PREPARED BY AND RETURN TO:

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3203 Old Barn Court
Ponte Vedra Beach, Florida 32082

DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS

THIS DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS is made this 1st day of February, 2024, by **CAROLINE COURT, LLC**, a Florida limited liability company, hereafter called "Declarant."

W I T N E S S E T H:

WHEREAS, Declarant is the Owner of real property in Duval County, Florida, more particularly described on Exhibit "A" attached hereto, upon which shall be developed as a residential subdivision, and Declarant desires to impose certain use restrictions, easements, and other rights and obligations thereon for the purpose of creating a common scheme of development of the Property and for protecting the value and desirability of the Property, and

WHEREAS, Declarant has formed a not-for-profit corporation pursuant to Chapters 617 and 720, Florida Statutes, to own, maintain, operate, and/or administer the common areas and improvements within the Property, to administer and enforce this Declaration, and to collect and disburse the assessments and charges hereinafter created all as set forth herein.

NOW, THEREFORE, Declarant hereby declares that upon disposition of any portion of the Property to individual Lot Owners that are not related or controlled by Declarant, the Property described above shall be subject to the following reservations, easements, limitations, restrictions, servitudes, covenants, conditions, charges, and liens (hereinafter sometimes collectively termed "Covenants and Restrictions"), which are for the purpose of protecting the value and desirability of the Property, which shall run with the land and be binding on all parties having any right, title, or interest in the Property or any part thereof, their heirs, successors and assigns, and which shall inure to the benefit of each Owner of any portion of the Property.

ARTICLE I
Definitions

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

Section 1. "Additional Property" means any real property, other than the real property described on Exhibit "A" attached hereto, which is made subject to the provisions of this Declaration when added to the Property as provided by Article XII, Section 2 herein below.

Section 2. "Articles of Incorporation" shall mean the Articles of Incorporation of the

Association which are attached hereto as Exhibit "B" and incorporated herein by reference, together with any amendments thereto.

Section 3. "Association" shall mean the Caroline's Court Homeowners Association, Inc., a Florida not-for-profit corporation, its successors and assigns.

Section 4. "Board" shall mean the Board of Directors of the Association. Any act that is required or permitted by "the Association" herein shall be undertaken by the Board of Directors, unless otherwise stated herein.

Section 5. "Bylaws" shall mean the Bylaws of the Association attached as Exhibit "C."

Section 6. "**County**" means and refers to the City of Jacksonville (Duval County), Florida.

Section 7. "**Code**" means and refers to the Code of Ordinances and Land Development Code for the City of Jacksonville (Duval County), Florida.

Section 8. "Common Area" or "Common Areas" shall mean all real property (including the improvements thereto) owned by the Association, Owners or the Declarant that intended to be devoted to the common use and enjoyment of the Owners from time to time, and includes those areas dedicated to the County, which the Association is required to maintain. The Common Areas shall initially include those areas so designated on the plat and recorded easements as Common Areas or dedicated to the Association or retained by Declarant (other than Lots or Units retained by Declarant), including all private drainage easements and retention areas. Common Area does not include any parcels of land dedicated to a local government for which the Association has no maintenance requirement. Common Areas include any lift station and related infrastructure and any private roads. Notwithstanding, such definition shall not preclude the Association from operating, maintaining, or repairing any other real property for the benefit of the Members or any other real property maintained by the Association pursuant to a written agreement entered into by the Association for the benefit of the Members.

Section 9. "Declarant" shall mean Caroline Court, LLC, a Florida limited liability company, as the current owner of the Property and its successors and assigns, and shall include any other entity to whom Declarant may hereafter assign any rights as "Declarant" hereunder as indicated by a recorded Assignment of Declarant's Rights.

Section 10. "Declaration" shall mean this Declaration of Covenants, Conditions, Restrictions, and Easements, as it may be amended or supplemented from time to time.

Section 11. "Improvements" shall mean buildings, roads, driveways, site or subdivision improvements, parking areas, fences, walls, rocks, hedges, trees, shrubs, other plantings, and all other structures or landscaping improvements or every type and kind.

Section 12. "Lot" shall mean any parcel of land shown upon any recorded subdivision map of the Property that is designated or intended for use as a site for construction of a single-family residence and does not include the Common Area or any other tract of land that is not a

residential parcel.

Section 13. "Member(s)" shall mean those persons entitled to membership as provided in this Declaration, the Articles of Incorporation and the Bylaws. References herein to "members" shall mean "Members" and vice versa. Voting rights of the members are set forth in Article IV hereof. There are 32 Lots within the Property, and therefore 32 voting interests among the Members. The number of voting interests may increase as additional lands are added to the Property by the Declarant.

Section 14. "Owner" shall mean the record owner (including the Declarant), whether one or more persons or entities, of a fee simple title to any Lot which is part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 15. "Plat" shall mean the plat, per map or plat thereof that may be recorded in the public records for Duval County, Florida, and any and all other recorded plats or replats of all of any portion of the Property, as the same may be changed, supplemented, amended replatted, and/or otherwise modified from time to time, in whole or in part. Plats of future phases, if any, for lands annexed to this Declaration shall be as referenced in the recorded supplemental declaration annexing such future phase to this Declaration. Declarant reserves the right to make such modifications to any part of the Property owned by the Declarant as the Declarant deems necessary and/or desirable, including, but in no event limited to, changing the location, size, dimensions and number of Lots or tracts within the initial Plat and/or any and all future.

Section 16. "Project" shall mean the Property together with all Improvements located thereon and all easements, rights, and privileges appurtenant thereto.

Section 17. "Project Documents" means this Declaration and the Articles, Bylaws, Association Rules, and Architectural Committee Rules.

Section 18. "Property" shall mean that certain real property described in Exhibit "A" hereof, and such other additions thereto as may hereafter be brought within the jurisdiction of the Association by the recording of supplements to the Declaration.

Section 19. "Residential Unit" shall mean any building situated upon a Lot and designated and intended for independent ownership and for use and occupancy as a residence by a single-family.

Section 20. "Surface Water Management System" or "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 otherwise affect the quantity and quality of discharges, as shown on the Plat and recorded easements. The Surface Water Management System may be located on Lots and owned, partially or in whole, by an Owner or the Association, subject to the necessary easements to accommodate drainage and water retention pursuant to the relevant permits.

Section 21. **"WMD"** means St. Johns River Water Management District.

Section 22. Statutory References. References to Florida Statutes herein mean such statutes in effect from time to time. It is the intent that any amendments to the Florida Statutes that apply to this Declaration shall operate prospectively only. However, if such statutory amendments specifically state that they are to operate retroactively they will operate in accordance with the adopted legislation.

Section 23. **"Tract"** means any portion of the Property established as a Tract in any Plat or recorded easement or subdivision plan.

Section 24. "Visible from Neighboring Property" or "visible from neighboring property" shall mean that an object is or would be visible to a person six feet (6') tall standing on a neighboring Lot, Tract, Common Area, or street at an elevation not greater than the elevation at the base of the object being viewed.

ARTICLE II
Property Rights/Easements

Section 1. Easements of Enjoyment. Each Owner shall have a nonexclusive right and easement of enjoyment in and to the Common Area that is appurtenant to, and will pass with, the title to every Lot, subject to the following conditions: If ingress and egress to any Lot is through any of the Common Area, the Lot has a non-exclusive easement over the Common Area for ingress and egress to such Lot, and any conveyance or encumbrances of that portion of the Common Area shall be subject to such ingress and egress easement. Each Owner's right to enjoyment of the Common Area is subject to the following:

(a) Fees. The Association's right to charge reasonable fees for the use, safety and maintenance of any common facilities from time to time situated on the Common Area.

(b) Suspension. Pursuant to applicable Florida Statutes, as amended from time to time, the Association's right: (i) to suspend such Owner's right to use any facility owned or controlled by the Association for a period of unpaid assessments; and (ii) to suspend any Owner's right to use any such facility for any infraction of the Association's rules and regulations.

(c) Dedication. The Association's right to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as the Association considers advisable. Any such dedication or transfer requires the approval of two-thirds (2/3) of the members present and voting in person or by proxy at a meeting duly convened for such purpose or by the Declarant.

(d) Rules and Regulations. The Association's right to adopt, alter, amend, rescind and enforce rules and regulations governing the use of the Common Area.

(e) Ingress and Egress Easement. Notwithstanding the foregoing conditions imposed on use of the Common Areas, the Association shall not prohibit the right of, ingress and egress to any

Lot that has an ingress and egress easement over the Common Area.

Section 2. Delegation of Use. The Declarant or any Owner may delegate, in accordance with the Bylaws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants or contract purchasers who reside on the Property.

Section 3. Operation and Maintenance of the Common Area.

(a) The Association or Declarant shall at all times maintain, operate, supervise, control, and manage the Common Area and any income producing activities that may be established or permitted to operate in the Common Area. The Association, in its sole discretion, shall determine all activities and programs to be carried on in the Common Area and shall employ the necessary personnel required therefore.

(b) Pursuant to the recorded Plat and recorded easements, Common Areas shall be maintained by the Association or Declarant.

(c) The drainage pond may be dedicated to the Association or Declarant as part of the Common Elements and the maintenance responsibility with respect to the retention/detention tracts shall include the maintenance, operation, and repair of the Surface Water Management System so that it provides drainage, water storage, conveyance, or other capabilities as permitted by the WMD. The drainage pond may also be owned and located in part or in whole on any Lot and owned in fee by any Owner, however, it shall be subject to easements necessary to function as part of the Stormwater Management System. Any repair or reconstruction of the Surface Water Management System shall be as permitted, or if modified as approved, by the Water Management District. Declarant reserves the right to retain maintenance responsibility for the Surface Water Management System and have portions of those systems owed in fee by either Declarant or owners of Lots.

Section 4. Utility Service. There is shown on the Plat and certain recorded easements certain utility easements. Utilities serving the Property and Lots, have been, or will be, installed by Declarant underground in the Common Area and within, below or upon the Property, for the use, benefit and service of the Property, the Lots and all Improvements upon the Property. Perpetual easements for the installation and maintenance of utilities are hereby reserved to Declarant and the County in and to all utility easement areas shown on the Plat and recorded easements (which easements shall include, without limitation, the right of reasonable access over Lots to and from the easement areas). The Declarant reserves to itself (and its successors or assigns) for so long as the Declarant owns any of the Property, and the Association thereafter, the right to grant easements to any private company, public or private utility or governmental authority providing utility and other services within the Property and the Common Areas upon, over, under and across the Property. Said easements shall only be given for the purpose of maintaining, installing, repairing, altering and operating sewer lines, irrigation lines, water lines, waterworks, sewer works, force mains, lift stations, water mains, sewer mains, water distribution systems, sewage disposal systems, effluent disposal lines and systems, pipes, wires, fiber optics lines, power lines, telephone service, gas lines, syphons, valves, gates, pipelines, cable television service, alarm systems and all machinery and apparatus appurtenant thereto, to all of the foregoing as may be necessary or desirable for the installation and maintenance of utilities and providing services to Owners, the

Property and Common Areas, all pursuant to and in compliance with, all applicable permits, rules and regulations of any applicable governmental authorities. All such easements to be of a size, width and location as Declarant (or the Association, if after Turnover), in its discretion, deems best but selected in a location so as to not unreasonably interfere with the use of any improvements which are now, or will be, located upon the Property. Neither the easement rights reserved pursuant to this Section nor as shown on any such Plat or recorded easement shall impose any obligation on Declarant to maintain such easement areas, nor to install or maintain the utilities or improvements that may be located on, in or under such easements, or which may be served by them. No structure, planting, or other material shall be placed or permitted to remain in any easement area which may damage or interfere with access to or the installation of the use and maintenance of the easement area or any utilities facilities located therein. The utility easement areas of each Lot, whether as reserved hereunder or as shown on such Plat or recorded easements, and all improvements in such easement areas, shall be maintained continuously by the Lot Owner of the Lot upon which such easement areas exist, except for those improvements for which a public authority or utility company is responsible. In this instance, maintenance shall mean ordinary maintenance such as mowing and/or lawn care of the Owner's respected Lot located within the easement area.

Section 5. Service Easements. Fire, police, health, sanitation, cable, communications, U.S. Postal Service, drainage and other public service personnel and vehicles shall have a permanent, perpetual and nonexclusive easement for ingress and egress over and across the Common Area.

Section 6. Maintenance Responsibility of Association as to Roofs and Yards. The Association and Declarant shall have the authority to maintain and repair any roof on any Residential Unit. Said maintenance for roofs shall be paid for by funds set forth in a reserve account to be funded by assessments. Association and Declarant shall have all easements and licenses necessary to effectuate the intent of this Section 6.

