in or to any Lot or other property located on or within the Property, shall be conclusively deemed to have consented and agreed to every limitation, restriction, easement, reservation, condition, lien and covenant contained herein, whether or not any reference hereto is contained in the instrument by which such person acquired an interest in such Lot or other property.

Q. No Assurances of Development. The Property is subject to certain governmental or quasi-governmental ordinances and regulations. Developer makes no assurance to any Owner or Institutional Mortgagee that the Property will be developed in strict compliance with any such ordinances or regulations. All site plans, development plans, advertising material and similar material developed or produced in connection with the marketing and sale of the Property is subject to change in the Developer's sole discretion. Owners hereby waive any and all rights they have to object to changes in the plan, which may be made by the Developer pursuant to this paragraph.

R. **NO REPRESENTATIONS OR WARRANTIES.** NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, HAVE BEEN GIVEN OR MADE BY DEVELOPER OR ITS AGENTS OR EMPLOYEES IN CONNECTION WITH THE SECURITY PROVIDED TO THE PERSONS AND PROPERTY OF OWNERS, NOR AS TO ANY PORTION OF THE COMMON 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, EXCEPT (A) AS SPECIFICALLY AND EXPRESSLY SET FORTH IN THIS DECLARATION OR IN DOCUMENTS WHICH MAY BE FILED BY DEVELOPER FROM TIME TO TIME WITH APPLICABLE REGULATORY AGENCIES, AND (B) AS OTHERWISE REQUIRED BY LAW. AS TO SUCH WARRANTIES WHICH CANNOT BE DISCLAIMED, AND TO OTHER CLAIMS, IF ANY, WHICH CAN BE MADE AS TO THE AFORESAID MATTERS, ALL INCIDENTAL AND CONSEQUENTIAL DAMAGES ARISING THEREFROM ARE HEREBY DISCLAIMED. ALL OWNERS, BY VIRTUE OF ACCEPTANCE OF TITLE TO THEIR RESPECTIVE LOTS (WHETHER FROM THE DEVELOPER OR ANOTHER PARTY), SHALL BE DEEMED TO HAVE AUTOMATICALLY WAIVED ALL OF THE AFORESAID DISCLAIMED WARRANTIES AND INCIDENTAL AND CONSEQUENTIAL DAMAGES.

IN WITNESS WHEREOF, the undersigned has caused this Declaration to be executed in its name, the day and year first above written.

Witnesses:

Barbara D Sweet
Print Name: Barbara D Sweet

Barbara D Sweet
Print Name: Barbara D Sweet

MITCHELL-DAWSON, L.L.C.,
a Florida limited liability company

By: Dawson Development Company, Inc.
Its Managing Member

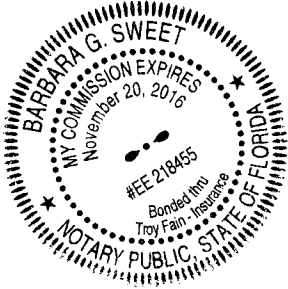
By: Carl D. Dawson, Jr.
President

(Corporate Seal)

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 21 day of August, 2014, by Carl D. Dawson, Jr., as the president of Dawson Development Company, Inc., managing member of Mitchell-Dawson, L.L.C., a Florida limited liability company, for and on behalf of said entities, and who is ☒ personally known to me or ☐ has provided _____ as identification.

{Notary Seal must be affixed}



Barbara D Sweet
(Signature of Notary)
Barbara D Sweet
(Print Name of Notary Public)
Notary Public, State of Florida
My Commission Expires: 11-20-16
Commission No.: EE 218455

CONSENT OF ASSOCIATION

The undersigned, President of RiverEdge HOA, Inc., a Florida not-for-profit corporation ("Association"), hereby consents to the recording of this Declaration and agrees to undertake all obligations and assume all rights of the Association pursuant to this Declaration of Covenants, Conditions, Restrictions and Easements for RiverEdge.

The undersigned sets its hand and seal this 21 day of August, 2005.

~~RIVEREDGE HOA, INC.~~, a Florida not for-profit corporation

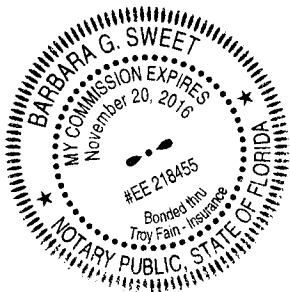
By: [Signature]
Carl D. Dawson, Jr., President

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 21 day of August, 2005, by Carl D. Dawson, Jr., as the President of RiverEdge HOA, Inc., a Florida not-for-profit corporation, for and on behalf of said corporation, and who is ✓ personally known to me or has provided as identification.

{Notary Seal must be affixed}

[Signature]
(Signature of Notary)
BARBARA G SWEET
(Print Name of Notary Public)
Notary Public, State of Florida
My Commission Expires: 11-20-16
Commission No.: EE 218455



CONSENT AND JOINDER OF MORTGAGEE

The undersigned, CWI Real Estate Inc, formerly known as CENTERBANK, Inc., a Florida banking corporation, having an office at 1325 Hendricks Avenue, Jacksonville FL 32207, the Mortgagee under that certain Mortgage and Security Agreement from Mitchell Dawson, L.L.C., a Florida limited liability company, dated May 8, 2013, and recorded on May 8, 2013, in Official Records Book 16361, page 81, of the public records of Duval County, Florida, (the "Mortgage"), hereby consents to and joins in the recording of the Declaration of Covenants, Conditions, Restrictions and Easements for RiverEdge to be recorded in the public records of Duval County, Florida, and subordinates the lien of the Mortgage to the terms and conditions thereof.