Section 7. Drainage Easements. There may be shown on the Plat and certain recorded easements in favor of the Association and Owners certain "Private Drainage Easements (P.D.E.)". Use of these easements is restricted to the Owners of Lots and to the Association for the purpose of drainage and maintenance of the areas contained therein. Declarant reserves for itself, its successors and assigns, and hereby grants to the Association and the WMD, easements for and may, but shall not be required to, cut swales and drain-ways for surface water wherever within the Property and whenever such action may appear to the Declarant or the Association, as the case may be, to be necessary to maintain reasonable standards of health, safety and/or appearance provided that any such action is in compliance with any permit from time to time issued by WMD, as such permits may be amended or supplemented from time to time. These easements include the right to cut or remove any trees, bushes, shrubbery, make any gradings of the soil, or take any other action reasonably necessary to install drainage facilities and maintain reasonable standards of health, safety and/or appearance, but shall not include the right to disturb any improvements erected within the property which are not located within the specific easement areas designated on the Plat, recorded easements or in this declaration. The Association or Declarant shall be responsible for maintaining all drainage facilities located within the Drainage Easements and Surface Water Management System but the Lot Owner shall be responsible for the ordinary surface maintenance of these Drainage Easements such as mowing and/or lawn care of the Owner's Lot located within the easement area. No permanent improvements other than fencing shall be installed or maintained in these easements by the Owner of

any Lot. Fence installation shall meet the criteria outlined in Article III Section 13.e hereafter. The cost of maintaining the facilities within the Drainage Easements shall be part of the Annual Assessment described in Article V hereafter.

Section 8. Surface Water or Stormwater Management System Easement. The Declarant hereby reserves unto itself, its successors and assigns, and hereby grants to the Association, a perpetual non-exclusive easement over all areas of the Surface Water Management System, the Lots, and all other portions of the Property which may be utilized for the Surface Water Management System to make use of such Surface Water Management System for the surface water drainage, retention, detention and maintenance necessary to develop the Property as the Declarant deems appropriate. In addition to the foregoing, Declarant, its successors and assigns, and the Association, shall have the right to utilize all drainage easements provided for herein, within recorded easements in favor of the Association and Lots or on the Plat of the Property for purposes of accessing any and all drainage facilities on the Property and for access to any Common Area and/or any improvement from time to time located thereon. By this easement, the Association shall have the right to enter upon any portion of any Lot which is part of the Surface Water Management System, at a reasonable time and in a reasonable manner, to operate, maintain or repair the Surface Water Management System as required by the WMD and/or the local government permits applicable to the Property. Additionally, the Association shall have a perpetual non-exclusive easement for drainage over the entire Surface Water Management System. No person shall alter the drainage flow of the Surface Water Management System, including buffer areas or swales without the prior written approval of the WMD and/or the County.

Section 9. Entry Features. Any entry features, including but not limited to, walls, fences, signage, lighting, landscaping, irrigation, brick pavers, decorative asphalt, entry monuments internally within the community, and specifically, but without limitation, including those installed within the right-of-way as approved by the County, and within Lots, together with any other improvements with respect to such installations, shall initially be installed at the sole cost and expense of the Declarant or its assigns. However, after initial installation, the Association shall have the sole responsibility to maintain the entry features as described in this Section 9 and control over the use thereof. The cost of maintenance shall be part of the annual assessment described in Article V hereafter. To the extent that any of the foregoing described entry features are located within a Lot, the Association is hereby granted a perpetual, non-exclusive easement and right of entry on such Lots for the purpose of operating, maintaining, and replacing such entry features.

Section 10. Association's Right of Entry. The Association's or Declarant's duly authorized representatives or agents shall, at all reasonable times, have and possess a reasonable right of entry and inspection upon the Common Area or any Lot for the purpose of discharging the duties of the Association.

Section 11. Permanence. The benefit of all rights and easements granted by this Declaration constitutes a permanent appurtenance to, and will pass with, the title to every Lot enjoying such benefit. Whenever any such right or easement is described as nonexclusive, its benefit, nevertheless, is exclusive to all Lots granted such benefit and not to additional persons. In no event does the benefit of any such easement extend to the general public except as provided in Section 5 hereof or on the recorded easements or Plat of any portion of the Property. The burden of all rights and easements granted by this Declaration constitutes a permanent servitude upon the

lands affected.

Section 12. No Partition. There shall be no judicial partition of the Common Area, nor shall Declarant, or any Owner, or any person acquiring any interest in the Property or any part thereof, seek judicial partition thereof. However, nothing contained herein shall be construed to prevent judicial partition of any Lot owned in co-tenancy.

Section 13. Maintenance of Front Yards. The Association and Declarant shall have the authority to maintain the front yards of any Lot. Said maintenance shall include, but not be limited to, the moving of any debris and maintenance of landscaping. The cost to maintain the front yard shall be paid by assessments or, if deemed necessary by the Association or Declarant, from dedicated reserve funds from assessments.. Association and Declarant shall have all easements and licenses necessary to effectuate the intent of this Section 13. Maintenance shall include maintenance of any irrigation systems located in the front yard.

Section 14. Maintenance of Rear Yards. The Association and Declarant shall have the authority to maintain the rear yards of any Lot. Said maintenance shall include, but not be limited to, the moving of any debris and maintenance of landscaping. The cost to maintain the rear yard shall be paid by assessments or, if deemed necessary by the Association or Declarant, from dedicated reserve funds from assessment.. Association and Declarant shall have all easements and licenses necessary to effectuate the intent of this Section 14. Maintenance shall include maintenance of any irrigation systems located in the front yard.

Section 15. Declarant's Easements. Declarant hereby declares, reserves and grants to itself, its successors and assigns, the following non-exclusive easements and rights in, on, under, across and to the Property:

(a) A non-exclusive easement and right-of-way of pedestrian and/or vehicular access, ingress and egress over the internal streets, drives and walkways now or hereafter constructed on the Property and a non-exclusive easement and right-of-way to construct internal streets, drives and walkways over and on the Property.

(b) A non-exclusive easement and right-of-way for access, installation, repair, maintenance and use of utility lines, irrigation lines, pipes, tanks, conduits, systems and coaxial cable, and storm sewer lines, drainage systems, swales, systems and facilities in, on, under, across and to the Property.

(c) A non-exclusive easement and right-of-way for access and maintenance of all water bodies within or adjoining the Property.

(d) A non-exclusive right to use any portion of the Common Area and/or of the Property reasonably necessary to allow the Declarant to construct or sell or promote any portion of the Property, and to use such property for offices, sales offices, samples, or models, and to maintain thereon sales information signs and such other signs as Declarant shall desire.

(e) A non-exclusive right to access the yards and roofs of Residential Units.

Section 16. Emergency, Security and Safety Right of Entry. The Association and Declarant shall have the right, but not the obligation, to enter onto any Property, including any Lot, for emergency, security, and safety, which right may be exercised by the Board, officers, agents, employees, managers, and all policemen, firemen, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner. This right of entry shall include the right of the Association to enter onto any Lot to cure any condition which may increase the possibility of a fire or other hazard in the event an Owner fails or refuses to cure the condition upon request by the Board.

Section 17. Future Easements. There is hereby reserved to Declarant and its successors and assigns (see also Article XV), until Turnover, and then the Association, together with the right to grant and transfer the same, the right, power and privilege to, at any time hereafter, grant to itself, the Association, the County or any other parties such other further and additional easements as may be reasonably necessary or desirable, in the sole opinion and within the sole discretion of Declarant, for the future orderly development of the Property in accordance with the objects and purposes set forth in this Declaration. Any such easement(s) shall be recorded in the Public Records of the County. It is expressly provided, however, that no such further or additional easements shall be granted or created over and upon any Lot if any such easement materially and adversely interferes with the intended use of the Residential Units previously conveyed to Owners. The easements contemplated by this Section 17 may include, without limitation, such easements as may be required for utility, drainage, road right of way or other purposes reasonably related to the orderly development of the Property in accordance with the objects and purposes specified in this Declaration. Such further or additional easements may be hereafter created, granted, or reserved by Declarant without the necessity for the consent or joinder of any other persons including, but not necessarily limited to, the Owner of, or the person holding the mortgage on, the particular portion of the Property over which any such further or additional easement is granted or required.

ARTICLE III
Restrictions on Use

Section 1. Use. No Lot shall be used for any purpose other than for residential purposes. No building, structure or improvements shall be erected, altered, placed or permitted to remain on any Lot other than one than attached townhomes and accessory structures.

Section 2. Outbuildings Prohibited. No structure of a temporary character, trailer, tent, shack, garage or other outbuilding shall be used on any Lot at any time as a residence, temporarily or permanently. No structure, including utility buildings, may be erected on any Lot for other than residential purposes, except a builder's temporary structure. However, a utility or storage building, may be permitted provided with approval by the Declarant.

Section 3. Minimum Residence Size. No dwelling shall be erected or allowed to remain on any Lot unless the living area of the dwelling, exclusive of the garage, porches, patios and lanais per zoning shall contain at least 1,300 square feet of air-conditioned space.

Section 4. Minimum Lot Size. No dwelling shall be constructed on a Lot or any portion of the Property having an area of less than 1,500 square feet, unless approved by Declarant and the

zoning is amended, which said amendment shall require the consent of the Declarant, prior to Turnover, and the Association, after Turnover. No Lot shall be divided, re-subdivided or reduced in size by any method whatsoever, unless all portions of said Lot are used to increase the size of adjacent Lot(s), or other adjacent property, and notwithstanding the foregoing, no Lot shall be divided, re-subdivided or reduced in size by any method whatsoever, without the prior written consent of the Declarant. All building plots formed as a result of the foregoing, shall thereupon be deemed and treated as original Lots, and may not be further divided, subdivided or reduced in size by any method whatsoever, or changed back to the original configuration, without the prior written consent of Declarant. No more than one (1) Lot under one (1) ownership may be used for one (1) dwelling, in which event this Declaration shall apply to such Lots as if they were a single Lot, subject to easements indicated on the recorded Plat and/or recorded in the public record.

Section 5. Setbacks. The approved minimum setback lines for the Project are not intended to engender uniformity of setbacks; they are meant to avoid overcrowding and monotony. Setbacks may be staggered as appropriate so as to preserve important trees, and assure vistas of water and open areas.

Section 6. Commercial Use/Nuisance Prohibited. No residence or other structure on any Lot shall be used for commercial or business purposes, except as set forth in Paragraph 25 of this Article. Each Owner shall refrain from any act or use of his Lot or the Property, which could reasonably cause embarrassment, discomfort, annoyance or a nuisance to anyone. No noxious, offensive or illegal activities shall be carried on upon any Lot. Without limiting the generality of the foregoing:

(a) The assembly or disassembly of motor vehicles and other mechanical devices which might cause disorderly, unsightly or unkempt conditions, the shooting of firearms, fireworks or pyrotechnic devices of any kind or size, and any other similar inherently dangerous activities, shall not be pursued or undertaken within the Property.

(b) No rubbish of any character whatsoever, nor any substance, thing or material shall be kept upon the Property which would be unsightly, or which will emit foul or noxious odors, or that will cause any loud noise that will or might disturb the peace and quiet of the occupants of surrounding Property.

Section 7. On Site Construction Required. No structure shall be moved onto any Lot, except a builder's temporary "manufactured home" type structure to be used by the Declarant or any builder in connection with construction work and activities engaged upon any Lot.

Section 8. Animals. No animals, livestock or poultry of any kind shall be kept, raised or bred on any Lot except that pets of the customary household variety such as cats, dogs, pet birds and fish may be kept by an Owner, but only if such pets do not cause a disturbance or a nuisance. The following shall apply with regard to any animal or pet:

(a) Owners of a cat or dog shall be required to keep same on a leash at all times unless kept in an enclosed area.

(b) Owners of a cat or dog shall be required to remove immediately all forms of animal

waste from the Property, including but not limited to lawns, walks, driveways, and parking areas, and pets shall not be allowed to deposit waste in any manner, or in any place, that would change or deface the Property, including any alteration in the uniformity of appearance of the lawn or landscaped areas.

(c) No pet will be allowed which is vicious, or creates excessive noise, or emits noxious odors, or creates unsafe or unhealthy living conditions, or creates other disturbances of any kind, whether on a continuous or intermittent basis, and regardless of the time of day or night.

(d) Any owner of a pet who is the subject of three (3) justifiable complaints of violation hereunder (as determined by the Board) shall permanently remove the pet from the Owner's Lot upon notice of same from the Association and said Owner shall not be allowed to have any pets within the Lot at any time thereafter, except upon the express written consent of the Board of Directors.

Section 9. Signs. No signs of any kind shall be displayed to the public view, erected or maintained on any Lot (including within windows of improvements), except for one (1) professionally lettered sign not more than four square feet in size, solely advertising the property for sale; and except for signs approved by Declarant used by a builder to advertise the Lot(s) or dwellings during the construction and sales period; or except as may be required by legal proceedings. Signs permitted pursuant to Paragraph 25 herein are exempt from this Section 9. In particular, but not by way of limitation, political signs, signs advertising anything other than a home for sale and signs intended to impart any type of message other than sale of a home are prohibited.

Section 10. Exterior Attachments. Subject to Section 23 below, no exterior radio, television, electronic or like antennas, aerials, satellite dishes or transmission or receiving tower(s), apparatus or devices, or other similar or dissimilar exterior attachments, shall be installed, permitted or located on any Lot.

Section 11. Irrigation. The water used in the irrigation system is not suitable for drinking or water sports. Children and pets should not play in such water. Due to water quality, irrigation systems may cause staining on Residential Units, other structures, paved areas, or vehicles. It is each Owner's responsibility to treat and remove any such staining. Association may require from time to time, that Owners adopt systems to prevent stains (e.g., automatic deionization systems). The yard of each Residential Unit may be equipped with irrigation lines, depending on the model of the Residential Unit. No Owner whose Residential Unit adjoins a waterway or lake, if any, may utilize the waterway or lake to irrigate unless so provided by Declarant as part of original construction, subject to applicable permitting. Use of lake water, if any, by Owners is prohibited and is at the Owner's sole risk as chemicals are used to control aquatic vegetation in lakes. Association may use waterways and lakes, if any, to irrigate Common Areas, subject to applicable permitting and Declarant shall not be liable for same. BY ACCEPTANCE OF A DEED TO A RESIDENTIAL UNIT OR PARCEL, EACH OWNER ACKNOWLEDGES THAT THE WATER LEVELS OF ALL LAKES AND WATERBODIES MAY VARY. THERE IS NO GUARANTEE BY DECLARANT OR ASSOCIATION THAT WATER LEVELS WILL BE CONSTANT OR AESTHETICALLY PLEASING AT ANY PARTICULAR TIME. Declarant and/or Association shall have the right to use one or more pumps to remove water from lakes and/or waterbodies for

irrigation purposes at all times, subject to applicable permitting.

Some or all Residential Units and Common Areas may receive irrigation pursuant to a loop system. If an Owner desires to make any alterations or improvements to a Residential Unit that in any way affect the loop irrigation system, then the Owner shall be responsible for taking measures to "cap off" the main line of the loop irrigation system that leads to the Residential Unit. In addition, the Owner shall be obligated to obtain the prior written approval of Association before taking any action that may adversely affect the loop irrigation system. Once the main line is "capped off," the Owner shall then be responsible for maintaining the irrigation system for his or her Residential Unit. Any damages to the Residential Unit resulting from an Owner's failure to comply with the terms set forth herein shall be the sole responsibility of such Owner and Declarant shall not be liable for the same. Furthermore, each Owner understands that as provided in this Declaration, an Owner may be permitted to install, without limitation, a patio, and/or screened enclosure ("Improvement") on the Residential Unit upon the prior written approval of the ACC as set forth in this Declaration and/or the Project Documents. Before the ACC approves the installation of an Improvement, the irrigation system that will be within the Improvement portion of that Residential Unit must be re-routed, if necessary, by a professional irrigation company. In order for the ACC to approve the Improvement installation, a letter or other evidence by a professional irrigation company must be given to the ACC at least ten (10) days before the Improvement installation stating that the effectiveness of the Project drainage system will not be affected by the re-routing of the irrigation system. Should an Owner install the Improvement without providing the necessary letter or other evidence from a professional irrigation company in advance as required herein, then Association may conduct the necessary inspection, repair any necessary drainage facilities and charge the work as aa Specific Assessment to such Owner, all as further provided in this Declaration and/or Project Documents.

Section 12. INTENTIONALLY DELETED.

Section 13. Fences, Walls, and Hedges. All fences, walls and hedges shall be subject to the prior written approval of the ACC with respect to location, height, materials, style and finish, and shall comply with all governmental requirements. Fences shall be erected so that the posts shall be placed on the inside of the fence, and the side without any supports shall face out from the Lot. No fences may be erected, placed or maintained on any Lot unless approved in writing in advance by Declarant or the ACC, even if in strict conformance with the requirements of the Project Documents. No fences shall be higher than six feet (6'). All fences shall be of material designated by the Declarant and the ACC, from time to time. No chain link fence shall be placed on or permitted to remain on any Lot or any part thereof. Each fence which is built as part of the original construction of the improvements upon the Lot(s) or placed by the Declarant on the dividing lines between the Lots shall be treated in law as if it were a party wall; and no such fence shall be deemed to be an encroachment and the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto. The reasonable cost of repair and maintenance of a fence shall be shared equally by the Lot Owners whose property is contiguous to the fence. Additionally, the following rules with respect to fences, walls and hedges shall apply:

(a) If a fence, wall or hedge is destroyed or damaged by fire, windstorm or other casualty, then (i) if the fence, wall or hedge was installed by Declarant or the Association and is

not located on any Lot or between adjacent Lots, the Association shall restore and repair such fence, wall or hedge at its expense; (ii) if the fence, wall or hedge was installed by Declarant or the Association and is located between adjacent Lots, the Owners who own the adjacent Lots shall restore or repair it, and they shall each equally share in the cost of such restoration and repair of the fence, wall or hedge; and
(iii) if the fence, wall or hedge was installed by an Owner, then such Owner shall restore and repair such fence, wall or hedge at its expense, without any contribution from the Owner of any adjacent Lot or the Association.

(b) All repairs to any fence, wall or hedge shall be made using materials which are of like grade, quality, material, color, finish and workmanship as that which was provided by the Declarant at the time of conveyance of the Lot to the Owner of such Lot, or as approved by the ACC if the fence was originally constructed by someone other than the Declarant.

(c) Any replacement fence or wall shall be painted the color as that which was provided by Declarant to the Owner(s) of the Lot(s) contiguous to the fence, or the same color as was approved by the ACC if the fence was originally constructed by someone other than the Declarant.

(d) Notwithstanding the above, an Owner of a Lot who by his or her negligent or willful act causes damage to or the destruction of a fence shall pay the entire cost of repair or replacement of the damaged portion.

(e) All fences approved by the ACC located within any portion of the Property designated as a Drainage Easement or Drainage Utility Easement shall meet the following criteria:

(i) All Owners of the Property will, in perpetuity, be solely responsible for all costs related to removal and replacement of the fence in the event the County, WMD, Declarant, the Association or any vendor of the Association requires access to the drainage easement.

(ii) All Owners of the Property will, in perpetuity, indemnify, defend, and hold harmless the County, WMD, Declarant, the Association and any vendor of the Association in the event the fence must be removed or is damaged in the course of access to or maintenance of the drainage easement.

(iii) All Owners will, in perpetuity, at all times assume all risks of and indemnify, defend and hold harmless the County, WMD, Declarant, the Association and any vendor of the Association from and against all loss, damage, cost or expense arising in any manner as a result of the installation of the fence.

(iv) The fence will be installed a few inches higher than ground level and otherwise designed and installed so as to not impede any flow of water.

(v) The fence will be installed in such a manner as not to interfere nor damage any drainage structure installed within the drainage easement.

(f) Additional fence criteria may be found in the rules and regulations as adopted

by the ACC.

Section 14. Sidewalks. Simultaneously with the construction of a dwelling on any Lot, where required by the County, a concrete sidewalk may be installed at the expense of the Residential Unit builder according to the specifications of the County, the line and grade of said sidewalk to be in accordance with the site plan of such Lot approved by the ACC. There is hereby created, declared and reserved for the benefit of the Declarant, the Association and all Owners an easement over, within and upon all sidewalk as shown on any Plat or recorded easement, for the purpose of constructing, installing, maintaining, repairing and replacing from time to time the sidewalk for the Property. All such benefited parties shall have a non-exclusive easement for pedestrian ingress, egress and passage over and upon any sidewalks constructed, installed and maintained within said areas.

Section 15. Commercial Uses. No trade, business, profession or other type of commercial activity shall be carried on upon any Lot unless permitted by the County as a Residential Unit occupation, except that real estate brokers, Owners and their agents may show dwellings and Lots for sale or lease, and except for commercial uses of the Declarant and any Residential Unit builder, pursuant to Paragraph 25 of this Article. Renting of a Residential Unit, regardless of the length of the lease term, shall not be considered a commercial use.

Section 16. Appearance of Lots. No lot or any part thereof shall be used as a dumping ground for rubbish. Each Lot, whether improvements are or are not located thereon, and whether occupied or not, shall be maintained reasonably clean from refuse, debris, rubbish, unsightly growth and fire hazard. No stripped, unsightly, offensive, wrecked, junked, dismantled, inoperative or unlicensed vehicles or portions thereof, or similar unsightly items; nor any furniture or appliance designed for normal use or operation within (as distinguished from outside of) a dwelling shall be parked, permitted, stored or located upon any Lot in any such manner or location as to be visible from the streets or neighboring Lots.

However, the foregoing shall not be construed to prohibit temporary deposits of trash, rubbish and other such debris for pickup by garbage and trash removal services, if placed in a neat and sanitary container to be placed at curbside no earlier than twelve (12) hours of expected removal. Containers shall be removed within twelve (12) hours of pick up and shall be stored inside the garage or kept out of sight from the street. No lumber, brick, stone, cinder block, concrete or other building materials, mechanical devices or any other thing used for building purposes shall be stored on any Lot, except for the purpose of construction on such Lot and shall not be stored on such Lot for longer than the length of time reasonably necessary to complete the construction of the improvement for which same is to be used.

Section 17. Flags. No in-ground flag poles (except as Declarant may use) shall be permitted within the Project unless written approval of the ACC is obtained. Notwithstanding the foregoing, flags which are no larger than 24" x 36" attached to a Residential Unit and displayed for the purpose of a holiday, and United States of America flags shall be permitted without ACC approval. Notwithstanding the foregoing, no ACC approval is necessary for the installation of an American flag, up to two feet (2') by four feet (4') in size, posted on a three foot (3') pole and attached at a forty five degree (45°) angle from the Residential Unit.

Section 18. Parking. Parking of Vehicles (as defined in Section 19) is prohibited in the front yard of Lots except on a driveway. Parking of Vehicles on public rights-of-way is governed by applicable provisions of the County Code of Ordinances. Parking on private rights-of-way shall be permitted in the sole discretion of the Declarant and after Turnover, the Association. Parking of any inoperable Vehicle anywhere on a Lot (other than in an enclosed garage) is prohibited. All Owners shall use at least one (1) space in their respective garage for the parking of a Vehicle. No part of any Vehicle may be parked over any part of a sidewalk because such parking may impede use of the sidewalks, particularly by pedestrians with disabilities. The provisions of this Section shall not apply to (a) Vehicles that are exempt from this Section under applicable law, (b) Vehicles of Declarant or their respective employees, agents, or contractors during the course of construction activities or sales activities upon or about the Property, or (c) Vehicles used by the Association in repairing, maintaining and replacing the Common Areas and all Improvements thereon, or in performing all other rights, duties and obligations of the Association under this Declaration. The Declarant, and after turnover, the Association, shall have the right from time to time to promulgate new and/or amend rules regulating parking within the Property. All such amendments or new rules, if any, when amended or promulgated, shall have the same force and effect as if contained in this Declaration.

Section 19. Motor Vehicles.

(A) No automobile, truck, motorcycle, mobile Residential Unit, travel trailer, tent trailer, trailer, camper shell, detached camper, recreational vehicle, all-terrain vehicle, boat trailer, golf cart or other similar equipment or motor vehicle of any kind (collectively, "Vehicles" and individually a "Vehicle") shall be parked, kept, or maintained on the Common Area. Vehicles with a gross vehicle weight rating exceeding 14,500 pounds and designated in a Class 5 or above, and commercial Vehicles are prohibited on the Property unless (i) parked in the rear or side yard of a Lot in a manner that such Vehicles are not Visible from Neighboring Property or (ii) owned by any guest or invitee of any Owner or tenant and parked on a Lot only during such time as the guest or invitee is visiting the Owner or tenant, but in no event shall such a motor Vehicle be parked on a Lot for more than seven
(7) days during any six (6) month period of time. Any Vehicle, regardless of size, that is parked in the rear or side yard of any Lot must be parked so as not to be Visible from Neighboring Property.

(B) Except for emergency Vehicle repairs on a Lot, no Vehicle of any kind shall be constructed, reconstructed, or repaired on any Lot (other than in an enclosed garage) or the Common Area. No inoperable Vehicle or Vehicle which because of missing fenders, bumpers, hoods or other parts or because of lack of proper maintenance is, in the sole opinion of the Architectural Committee, unsightly or detracts from the appearance of the Project shall be stored, parked, or kept on any Lot except in an enclosed garage.