IN WITNESS WHEREOF, the undersigned has caused this instrument to be executed by its proper officer, duly authorized, and its seal to be affixed hereto this 22nd day of AUGUST, 2014.

Signed and sealed in the presence of:

[Signature]
[Print or Type Name] BARBARA SWEET
[Signature]
[Print or Type Name] Thomas Sweet

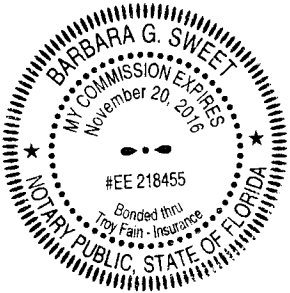
CWI Real Estate Inc, a Florida banking corporation
By: T. KEITH PERCY
[Print or Type Name]
Its: VICE PRESIDENT

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 22nd day of AUGUST, 2014, by T. KEITH PERCY, the VICE PRESIDENT of CWI Real Estate, Inc., , a Florida banking corporation, for and on behalf of said corporation. Such person ☒ is personally known to the undersigned or ☐ produced _____ as identification.

{Notary Seal must be affixed}

[Signature]
(Signature of Notary)
(Print Name of Notary Public)
Notary Public, State of Florida
My Commission Expires: 11-20-16
Commission No.: EE 218455



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EXHIBIT A**PROPERTY**

A PART OF THE MONTGOMERY L. BROWARD ESTATES, BEING A PORTION OF THE JOSEPH FENWICK GRANT, SECTION 48, AND A PORTION OF SECTION 24, ALL IN TOWNSHIP 1 SOUTH, RANGE 26 EAST, CITY OF JACKSONVILLE, DUVAL COUNTY, FLORIDA, SAID PARCEL OF LAND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

FOR A POINT OF REFERENCE, COMMENCE AT THE INTERSECTION OF THE WESTERLY LINE OF SECTION 48, THE JOSEPH FENWICK GRANT, (AND ALSO BEING THE EASTERLY LINE OF SECTION 24), WITH THE NORTHEASTERLY RIGHT OF WAY LINE OF BROWARD ROAD, (COUNTY ROAD No. 588, A 100 FOOT WIDE PUBLIC ROAD RIGHT OF WAY), AND RUN THENCE, NORTH 39°58'59" WEST, ALONG THE AFORESAID NORTHEASTERLY RIGHT OF WAY LINE OF SAID BROWARD ROAD, A DISTANCE OF 656.10 FEET, TO THE POINT OF BEGINNING.

FROM THE POINT OF BEGINNING THUS DESCRIBED, RUN THENCE NORTH 50°01'01" EAST, ALONG THE NORTHERLY LINE OF THOSE LAND DESCRIBED AND RECORDED IN THAT WARRANTY DEED RECORDED IN OFFICIAL RECORDS BOOK 10727, PAGE 761 OF THE CURRENT PUBLIC RECORDS OF SAID DUVAL COUNTY, FLORIDA, A DISTANCE OF 594.00 FEET, TO A POINT; RUN THENCE NORTH 39°58'59" WEST, ALONG THE WESTERLY LINE OF LAST SAID LANDS, A DISTANCE OF 256.11 FEET, TO A POINT ON THE "MEAN HIGH WATER LINE" OF MERRITT CREEK, SAID POINT FALLING ON THE WATERWARD FACE OF AN EXISTING WOODEN BULKHEAD; RUN THENCE, ALONG THE "MEAN HIGH WATER LINE" OF SAID MERRITT CREEK, AND ALSO ALONG THE EXISTING WOODEN BULKHEAD, THE FOLLOWING NINE (9) COURSES AND DISTANCES:

COURSE No. 1: SOUTH 52°54'23" WEST, A DISTANCE OF 14.55 FEET, TO A POINT OF INTERSECTION, IN THE WOODEN BULKHEAD;

COURSE No. 2: SOUTH 82°43'08" WEST, A DISTANCE OF 88.11 FEET, TO A POINT OF INTERSECTION, IN THE WOODEN BULKHEAD;

COURSE No. 3: SOUTH 69°54'46" WEST, A DISTANCE OF 46.12 FEET, TO A POINT OF INTERSECTION, IN THE WOODEN BULKHEAD;

COURSE No. 4: SOUTH 60°20'05" WEST, A DISTANCE OF 66.51 FEET, TO A POINT OF INTERSECTION, IN THE WOODEN BULKHEAD;

COURSE No. 5: NORTH 32°16'18" WEST, A DISTANCE OF 5.93 FEET, TO A POINT OF INTERSECTION, IN THE WOODEN BULKHEAD;

COURSE No 6: SOUTH 56°16'26" WEST, A DISTANCE OF 243.15 FEET, TO A POINT OF INTERSECTION, IN THE WOODEN BULKHEAD;

COURSE No 7: SOUTH 29°38'04" EAST, A DISTANCE OF 9.75 FEET, TO A POINT OF INTERSECTION, IN THE WOODEN BULKHEAD;

COURSE No 8: SOUTH 53°28'51" WEST, A DISTANCE OF 150.56 FEET, TO A POINT OF INTERSECTION, IN THE WOODEN BULKHEAD;

COURSE No 9: SOUTH 16°13'04" WEST, A DISTANCE OF 4.31 FEET, TO A POINT, ON THE NORTHEASTERLY RIGHT OF WAY LINE OF SAID BROWARD ROAD; RUN THENCE SOUTH 39°58'59" EAST, ALONG THE NORTHEASTERLY RIGHT OF WAY LINE OF BROWARD ROAD, A DISTANCE OF 361.54 FEET, TO THE POINT OF BEGINNING.

THE LANDS THUS DESCRIBED CONTAIN 199,971 SQUARE FEET, OR 4.591 ACRES, MORE OR LESS, IN AREA.