(C) No Vehicle with a gross vehicle weight rating exceeding 14,500 pounds and designated in a Class 5 or above, and no commercial Vehicle may be parked on any area in the Project so as to be Visible from Neighboring Property; provided, however, this provision shall not apply to Vehicles that do not exceed 14,500 pounds and are a Class 4 or less which are parked as provided in Section 18 and are used on a regular and recurring basis for transportation. For purposes of this Section, commercial Vehicles shall mean any Vehicle that (i) displays the name, trade name, telephone number or other identifying information of any business or governmental

entity or (ii) otherwise bears the appearance of a commercial Vehicle by reason of its normal contents (e.g. trade goods, extensive tools, ladders), as reasonably determined by the Architectural Committee.

(D) The provisions of this Section 19 shall not apply to (a) Vehicles that are exempt from this Section under applicable law, (b) Vehicles operated by delivery, pickup and fire protection services, trash collection and recycling services, ambulance services, police and other authorities of the law, United States Mail carriers, representatives of electrical, telephone, water, cable television and other utilities, persons or companies providing business or commercial services to residents of the Property and the like, while such services are being performed, (c) Vehicles of Declarant or their respective employees, agents, or contractors during the course of construction activities or sales activities upon or about the Property, or (d) Vehicles used by the Association in repairing, maintaining and replacing the Common Areas and all Improvements thereon, and in performing all other rights, duties and obligations of the Association under this Declaration.

(E) The Association shall have the right to have any Vehicle parked, kept, maintained, constructed, reconstructed, or repaired in violation of the Project Documents towed away at the sole cost and expense of the owner of the Vehicle or equipment. Any expense incurred by the Association in connection with the towing of any Vehicle shall be paid to the Association by the owner of the Vehicle by the Association. If the Vehicle towed is owned by an Owner, then the cost incurred by the Association in towing the Vehicle or equipment shall be assessed against the Owner and his Lot and be payable on demand, and such cost shall be secured by the lien granted to the Association under this Declaration.

Section 20. Initial Construction, Repair and Rebuilding. Construction of any dwelling or other structure or improvement shall be completed within twelve (12) months from the commencement of construction thereof, unless Declarant provides for more time. Every building, structure or other improvement, the construction, repair, rebuilding, or reconstruction of which is begun on any Lot, shall be diligently and continuously prosecuted after the beginning of such construction, repair, rebuilding or reconstruction until the same shall be fully completed, except to the extent prevented by strikes, lockouts, boycotts, the elements, war, inability to obtain materials, acts of God and other similar causes.

No building, structure or improvement, which has been partially or totally destroyed by fire or casualty shall be permitted to remain in such state for more than six (6) months from the date of such damage or destruction. If reconstruction or repair of any such building, structure or improvement is not so commenced within six (6) months, the Owner thereof shall raze or remove the same promptly from such Owner's Lot. Any Owner who has suffered damage to his residence by reason of fire or any other casualty may apply to the ACC for approval for reconstruction, rebuilding or repair in a manner which will provide for an exterior appearance and design different from that which existed prior to the date of the casualty.

Section 21. Repainting of Residential Units. If the exterior of any Residential Unit (including trim, doors and garage doors) is repainted, it shall be painted in the same color or as close to the original same color unless an alternative color is approved by the ACC.

Section 22. Window Air Conditioners. Window air conditioning units are not permitted anywhere within the Property.

Section 23. Antennas and Satellite Dishes.

(A) This Section applies to antennas, satellite television dishes, and other devices ("Receivers"), including any poles or masts ("Masts") for such Receivers, for the transmission or reception of television or radio signals or any other form of electromagnetic radiation.

(B) As of the date of recordation of this Declaration, Receivers one meter or less in diameter are subject to the provisions of Title 47, Section 1.4000 of the Code of Federal Regulations ("Federal Regulations"). "Regulated Receivers" shall mean Receivers subject to Federal Regulations as such regulations may be amended or modified in the future or subject to any other applicable federal, state or local law, ordinance or regulation ("Other Laws") that would render the restrictions in this Section on Unregulated Receivers (hereinafter defined) invalid or unenforceable as to a particular Receiver. "Unregulated Receiver" shall mean all Receivers that are not Regulated Receivers. Notwithstanding the foregoing, a Regulated Receiver having a Mast in excess of the size permitted under Federal Regulations or Other Laws for Regulated Receivers shall be treated as an Unregulated Receiver under this Section.

(C) No Unregulated Receivers shall be permitted outdoors on any Lot, whether attached to a building or structure or on any Lot, unless approved in writing by the ACC, with such screening and fencing as such ACC may require. Unregulated Receivers must be ground mounted and not Visible from Neighboring Property.

(D) Regulated Receivers shall be subject to the following requirements:

i. If permitted by applicable Federal Regulations or Other Laws, no Regulated Receiver shall be permitted outdoors on any Lot, whether attached to a building or structure or on any Lot, unless approved in writing by the ACC, with such screening and fencing as such ACC may require. If such restriction is not so permitted, the provisions of subsections (ii) and (iii) below shall apply.

ii. A Regulated Receiver and any required Mast shall be placed so as not to be Visible from Neighboring Property if such placement will not (a) unreasonably delay or prevent installation, maintenance or use of the Regulated Receiver, (b) unreasonably increase the cost of installation, maintenance or use of the Regulated Receiver, or (c) preclude the reception of an acceptable quality signal.

iii. Regulated Receivers and any required Masts shall be placed on Lots only in accordance with the following descending order of locations, with Owners required to use the first available location that does not violate the requirements of parts (a) through (c) in subsection (ii) above: (1) a location in the rear yard of the Lot where the Receiver will be screened from view by landscaping or other Improvements; (2) an unscreened location in the rear yard of the Lot; (3) on the roof, but completely below the highest point on the roofline; (4) a location in the side yard of the Lot where the Receiver and any pole or mast will be screened from view by

landscaping or other Improvements; (5) on the roof above the roofline; (6) an unscreened location in the side yard; and (7) a location in the front yard of the Lot where the Receiver will be screened from view by landscaping or other Improvements.

iv. Notwithstanding the foregoing order of locations, if a location stated in the above list allows a Receiver to be placed so as not to be Visible from Neighboring Property, such location shall be used for the Receiver rather than any higher-listed location at which a Receiver will be Visible from Neighboring Property, provided that placement in such non-visible location will not violate the requirements of parts (a) through (c) in subsection (ii) above.

v. Owners shall install and maintain landscaping or other Improvements ("Screening") around Receivers and Masts to screen items that would otherwise be Visible from Neighboring Property unless such requirement would violate the requirements of parts (a) through (c) in subsection (ii) above, if an Owner is not required to install and maintain Screening due to an unreasonable delay in installation of the Receiver that such Screening would cause, the Owner shall install such screening within thirty (30) days following installation of the Receiver and shall thereafter maintain such Screening, unless such Screening installation or maintenance will violate the provisions of parts (a) through (c) in subsection (ii) above. If an Owner is not required to install Screening due to an unreasonable increase in the cost of installing the Receiver caused by the cost of such Screening, the Association shall have the right, at the option of the Association, to enter onto the Lot and install such Screening and, in such event, the Owner shall maintain the Screening following installation, unless such Screening installation or maintenance will violate the provisions of parts (a) through (c) in subsection (ii) above.

vi. The provisions of this Section are severable from each other; the invalidity or unenforceability of any provision or portion of this Section shall not invalidate or render unenforceable any other provisions or portions of this Section, and all such other provisions or portions shall remain valid and enforceable. The invalidity or unenforceability of any provisions or portions of this Section to a particular type of Receiver or Mast or to a particular Receiver or Mast on a particular Lot shall not invalidate or render unenforceable such provisions or portions regarding other Receivers or Masts on other Lots.

Section 24. Basketball Goals and Playground Equipment. Temporary basketball goals may be located in front yards or in driveways provided such basketball goals meet the standards of the ACC and are approved pursuant to Article VI. Permanent basketball goals must have clear glass backboard and the design and placement thereof are the location is subject to the approval of the ACC. In no event shall any basketball goal or hoop be affixed to a garage. All portable basketball goals shall be stored away when not in use. Playground equipment may be erected with the written approval of the ACC prior to installation. Such equipment may be installed in the rear yard of a Residential Unit, as long as the equipment is located within a fenced-in rear yard pursuant to the guidelines of Section 13 of this Article, and no color of equipment other than as approved by the ACC is visible above the height of the fence. All recreational toys, etc. must be stored in the garage when not in use, unless stored in a fenced yard. Any fence shall provide access for maintenance of the yard by the Association or Declarant.

Section 25. Exemption of Declarant. Nothing contained in this Declaration shall be interpreted or construed to prevent Declarant, or its designated assigns, contractors, or

subcontractors, from doing or performing on all or any part of the Property owned or controlled by the Declarant, or its designated assigns, whatever they determine to be reasonably necessary or advisable in connection with the completion of development of the Property and construction of improvements thereto, including, without limitation:

(a) Erecting, constructing and maintaining thereon such structures as may be reasonably necessary for the conduct of Declarant's business of completing the final development and establishing the Property as a residential community and disposing of the same in Lots by sale, lease or otherwise;

(b) Erecting and maintaining such signs thereon as may be reasonably necessary in connection with the sale, lease, or other transfer of any portion of the Property. All provisions of this Declaration in conflict with this Paragraph shall be deemed inoperative as to Declarant and its designated assigns;

(c) Installing or adding to any improvements (including fences, walls or hedges) to the Property determined in the sole discretion of the Declarant, to be in the best interest of the health, safety, or welfare of the Property or the Owners;

(d) Using the Lots and residences erected thereon for sales offices, field construction offices, storage facilities and general business offices;

(e) Maintaining furnished model Residential Units on the Lots which are open to the public for inspection seven (7) days per week for such hours as deemed necessary or convenient by Declarant or designated builder; and

(f) Undertaking all activities which, in the sole opinion of Declarant, are necessary for the development and sale of any lands and improvements.

Any rights of Declarant defined in Sections 25 hereof shall terminate when the last Lot in the Property (as it may be expanded from time to time) is sold to an Owner for a residence. It is the express intention of this paragraph that the rights granted herein to maintain sales offices, general business offices, furnished or unfurnished model Residential Units and signs shall not be restricted or limited to Declarant's or builder's sales activity relating to the Property, but shall benefit Declarant or builder in the construction, development and sale of such other property and Lots which Declarant or builder may own. All provisions of this Declaration in conflict with this paragraph shall be deemed inoperative as to Declarant or a designated builder of Declarant.

Section 26. Driveway Repair. Each Owner shall be responsible to timely repair, maintain and/or replace the driveway comprising part of a Residential Unit including, but not limited to, any damage caused by Declarant, Association or by the holder of any easement over which such driveway is constructed. Each Owner, by acceptance of a deed to a Residential Unit, shall be deemed to have agreed to indemnify, defend and hold harmless the Association and the holder of any such easement including without limitation, all applicable utility companies and governmental agencies, their agents, servants, employees and elected officials, from and against any and all actions or claims whatsoever arising out of the use of the Common Areas and any easement or the construction and/or maintenance of any driveway in that portion of the Common Areas, easement

area, or in a public right-of-way between the boundary of such Owner's Residential Unit and the edge of the adjacent paved roadway. Further, each Owner agrees to reimburse Association any expense incurred in repairing any damage to such driveway in the event that such Owner fails to make the required repairs, together with interest at the highest rate allowed by law.

Section 27. Front Doors. The front door of each residence constructed on a Lot shall be maintained in an attractive manner. The original door color shall be maintained unless otherwise approved by the ACC. Storm and screen doors shall only be permitted with the prior approval of the ACC.

Section 28. Front Yards; Lawns. The front yard of each residence constructed on a Lot shall remain grass, and each Owner is required to maintain such grass, and no front yard shall be paved over (either concrete, asphalt or otherwise except for a driveway), nor covered with rock, gravel or other similar material, unless the initial construction by the Declarant utilizes an alternate plant ground cover due to heavy shade on the Lot. Thereafter the same type of plant ground cover shall be utilized unless otherwise approved by the ACC. Nothing herein shall prohibit an Owner from employing xeriscape, drought resistant types of grass, or "Florida-friendly landscape" as defined in the Florida Statutes. This Section 28 does not restrict the ability of Declarant or the Association to maintain the front yard of a Lot as specified in this Declaration.

Section 29. Swimming Pools and Screen Enclosures. In the event any Owner constructs a swimming pool on a Lot, such swimming pool must be entirely in-ground, and the Owner of the Lot must erect a screen enclosure or a fence at least five (5) feet in height around the entire perimeter of that portion of the Lot located behind the house so as to prevent access to such swimming pool. However, this Section shall not create any liability or responsibility on the part of the Declarant or the Association with respect to any claims arising from the lack of a screened enclosure or fence around the existing swimming pool. The term swimming pool shall also include any spa, whirlpool bath, or similar device as determined by the ACC. All porch enclosures must be approved by the ACC and shall (a) be no higher than 12 feet unless otherwise approved by the ACC; and (b) be constructed with white or bronze aluminum supports with charcoal screen. Higher density private screening will be permitted for pool enclosures. Screening of entryways and garage doors is not permitted. All pools shall be adequately maintained and chlorinated (or cleaned with similar treatment). Unless installed by Declarant, no diving boards, slides, or platforms shall be permitted without the approval of the ACC.

Section 30. Outdoor Clotheslines. No clothesline or similar device shall be erected or installed on any Lot or another part of the Property unless erected or installed in such manner so as not to be visible from the streets within the Property or from any adjoining Lot, including Lots to the rear. This provision shall not be interpreted as a prohibition against clotheslines, but rather as a
requirement that they be completely screened so as to not be visible to other Owners.

Section 31. Mining, Wells, Underground Installations. No oil drilling, oil development operations, oil refining, quarrying, or mining operation of any kind shall be permitted upon or in any Lot. No derrick or other structures designed for the use in boring for oil or natural gas shall be erected, maintained, or permitted upon any Lot. No wells, tanks, tunnels, mineral excavation, or shafts shall be installed, erected, maintained, or permitted upon or in any Lot, whether such use is

for water, oil or petroleum products, natural gas, propane or any other substance.

Section 32. Garages. The primary use of all garages in the Property shall be for the storage of motor vehicles, and the secondary use of all garages shall include, but not be limited to, the storage of personal items, such as equipment, tools, holiday decorations, recreational vehicles, etc. All Owners shall use at least one (1) space in their respective garage for the parking of a Vehicle. No garage shall be converted to living area nor used for living area at any time. Any garage of a model Residential Unit that was converted to an office or other living space by the Declarant shall be converted back to a garage upon sale of the model to a Residential Unit owner intending to use the model as a residence. All garage doors facing a street or right-of-way must be closed at all times with the exception of (a) ingress to or egress from the interior of said garage; (b) while performing maintenance on the exterior of the Residential Unit; or (c) while supervising children while playing in the yard.

Section 33. Internal Lakes and Waterbodies. The internal lakes and water bodies within the Property are designed solely for management of storm water runoff and surface waters. As such, they are not designed for, nor are they intended to be used for, aquatic activities. Therefore, use of ponds, lakes, and other waterbodies for boating, fishing, swimming or any other aquatic activity is prohibited, event if said waterbody is located in part or entirely on a Lot and is owned in fees simply by an owner. It is possible that effluent water, reclaimed water, or so called "gray water" may be used to fill water bodies and to maintain certain landscaping in the Common Areas. Owners acknowledge that the cost of such water may fluctuate and shall be a Common Expense. Declarant reserves for itself, the Association, and their successors, assigns and designees, the nonexclusive right and easement, but not the obligation, to enter upon any water body located within the Common Areas to: install, operate, maintain and replace pumps to supply irrigation water to the Common Areas; (b) construct, maintain, and repair structures and equipment used for retaining water; (c) maintain such areas in a manner consistent with the Association rules; and (d) replace, remove and/or fill in the water bodies if and to the extent permitted by applicable governmental authorities. Declarant, the Association, and their successors, assigns, and designees shall have an access easement over and across any of the Property abutting or containing water bodies to the extent reasonably necessary to exercise their rights under this Section.

Section 34. Window Treatments. In order to promote uniformity in the exterior presentation of residential structures within the Property, curtains, blinds, and other window treatments, when viewed from the exterior of the residence, shall be white or of a style, color and material that shall be the same or compatible with the outside color and style of the residence. No clothing, bedding or other items shall be hung over any window.

Section 35. Holiday Lights and Other Lighting. Holiday lighting and decoration shall be permitted to be placed upon the exterior portions of a residence and upon the lot in the manner permitted hereunder during a period commencing on Thanksgiving and continuing through January 15 of the following year, after which such lighting shall be removed. Lighting and decoration for any holiday other than that referenced above shall be permitted commencing fifteen (15) days prior to said holiday and continuing for 15 days following said holiday, after which time said lighting and decoration shall be removed. The ACC may establish standards for holiday lights and may require the removal of any lighting that creates a nuisance.

Section 36. Leases. In order to keep the Property from becoming a transient community and to assure enforcement of this Declaration, the following provisions apply to leases of Lots:

(a) Lease of a Lot is not prohibited, provided that any Lease shall comply with the remaining provisions of this Section 36. All leases shall be in writing.

(b) An Owner desiring to enter into a Lease of his Lot shall provide a copy of the lease form to the Association. Every lease shall provide that the tenant shall be bound by and subject to all of the obligations of the Owner under this Declaration.

(c) Any Owner who has leased his or her Lot shall provide to the Association the name, address and telephone number of the tenant and a copy of the signed Lease not later than the date of occupancy by the tenant.

(d) No tenant shall be entitled to use the Common Areas or any recreational facilities of the Association until the Owner has complied with this Section 36.

(e) The use of the Common Areas and any recreational facilities is limited to the benefit of one (1) family per residence and grant of such rights to a tenant excludes the right of the Owner to use such Common Areas and recreational facilities during the period of the lease.

(f) The Owner shall be responsible to the Association for compliance by his or her tenant with the terms and conditions of this Declaration.

(g) The Association shall have the right to collect assessments and other charges of delinquent Owners from such Owners' tenants, as provided by Section 720.3085, Florida Statutes.

Section 37. Minor's Use of Common Areas. Each Owner shall be responsible for all actions of minor children dwelling in and/or visiting his or her Residential Unit. Declarant and Association shall not be responsible for any use of the Common Areas by anyone, including minors.

ARTICLE IV
Membership and Voting Rights

Section 1. Membership. Every Owner of a Lot which is subject to assessment shall be a Member of the Association. Membership shall be appurtenant and may not be separated from ownership of any Lot.

Section 2. Voting Rights. The Association shall have two (2) classes of voting memberships:

Class A. Class A Members shall be all those Owners, as defined in Section 1, with the exception of the Declarant. Class A Members shall be entitled to one (1) vote for each Lot in which they hold the interest required for membership in Section 1. When more than one person holds such interest or interests in any Lot, all such persons shall be Class A Members, and the vote for such lot shall be exercised as they, among themselves, determine; but in no event shall more than

one (1) vote be cast with respect to any such Lot.

Class B. The Class B Member is the Declarant as to the Lots it owns. The Class B membership designation may be assigned to any subsequent lot developer or lot builder, but not to any party intending to reside on the Lot. Each Class B Member shall be entitled to nine (9) votes for every Lot owned. Unless converted earlier and voluntarily by the Declarant, the Class B membership shall cease, and be converted to Class A membership upon the earliest of the following events (the period of time from the date of this Declaration to the date of such event being referred to herein as the "**Class B Control Period**"; the transfer of operation of the Association by the Declarant to Lot Owners other than the Declarant shall be referred to as the "**Turnover**"):

1) Three (3) months after ninety percent (90%) of the Lots within the Property (as it may be expanded pursuant to other provisions herein) have been deeded to Owners other than the Declarant;

2) When the Declarant elects to convert such membership from Class B to Class A; or

3) When required by Section 720.307, Florida Statutes.

ARTICLE V
Covenant for Maintenance and Operation Assessments

Section 1. Purpose of Association. The Association is a Florida non-profit corporation charged with the duties and invested with the powers prescribed by law and set forth in the Project Documents, specifically including all those powers prescribed by Chapters 617 and 720, Florida Statutes, as amended from time to time, which includes, without limitation, the responsibility for operating the Common Areas, enforcing the Project Documents, and to undertake the other tasks stated in the Project Documents. In addition, the Association shall be responsible for the maintenance, operation and repair of the Surface Water Management System. Maintenance of the Surface Water Management System(s) shall mean the exercise of practices which allow the systems to provide drainage, water storage, conveyance or other surface water or stormwater management capabilities as permitted by WMD. Any repair or reconstruction of the Surface Water Management System shall be as permitted or, if modified, as approved in writing by WMD.

Section 2. Creation of the Lien and Personal Obligation for Assessments. The Declarant, for each Lot within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed thereto, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant, and agree to pay the Association, and the Association may levy against the Owner of each Lot, the following assessments and other amounts (hereafter, collectively referred to as "**assessments**" or "**Assessments**"):

(a) A "Start-up Assessment" due and payable to the Association upon the acquisition of a Lot by the first Owner thereof other than Declarant, the revenue from which shall be used for annual operating expenses of the Association (exclusive of reserves). The amount of the Start-up Assessment shall be established by the Declarant from time to time, on behalf of the Association;

(b) "Annual Assessments" which shall include assessments for the maintenance and

operation of the Common Area and which may include such reserves as more fully described in subsection (h) below. Annual Assessments shall also be used for the maintenance and repair of the Surface Water Management System including but not limited to work within retention areas, drainage structures and drainage easements. Annual Assessments shall be collected in periodic payments determined by the Association from time to time, which initially is quarterly;

(c) "Special Assessments" for capital improvements as provided in Section 4 of this Article. Such assessments shall be for those purposes stated hereinafter and shall be fixed, established and collected from time to time as hereafter provided;

(d) "Specific Assessments" for maintenance obligations of Owners or other expenses incurred by the Association on behalf of an Owner as elsewhere provided for in this Declaration;

(e) a "Resale Assessment" due and payable to the Association upon all succeeding conveyances of a Lot, due at the closing of the resale, the revenue from which shall be used by the Association to offset administration costs in connection with the change in membership as well as pay operating or any other expenses of the Association. The amount of the Resale Assessment shall be established by the Association from time to time.

(f) a "CIAC Assessment" which the Association shall have the right to collect as a recurring Assessment as a contribution in aid of construction ("CIAC Assessment") from the Purchaser or grantee at the time of each conveyance of the fee simple title to any Lot. The amount of the CIAC Assessment may be adjusted from time to time by the Association but in no event to an amount which would exceed one hundred twenty-five percent (125%) of the corresponding CIAC Assessment in effect during the prior fiscal year). All initial CIAC Assessments shall, upon receipt by the Association, be promptly disbursed to the Declarant to be used solely for the reimbursement of hard and soft costs associated with the construction of recreational facilities and Common Area Improvements within the Property for the benefit of the Owners, their families and guest. All subsequent CIAC Assessments shall, upon receipt by the Association, be used by the Association for the payment of such expenses as the Association shall determine.

(g) other assessments as provided for elsewhere in this Declaration.

(h) Interest on unpaid assessments, reasonable attorneys' fees, and the costs and expenses of collection of unpaid assessments, are deemed part of, and included within the term "assessments" as used herein.

(i) the Association may collect, as part of the Annual Assessment, monies to fund reserves for deferred expenditures, including, but not limited to monies for capital expenditures and deferred maintenance. The Declarant may choose to establish or not to establish reserve accounts in its initial budget for the Association, within its sole discretion. The Association may choose to establish reserves or waive the funding of reserves in accordance with, and subject to, the provisions of Section 720.303(6) Florida Statutes.

The Annual Assessment, Special Assessment, Specific Assessment, Resale Assessment, CAIC Assessment, and other assessments, together with interest thereon, late fees and costs of collection of same, including attorneys' fees, shall be a charge on each Lot and shall be a continuing

lien upon the Lot for the assessments and the costs of collection of the same, including reasonable attorneys' fees, and shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due.

Annual and Special Assessments shall be at a uniform rate per Lot and may be collected on a monthly, quarterly or yearly basis, as directed by the Association.

The Start-Up Assessments shall be in the amount determined by the Declarant from time to time, and Resale Assessments shall be in an amount as determined by the Association from time to time, and each such assessment shall be uniform within the Property, until changed by the Declarant or the Association, as the case may be.

Specific Assessments shall be in the amounts as elsewhere provided in this Declaration.

Section 3. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to (i) fund the operations of the Association as elsewhere provided in this Declaration and the Articles of Incorporation, (ii) promote the health, safety and welfare of the residents in the Property, (iii) for the improvement, repair, replacement and maintenance of the Common Area and roofs, including, but not limited to, payment for operation and maintenance of improvements to the Common Area, the costs of taxes, insurance, labor, equipment, materials, management, maintenance and supervision thereof, and (iv) for such other purposes as are permissible activities of the Association and undertaken by it as set forth in this Declaration.

Section 4. Special Assessments for Capital Improvements. In addition to the Annual Assessment the Association may levy, in any assessment year, a Special Assessment, for the purpose of defraying in whole or in part, the cost of any construction, reconstruction, repair or replacement of any capital improvement. Except as hereafter stated, the Association may not expend funds from a Special Assessment for capital improvements without the prior approval of at least two-thirds (2/3) of those Members entitled to vote in person or by proxy thereon at a meeting at which a quorum is present. If the Special Assessment is for: (i) the replacement or repair of items installed by a Declarant as part of its development of the Property, if any; or (ii) the repair and replacement of any personal property related to the Common Areas, the approval of a simple majority of the Members entitled to vote in person or by proxy thereon at a meeting at which a quorum is present shall be sufficient to approve such Special Assessment.

Section 5. Specific Assessments. Specific Assessments may be levied against individual Lots to permit the Association to recover the cost and expense of performing maintenance obligations on the Lots, or to recover other expenses that the Association is permitted to recover from individual Lot Owners which are not part of the Annual, Special, Start-up, Resale or CAIC Assessments. In connection with maintenance obligations, the Association shall provide two (2) written notices to an Owner regarding a maintenance obligation. In the event an Owner shall fail to perform any lawn and landscaping maintenance (when not the responsibility of the Association), or any exterior repair or replacement as required to maintain the Lot or Residential Unit, by the cure period outlined in the second written notice, the Association may enter upon such Lot and have such work performed, or correct the violation. All costs thereof, including attorneys' fees and other legal costs incurred, shall be specifically assessed against such Lot, regardless of whether or not legal action is initiated against the Owner of said Lot, which assessment shall be secured by a

lien as set forth in Article V, Section 2 of this Declaration.

Section 6. Other Assessments. Any and all accrued, liquidated indebtedness of any Owner to the Association arising under the provision of this Declaration, or by contract expressed or implied, or because of any act or omission of any Owner or person for whom such Owner is responsible and including any attorneys fees incurred to collect same, also may be assessed as a Specific Assessment by the Association against such Owner's Lot after such Owner fails to pay it within thirty (30) days after written demand.

Section 7. Date of Commencement of Assessment; Due Dates.

(a) The Annual Assessments provided for herein shall commence on the date that a Lot is sold by Declarant to a third-party Residential Unit buyer, as indicated by the date of the deed of conveyance. The Annual Assessment shall initially be payable in quarterly installments due on the first day of January, April, July and October.

(b) Start-up Assessments, Resale Assessments and CAIC Assessments shall be due and payable at the closing of the Lot sale.

(c) Special Assessments and Specific Assessments shall be due when determined by the Board of Directors in the resolutions adopting the assessments.

Section 8. Duties of the Association Regarding Assessments. The Association shall fix the amount of assessments against each Lot and shall set the date of commencement for each assessment period at least thirty (30) days in advance of such date or period, and shall, at that time, prepare a roster of the property and assessments, applicable thereto, that shall be kept on file in the office of the Association and shall be open to inspection by any Owner. Written notice of the assessment shall thereafter be sent to every Lot Owner subject thereto.

The Association shall, upon demand at any time, furnish to any Owner, a certificate in writing signed by an Officer of the Association setting forth whether said assessments have been paid as to any particular Lot. This certificate shall be conclusive evidence of payment of any assessment, due to the Association, which is stated therein to have been paid. The Association may charge reasonable fees to provide such certificates.

Section 9. Amount of Assessments. The initial Annual Assessment shall be established by the Association and shall commence with the conveyance of the first Lot to a Class A Member and shall remain in effect until January 1 of the year immediately following the conveyance of the first Lot to a Class A Member. Thereafter, the following provisions shall apply:

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to a Class A Member the annual assessment may be increased by the Declarant and upon turnover the Board, subject to the provisions of Florida law.

(b) The Association or the Declarant, when applicable shall, after consideration of current maintenance costs and future needs, fix the actual assessment for each year in an amount determined to be in the best interest of the Association. The assessment for each Lot owned by a

Class A Member shall be equal to the assessment for each other Lot owned by a Class A Member. The amount shall be an amount equal to a fraction of the total assessment budget, where the numerator is one and the denominator is the total number of Lots in the Property.

(c) Special Assessments, as described herein may be made by the Association only by same vote and quorum requirements as is described in subsection (b) above of this Section 9

(d) The Declarant shall have the option to be exempt from payment of annual Assessments on Lots owned by the Declarant, subject to the provisions of Section 9(e) below. If a Lot ceases to be owned by Declarant and therefore becomes subject to assessment during the period to which an annual Assessment is attributable, the Assessment shall be prorated based on the basis of the number of days in the assessment period that the Lot is not owned by Declarant.

(e) Pursuant to Section 720.308, Florida Statutes, until Turnover occurs, the Declarant shall have the option, instead of paying Annual Assessments, to pay to the Association any amounts (hereinafter "Subsidy Amounts") which, in addition to the Annual Assessments levied by the Association, may be required by the Association to pay any operating expenses incurred that exceed the Assessments receivable from other Members and other income of the Association, such that the Association may be able to fully perform its duties and obligations under the Project Documents, including the obligation to maintain adequate reserve accounts (if any) established by the Board. Notwithstanding the foregoing, Declarant shall not have any obligation to pay any combination of Subsidy Amounts and Assessments during any calendar year in excess of the total amount that Declarant would have paid during such calendar year if such person were paying full Assessments. Any estimated payment by the Declarant to fund Subsidy Amounts under this Section in excess of such person's actual obligation for Subsidy Amounts under this section shall, at Declarant's option, be credited toward payment of Declarant's next due Assessment payment(s) or refunded to the payors thereof; for example, if Declarant pays $25,000 to the Association in the middle of a calendar year to fund estimated Subsidy Amounts and the actual Subsidy Amounts required as of the end of the year would have been only $20,000 in the absence of such payment, Declarant shall be entitled to a $5,000 credit toward their next due Assessment payment or a refund of $5,000. Any Subsidy Amounts payable by Declarant under this section shall be paid solely by Declarant until such time as Declarant has paid Assessments on Lots owned by Declarant at a rate of 25% of the annual Assessment and thereafter allocated among Declarant and paying reduced Assessments on the basis of the respective number of lots owned by Declarant as of such date as the Board determines that payment is necessary under this Section 9(e). Payments under this section shall be made by Declarant paying reduced Assessments on such basis as the Board may determine from time to time, but in no event more often than monthly or less often than annually.

(f) The Association shall not be obligated to spend in any year all the Assessments and other sums received by it in such year, and may carry forward as surplus any balances remaining, including, but not limited to using such surplus to fund reserves. The Association shall not be obligated to reduce the amount of the Annual Assessment in the succeeding year if a surplus exists from a prior year, and the Association may carry forward from year to year such surplus as the Board in its discretion may determine to be desirable for the greater financial security of the Association and the accomplishment of its purposes.

THE INITIAL ANNUAL ASSESSMENT IS PROJECTED (NOT BASED ON HISTORICAL OPERATING FIGURES). THEREFORE, IT IS POSSIBLE THAT ACTUAL ASSESSMENTS MAY BE LESS OR GREATER THAN PROJECTED.

Section 10. Effect of Nonpayment Assessment; Remedies of Association.

(a) If the assessments are not paid within ten (10) days after the date when due (being the dates specified in Sections 6 and 7 hereof), then such assessment shall become delinquent and shall, together with such interest and late fees thereon and the costs of collection thereof, including attorneys' fees, as hereafter provided, thereupon become a continuing lien on the property so assessed, which shall bind such property in the hands of the then Owner, his heirs, devises, personal representatives, successors and assigns.

(b) Any assessment not paid within ten (10) days after the date when due, shall bear interest from the date when due at the rate of eighteen percent (18%) per annum, provided, however, in no event shall this interest rate exceed the maximum allowable by law.

(c) The Association may bring an action at law against the Owner personally obligated to pay the same or may record a claim of lien against the Lot and may foreclose the lien against the Lot (after having given the Owner forty-five (45) days prior notice as provided in Section 720.3085, Florida Statutes), or pursue one or more of such remedies at the same time or successively, and there shall be added to the amount of such assessment, and recoverable by the Association, a late fee of twenty-five dollars ($25.00), and the costs of collection of same, including, but not limited to, reasonable attorneys' fees and the costs of preparing and filing the claim of lien and the complaint in any such action. Additionally, in the event that a judgment is obtained, such judgment shall include interest on the assessment as provided hereinabove and costs of collection and reasonable attorneys' fees. Attorneys' fees, as provided for herein, shall include attorneys' fees incurred in any appeal of such action, to be fixed by the court, together with the costs of the action. All funds received by the Association shall be applied to an Owner's account in the following order: (1) accrued but unpaid interest, (2) late fees, (3) fines, (4) attorneys fees and related costs, and (5) delinquent assessments. In the event of a default in the payment of any assessment, the Association may accelerate the assessments then due for up to the next ensuing twelve (12) month period.

(d) No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or by abandonment of his Lot. It shall be the legal duty and responsibility of the Association to enforce the timely payment of the assessments.

(e) In addition to the rights of collection of assessments stated in this Section, any and all persons acquiring title to, or an interest in, any Lot as to which the assessment is delinquent, including, without limitation, persons acquiring such interest by operation of law and by judicial sale, shall not be entitled to the enjoyment of the Common Area, until such time as all unpaid and delinquent assessments due and owing from the selling Owner have been fully paid.

Section 11. Priority of Lien and Subordination of the Lien to Mortgages and Tax Liens. The lien of the assessments provided for herein shall relate back to, and become effective as of, the date that this Declaration was recorded in the public records. Notwithstanding the

foregoing priority, the lien of the assessments provided for herein shall be subordinate to any ad valorem tax lien and to the lien of any first mortgage encumbering any Lot. Subsequent owners of Lot, regardless of how title was acquired, shall be jointly and severally liable with the previous Owner for all unpaid assessments which became due prior to acquisition of the Lot, pursuant to Section 720.3085, Florida Statutes. This liability is without prejudice to any right the present Owner may have to recover any amounts paid by the present owner from the previous owner. Notwithstanding anything to the contrary contained in this Section, the liability of a First Mortgagee, or its successor or assignee as a subsequent holder of the first mortgage who acquires title to a parcel by foreclosure or by deed in lieu of foreclosure, for the unpaid assessments that became due before the mortgagee's acquisition of title, shall be limited as and to the extent provided by Section 720.3085, Florida Statutes, as amended from time to time. In the case of co-ownership of a Residential Unit, all of such co-owners shall be jointly and severally liable for the entire amount of the Assessments.

Any unpaid assessment that cannot be collected as a lien against a Lot by reason of the provisions of this Section 11 shall be deemed to be an assessment divided equally among, payable by, and a lien against all Lots subject to the jurisdiction of the Association, including the Lot as to which the foregoing, or conveyance in lieu of foreclosure, took place.

Section 12. Residential Units. By acceptance of a deed thereto, each Owner of each Lot is deemed to acknowledge conclusively that (i) the assessments established by this Article are for the improvement and maintenance of any Residential Units thereon; and (ii) the Association's lien for such assessments has priority over any such Residential Units; and (iii) such Owner irrevocably waives the benefit of any Residential Units exemption otherwise available with respect to all amounts secured by such lien.

Section 13. Trust Funds. The entire amount of all regular and special assessments collected by the Association shall be held by the Association in trust for the Owners of all Lots, as their interest may appear, until disbursed as contemplated herein for the purposes for which the assessments were collected.

Section 14. Special Taxing Districts. In the event that a Special Taxing District is established to provide any services currently rendered by, or which are the responsibility of, the Association, these covenants and conditions shall no longer be of any force and effect as to any such services provided by said Special Taxing District, provided, however, the covenants and conditions set forth herein shall continue to bind and run with the lands as to all of the Property for services not provided by said Special Taxing District. If said Special Taxing District is terminated for any reason, these covenants and conditions shall thereupon apply in full force and effect as if said Special Taxing District had never been created. Each Owner, by acceptance of a deed with respect to such Owner's Lot, consents to the formation and operation of any special taxing district.

Section 15. Fines. Association may suspend, for reasonable periods of time, the rights of an Owner or an Owner's tenants, guests and invitees, or both, or use the Common Areas and/or common services including, but not limited to, cable services, and/or other services which are paid through Common Expenses, and may levy reasonable fines, not to exceed the maximum amounts permitted by Section 720.305(2) of the Florida Statutes, against an Owner, tenant, guest or invitee, for failure to comply with any provision of this Declaration including, without limitation, those

provisions benefiting WMD.

(a) A fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing. **Fines in the aggregate are not capped to any amount.**

(b) Unless otherwise permitted by Florida law, no fines or suspensions may be imposed without notice of at least fourteen (14) days to the person sought to be fined or suspended and an opportunity for a hearing before a committee of at least three (3) persons (the "Violations Committee") appointed by the Board who are not officers, directors or employees of Association, or the spouse, parent, child, brother, sister of an officer, director or employee. If the Violations Committee does not by a majority vote approve a fine or suspension the same may not be imposed. The written notice of violation shall be in writing to the Owner, tenant, guest or invitee and detail the infraction or infractions. Included in the notice shall be the date and time of the hearing of the Violations Committee.

(c) The non-compliance shall be presented to the Violations Committee acting as a tribunal, after which the Violations Committee shall hear reasons why a fine should not be imposed. The hearing shall be conducted in accordance with the procedures adopted by the Violations Committee from time to time. A written decision of the Violations Committee shall be submitted to the Owner, tenant, guest or invitee, as applicable, by not later than twenty-one (21) days after the meeting of the Violations Committee. The Owner, tenant, guest or invitee shall have a right to be represented by counsel and to cross-examine witnesses.

(d) The Violations Committee may impose Individual Assessments against the Owner in the amount of $100 (or any greater amount permitted by law from time to time) for each violation. Each day of non-compliance shall be treated as a separate violation and there is no cap on the aggregate amount the Violations Committee may fine an Owner, tenant, guest or invitee. Individual Assessment fines shall be paid not later than five (5) days after notice of the imposition of the Specific Assessment. All monies received from fines shall be allocated as directed by the Board of Directors. **FINES MAY EXCEED $1,000.00 AND BECOME LIENS AGAINST A LOT IN ACCORDANCE WITH SECTION 720.305, FLORIDA STATUTES.**

Section 16. Right of Association to Evict Tenants, Occupants, Guests and Invitees. With respect to any tenant or any person present in any Residential Unit or any portion of the Project than an Owner and the members of his/her immediate family permanently residing with him/her in the Residential Unit, if such person shall violate any provision of the Project Documents or shall create a nuisance or an unreasonable and continuous source of annoyance to a resident of the Project in Association's sole discretion, or shall willfully damage or destroy any of the Common Areas or personal property of Association, then upon written notice by Association, such person shall be required to immediately leave the Project and if such person does not do so, Association shall be authorized to commence an action to evict such tenant or compel such person to leave the Project and, where necessary, to enjoin such person from returning. Any expense incurred by Association in connection with any such action including, without limitation, attorneys' fees, shall be charged by Association to the applicable Owner of such Residential Unit as a Specific Assessment.

ARTICLE VI
Architectural Control

Section 1. Architectural Control Committee. In order to assure that the residences and other buildings, structures, and improvements in the Property will be constructed in a manner to preserve a uniformly high standard of construction quality, and in order to create, maintain and preserve an attractive, unique and exclusive residential subdivision, with harmony in design and location in relation to surrounding buildings, improvements and topography, and with homogeneity in density, size, and materials of the structures, and appearances of all buildings, structures and improvements on any Lot, there is hereby created an Architectural Control Committee (the "**ACC**"). Initially, the Declarant shall appoint the members of the ACC. At such time as the Declarant (or any successor to Declarant) no longer owns any Lots within the Property for sale to residential customers, the powers and duties of the ACC shall immediately vest in and be assigned to the Association, and the ACC shall thereafter exist as a committee of the Association under the control of the Association's Board of Directors. The ACC shall be contacted through the Association's property manager, or if there is no property manager, through the President of the Association.

Section 2. Purpose and Powers of the ACC.

(a) The ACC shall have the power to regulate all of the construction and architectural matters described in this Article VI. The power to regulate shall include the power to prohibit those buildings, structures, improvements, painting or landscaping plan (including additions, changes, and modifications thereto) deemed inconsistent with the provisions of the Declaration, or the aesthetic scheme, design or quality intended to be created and preserved hereby, or in maintaining the value and desirability of the Property, as a residential community with exclusive, unique and desirable aesthetic qualities.

(b) No building, structure, improvement (including swimming pools and screened enclosures) or landscaping plan, shall be erected, constructed, placed or altered on any Lot until the Owner of the Lot shall submit in duplicate complete plans and specifications for such building, structure, improvement or landscaping plan and a detailed site plan showing its proposed location, and the ACC shall have approved such plans and specifications and detailed site plan, in writing. This approval procedure shall also apply to the installation of any object within a front, side or rear yard, and shall include, but not be limited to, fountains, pottery, landscaping, landscape curbing, signage, or other forms of yard art. The approval of said plans, specifications and detailed site plan by the ACC may be withheld not only because of the noncompliance with any of the specific easements, covenants, conditions and restrictions of this Declaration, but also by reason of the reasonable dissatisfaction of the ACC with any other aspect of such plans and specifications, including but not limited to compliance with this Declaration, the landscaping or grading plan, the proposed location of the structure with respect to topography and finished grade elevations, the quality of workmanship and materials, the type of materials, the color scheme, finished design, proportions, architecture, style, shape, height, size, style or appropriateness of the proposed buildings, structures or improvements located or to be located upon the Property, including the height, kind and appearance of fences, walls, and excavation or fill, change in appearance, drainage or terrain, planting, utility installation and any other physical change or improvement to any Lot, the size, location and materials to be used in the construction of the walks and drives, and the sizes

and species of landscaping materials, all of which are included within the definition of "improvements" as such word is used herein.

(c) It is the intention of this provision to vest in the ACC the right, power and authority to regulate the appearance of the buildings, structures, improvements and landscaping plan to be located upon each Lot, for the purposes herein set forth. Upon completion of any building, structure, improvement or landscaping plan in accordance with the plans, specifications and detailed site plan as approved by the ACC, no changes, alterations, additions, reconstruction or attachments of any nature whatsoever shall be made to the exterior of the building, structure, improvement, or landscape plan, including that portion thereof not actually occupied by the improvements thereon, unless the same are identical to the original work without the ACC's prior written approval in the manner above provided. This includes the type of paint and paint color of the exterior of a building, structure or improvement.

(d) All of the foregoing approvals of the ACC shall not be unreasonably withheld so long as such original plans, specifications and detailed site plans of such change, alteration, addition, reconstruction or attachment, as the case may be, conforms substantially to, and is in harmony with, the creation and preservation of the general plan of development intended to be created and preserved by this Declaration. This Article VI applies to all Owners, including any Residential Unit builder other than Declarant and affiliates of Declarant. Declarant and affiliates of Declarant are exempt from the provisions of this Article VI.

Section 3. Exculpation of ACC. Members of the ACC cannot and shall not be held responsible, or be liable to any person whomsoever, in any manner whatsoever, for any loss or damages arising out or resulting from the approval, the failure or refusal to approve, or the disapproval of, any plans and specifications or site plans, or for any errors in structure, design or any non-conformance with applicable building codes or local laws or regulations in the plans and specifications or site plan, nor for any defect in design or construction of any building, structure or improvement constructed in accordance with any such plans, specifications or site plan.

Section 4. Submission of Plans and Specifications for Review by ACC.

(a) An Owner desiring to make any improvement to the Property governed by this Article V I shall submit plans, specifications and detailed site plans for the improvement in sufficient detail as may be required from time to time by the ACC to meet the review criteria of this Article VI. Plans, specifications, and detailed site plans shall be submitted to the ACC in the number reasonably required by the ACC from time to time. The Association may charge a reasonable fee for reviewing plans, specifications and detailed site plans, which may include the cost to have the submitted materials reviewed by an architect or engineer. If requested by the submitting Owner, the ACC shall issue a receipt to any Owner that plans, specifications and detailed site plans have been submitted to the ACC for review. Declarant is exempt from ACC review for construction of any Residential Units and other improvements to the Lots or Common Areas and may assign this exemption to any developer.

(b) The ACC may approve, disapprove, or approve with conditions, any submittal made under this Article VI. Approval, disapproval or conditional approval shall be endorsed upon the plans, specifications, and details site plan submitted by the Owner, and shall be further

evidenced by a written instrument executed and acknowledged by the ACC. Such written instrument accompanied by one set of the endorsed submitted documents, shall be returned, to the applicant within thirty (30) calendar days after submission by the Owner. If the ACC does not take action to either approve or disapprove the submission within such thirty (30) day period, the request shall be deemed disapproved. One set of plans, specifications and detailed site plan as finally approved shall be retained by the ACC for its permanent records.

Section 5. Governmental Approval. Each Owner acknowledges and agrees that ACC approval, as discussed herein, shall not be deemed to constitute an approval by any governmental authority, nor shall it relieve any Owner of the obligation to obtain necessary governmental approvals at such Owner's sole cost and expense. Additionally, in the event any governmental authority denies an Owner's application for a permit or otherwise in connection with planned alterations or improvements, such denial shall prohibit construction of such improvements (regardless of whether the ACC has previously approved the Owner's planned alterations or improvements by certificate or otherwise). Decisions of the ACC with respect to architectural control shall be based upon proposed improvements being consistent with the overall aesthetics and master plan of the Project and such decisions shall not be deemed a waiver of an Owner's obligation to comply with state and local codes and/or ordinances. In the event that any Owner, with or without ACC approval, constructs any improvements or makes any changes to his or her Residential Unit without the required governmental permits or approvals, such Owner shall be solely liable for all fines and/or citations imposed by any governmental authority and shall further bear all costs in connection with the removal, repair or reconstruction of improvements required by such governmental authority. In addition, to the extent an Owner fails to obtain governmental permits and/or approvals prior to constructing improvements which require the same, or if any governmental entity requires the repair, removal or reconstruction of any improvements, Association shall be permitted to cause such Owner to repair, remove or reconstruct any unapproved improvement at the Owner's sole and absolute cost, and in the event such Owner fails to remove the same within a reasonable time, Association may, but shall not be obligated to remove the improvement and charge all costs in connection with the same to the Owner as an Specific Assessment. Each Owner further agrees to remise, release, acquit, satisfy, and forever discharge Declarant and Association of and from all, and all manner of, action and actions, cause and causes of action, suits, debts, sums of money, accounts, bills, covenants, controversies, agreements, promises, damages (including consequential, incidental, punitive, special or other), judgments, executions, claims, liabilities and demands, whatsoever, at law and in equity (including, but not limited to, claims founded on tort, contract, contribution, indemnity or any other theory whatsoever) in any way related to any construction of any requested improvements due to any defects to the marketability, ability to obtain a loan, and/or insurability of a Residential Unit caused therefrom; any encroachment caused by requested improvements; and/or the repair, reconstruction or removal of the improvements as required by any governmental or court action.

ARTICLE VII
Insurance and Condemnation

Section 1. Scope of Coverage. Commencing not later than the time of the first conveyance of a Lot to a person other than the Declarant, the Association shall maintain, to the extent reasonably available, the following insurance coverage:

(a) Property insurance on the Common Area insuring against all risk of direct physical loss, insured against in an amount equal to the maximum insurable replacement value of the Common Area, as determined by the Board; provided, however, that the total amount of insurance after application of any deductibles shall not be less than one hundred percent (100%) of the current replacement cost of the insured Property, exclusive of land, excavations, foundations and other items normally excluded from a property policy;

(b) Comprehensive general liability insurance, including medical payments insurance, in an amount determined by the Board, but not less than $1,000,000.00. Such insurance shall cover all occurrences commonly insured against for death, bodily injury and property damage arising out of or in connection with the use, ownership or maintenance of the Common Area, and shall also include hired automobile and non-owned automobile coverage with cost liability endorsements to cover liabilities of the Owners as a group to an Owner and provide coverage for any legal liability that results from lawsuits related to employment contracts in which the Association is a party;

(c) Workmen's compensation insurance to the extent necessary to meet the requirements of the laws of Florida;

(d) Such other insurance as the Association shall determine from time to time to be appropriate to protect the Association or the Owners, specifically including, but not limited to directors' and officers' liability insurance for the directors and officers of the Association, as well as similar liability insurance covering other functionaries of the Association (such as but not limited to members of Committees) in form and amounts as may be deemed advisable by the Board of Directors; and

(e) The insurance policies purchased by the Association shall, to the extent reasonably available, contain the following provisions:

(i) There shall be no subrogation with respect to the Association, its agents, servants, and employees, with respect to Owners and members of their household;

(ii) No act or omission by any Owner, unless acting within the scope of his authority on behalf of the Association, will void the policy or be a condition to recovery on the policy;

(iii) The coverage afforded by such policy shall not be brought into contribution or proration with any insurance which may be purchased by Owners or their mortgagees or beneficiaries under deeds of trust;

(iv) A "severability of interest" endorsement which shall preclude the insurer from denying the claim of an Owner because of the negligent acts of the Association or other Owners;

(v) The Association shall be named as the Insured; and

(vi) For policies of hazard insurance, a standard mortgagee clause providing that the insurance carrier shall notify the first mortgagee named in the policy at least

thirty (30) days in advance of the effective date of any substantial modification, reduction or cancellation of the policy.

(vii) If any building or other vertical Improvement in the Common Area is located in an area identified by the Secretary of Housing & Urban Development as an area having special flood hazards, a policy of flood insurance on such portion of the Common Area must be maintained in the lesser of one hundred percent (100%) of the current replacement cost of the building or Improvement and any other property covered by the required form of policy or the maximum limit of coverage available under the National Insurance Act of 1968, as amended; and

(viii) "Agreed Amount" and "Inflation Guard" endorsements.

Section 2. Certificates of Insurance. An insurer that has issued an insurance policy under this Article shall issue certificates or a memorandum of insurance to the Association and, upon request, to any Owner or its mortgagee. Any insurance obtained pursuant to this Article may not be cancelled until thirty (30) days after notice of the proposed cancellation has been mailed to the Association, each Owner and each mortgagee to whom certificates of insurance have been issued.

Section 3. Fidelity Bonds.

(a) The Association may maintain blanket fidelity bonds for all officers, directors, trustees and employees of the Association and all other persons handling or responsible for funds of or administered by the Association, including, but without limitation, officers, directors and employees of any management agent of the Association, whether or not they receive compensation for their services. The total amount of fidelity bond maintained by the Association shall be based upon the best business judgment of the Board, and shall not be less than the greater of (i) the amount equal to one hundred percent (100%) of the estimated annual operating expenses of the Association, (ii) the estimated maximum amount of funds, including reserve funds, in the custody of the Association or the management agent, as the case may be, at any given time during the term of each bond, (iii) the sum equal to three (3) months annual Assessments on all Lots. Fidelity bonds obtained by the Association must also meet the following requirements:

(i) The fidelity bonds shall name the Association as an obligee;

(ii) The bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees" or similar terms or expressions; and

(iii) The bonds shall provide that they may not be canceled or substantially modified (including cancellation from non-payment of premium) without at least ten (10) days prior written notice to the Association.

(b) The Association shall require any management agent of the Association to maintain its own fidelity bond in an amount equal to or greater than the amount of the fidelity bond to be maintained by the Association pursuant to subsection (a) of this Section. The fidelity bond maintained by the management agent shall cover funds maintained in bank accounts of the management agent and need not name the Association as an obligee, but the management agent

shall deliver to the Association upon request, from time to time, a copy of its fidelity bond then in effect.

Section 4. Payment of Premiums. The premiums for any insurance obtained by the Association pursuant to this Article shall be a Common Expense included in the budget of the Association and shall be paid by the Association.

Section 5. Insurance Obtained by Owners. Each Owner shall be responsible for obtaining property insurance for his own benefit and at his own expense covering his Lot, and all Improvements and personal property located thereon. Each Owner shall also be responsible for obtaining at his expense personal liability coverage for death, bodily injury, or property damage arising out of the use, ownership, or maintenance of his Lot.

Section 6. Payment of Insurance Proceeds. With respect to any loss to the Common Area covered by property insurance obtained by the Association in accordance with this Article, the loss shall be adjusted with the Association and the insurance proceeds shall be payable to the Association and not to any mortgagee. Subject to the provisions of this Article, the proceeds shall be disbursed for the repair or restoration of the damage to Common Area.

Section 7. Repair and Replacement of Damaged or Destroyed Property. Any portion of the Common Area damaged or destroyed shall be repaired or replaced promptly by the Association unless (i) repair or replacement would be illegal under any state or local health or safety statute or ordinance, or (ii) Owners owning at least eighty percent (80%) of the Lots vote not to rebuild. No mortgagee shall have the right to participate in the determination of whether the damage or destruction to the Common Area shall be repaired or replaced. The cost of repair or replacement in excess of insurance proceeds and reserves shall be paid by the Association. If the entire Common Area is not repaired or replaced, insurance proceeds attributable to the damaged Common Area shall be used to restore the damaged area to a condition which is not in violation of any state or local health or safety statute or ordinance and the remainder of the proceeds shall be added to the Association's reserve fund or used for such other purposes as the Board shall determine.

Section 8. Condemnation. Any conveyance in lieu of and under threat of condemnation must be approved by (i) at least two-thirds (2/3) of the Board and (ii) the Declarant so long as the Declarant owns any property subject to this Declaration or which may become subject to this Declaration. The award made for such taking shall be payable to the Association as trustee for all Owners to be disbursed as follows:

If the taking involves a portion of the Common Area on which Improvements have been constructed, then, unless within sixty (60) days after such taking the Declarant (so long as the Declarant owns any property which is or may become subject to this Declaration) and at least two-thirds (2/3) of the Board shall otherwise agree, the Association shall restore or replace such Improvements so taken on the remaining land included in the Common Area to the extent lands are available therefor, in accordance with plans approved by the Board and applicable governmental authorities. If such Improvements are to be repaired or restored, the above provisions in Article X hereof regarding the disbursement of insurance proceeds shall apply. If the taking does not involve any Improvements on the Common Area, or if there is a decision made not to repair or

restore, or if there are net funds remaining after any such restoration or replacement is completed, then such award or net funds shall be disbursed to the Association and used for such purposes as the Board shall determine.

ARTICLE VIII
General Provisions

Section 1. Duration. The covenants and restrictions of this Declaration, and any supplemental declaration, shall run with and bind the Property, and shall inure to the benefit of and be enforceable by the Declarant, the ACC, the Association, or the Owner of any land subject to this Declaration or any supplemental declaration, and their respective legal representatives, heirs, successors and assigns, for a term of twenty-five (25) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless terminated at the end of any such period by a vote of at least seventy-five percent (75%) of each class of voting members. This and any supplemental declarations may be amended as provided in Section 5 of this Article.

Section 2. Notice. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when personally delivered or mailed, postpaid, to the last known address of the person who appears as a Member or Owner on the records of the Association at the time of such mailing.

Section 3. Enforcement.

(a) These covenants and restrictions may be enforced by the Declarant, the ACC, the Association or any Owner and (with respect to obligations herein involving the Surface Water Management System) and the WMD. Enforcement shall be by any proceeding at law or in equity against any person violating or attempting to violate any covenant or restriction, either to restrain the violation or to recover damages and against the land to enforce any lien created by these covenants. Failure of any party to enforce any covenant or restriction herein contained shall, in no event, be deemed to be a waiver of the right to do so thereafter. In the event legal action is taken to enforce or interpret this Declaration, the prevailing party shall be entitled to recover the costs of such action, including reasonable attorneys' fees and the costs and expenses of litigation, whether incurred in mediation, arbitration, prior to trial, at trial, in bankruptcy or creditor's rights proceedings and estate proceedings and including appeals from rulings of lower tribunals. If any such action is brought by any Owner against any other Owner, neither the Declarant nor the Association shall have any obligation to indemnify or reimburse either party to such action.

(b) In addition to the forgoing enforcement rights, and subject to notice and hearing as may be required by law, the Association shall have the right (i) to suspend any Owner's right to use the Common Area and any recreational facilities located thereon for a period not to exceed sixty (60) days for any infraction of this Declaration or the Association's rules and regulations or in the event any Owner shall be more than ninety (90) days delinquent in payment of assessments; and (ii) to fine an Owner, tenant, guest, or invitee of an Owner, not to exceed the maximum amount allowed by law, from time to time. A fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing in accordance with Florida Statute 720.305 and a fine may exceed $1,000.00 and become a lien against a Lot.

(c) WMD shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in this Declaration which relate to the maintenance, operation and repair of the Surface Water or Stormwater Management System.

Section 4. Severability. Invalidation of any one provision of this Declaration by judgment or court order shall in no way affect any of the other provisions, which shall remain in full force and effect.

Section 5. Amendment.

(a) Declarant, its successors and designated assigns, reserves the right, prior to Turnover, to amend, modify or grant exceptions or variances from any of the covenants, obligations or requirements in this Declaration without notice to or approval by other Lot Owners, provided that such amendments, modifications, exceptions or variances shall be substantially consistent with the general uniform plan of residential development and Section 720.3075, Florida Statues, as amended. Any amendment of this Declaration by the Declarant shall be by written document signed by the Declarant and recorded among the Official Records of Duval County, Florida.

(b) At any time, this Declaration may be amended by an instrument signed by the Association with the approval of at least two-thirds (2/3) of the voting members. Prior to Turnover, no such amendment shall be effective without the Declarant's prior written consent thereto. Upon approval by the required number of votes, the Amendment shall become effective upon recordation of a written document, signed by the Association President and evidencing the amendment, among the Official Records of Duval County.

(c) Any amendment to this Declaration which alters any provision relating to the Surface Water or Stormwater Management System, beyond maintenance in its original condition, including the water management portion of the Common Areas, must have the prior written approval of the SJRWMD.

(d) All amendments to this Declaration shall be in writing, and shall be recorded in the public records of Duval County, Florida. An amendment shall become effective upon the date of recording. Within thirty (30) days of recording an amendment in to the Declaration, or Association's governing documents, the Association shall provide copies of said amendment to the Members.

Section 6. FNMA/FHA/VA Approval. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration (FHA) or Veterans Administration (VA), if any such agency has insured or guaranteed any mortgage loan on a Lot in the Property and if such approval is deemed necessary by the Declarant: (a) mortgaging of Common Area; (b) dedication and conveyance of Common Area to any party other than the Association; (c) annexation of additional property other than the property described in Exhibit A hereof; (d) Amendment of this Declaration; or (e) merger, consolidation and/or dissolution of the Association. This Declaration may be submitted to the FHA, and the VA for approval. Notwithstanding anything to the contrary contained in Section 5 of this Article, Declarant shall have the right from time to time, without the necessity of joinder or consent by any Owners, to amend, add to, change, modify or derogate from, the provisions of this instrument in the manner

and to the extent required by the FHA or the VA in order for such organizations to approve financing of residential houses on Lots within the Property. FHA or VA approval of any such documents or amendments executed by the Declarant shall be conclusive evidence that the amendment or other change was required by the FHA, or the VA pursuant to this provision.

Section 7. Notice to Lenders. Upon written request to the Association, identifying the name and address of the mortgage holder, insurer or guarantor and the Lot number and address, any such mortgage holder, insurer or guarantor will be entitled to timely written notice of:

(a) Any condemnation loss or any casualty loss which adversely affects a material portion of the Property or any Lot on which there is a first mortgage held, insured or guaranteed by such mortgage holder, insurer or guarantor, as applicable;

(b) Any delinquency in the payment of assessments or charges owed by an Owner of a lot subject to a first mortgage held, insured or guaranteed by such mortgage holder, insurer or guarantor which remains delinquent for a period of sixty (60) days;

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

(d) Any proposed action, which would require the consent of a specified percentage of mortgage holders.

Section 8. Association Information. Upon request during normal business hours or under other reasonable circumstances, the Association shall make available to Owners and lenders, and to holders, insurers or guarantors of any first mortgage, current copies of this Declaration, the Articles of Incorporation and Bylaws of the Association, any rules and regulations concerning the Property, and the books, records and financial statements, for the immediate proceeding fiscal year of the Association. Also upon request, the Association shall provide PUD questionnaires and estoppel letters as may be required by any lender or title company. The Declarant, Association and/or the management company may charge reasonable fees to provide such information.

Section 9. Effective Date. This Declaration shall become effective upon its recordation in the Duval County Public Records.

Section 10. Interrelationship of Documents. In the event of a conflict between the terms and provisions of this Declaration, the Articles of Incorporation and/or By-Laws of the Association, this Declaration shall govern.

Section 11. Interpretation. When the context in which the words are used in this Declaration indicates that such is the intent, words in the singular shall include the plural and vice versa. The table of contents, article or section title, captions and abbreviations contained in this Declaration are for convenience only and shall not be deemed a part of this Declaration.

Section 12. No Vested Rights. Each Owner by acceptance of a deed to a Lot and/or Residential Unit irrevocably waives any claim that such Owner has any vested rights pursuant to case law or statute with respect to this Declaration or any of the other Project Documents. It is

expressly intended that Declarant and Association have the unfettered right to amend this Declaration and the other Project Documents except as expressly set forth herein.

Section 13. Mortgage or Encumber Common Area. With the approval of at least two-thirds (2/3) of the Board and the consent of the Class B Members (if any), the Board shall have the power and authority to mortgage the property of the Association and to pledge the revenues of the Association as security for loans made to the Association which loans shall be used by the Association in performing its functions.

Section 14. Meeting Requirements. Wherever any provision of this Declaration, the Articles of Incorporation, or the Bylaws requires any action to be approved by two-thirds (2/3) or more of the votes of membership at a meeting duly convened for such purpose, written notice of such meeting must be given to all members not less than fifteen (15) days in advance, setting forth its purpose. At such meeting the presence in person or by proxy of members entitled to cast at least sixty-six percent (66%) of the votes described in Article IV, Section 2, outstanding constitutes a quorum.

Section 15. Conveyance of Common Area; Transfer of Permits.

(a) Declarant will convey or cause to be conveyed to the Association in one or more conveyances, and the Association shall accept, the title in the Common Area owned by Declarant at such time as in its sole discretion it deems appropriate. The Association shall not have the right to decline the conveyance. The conveyance shall be subject to taxes for the year of conveyance, restrictions, conditions and limitations of record, and easements for ingress, egress, drainage and public utilities in favor of any CDD, governmental entities or private parties as deemed appropriate by Declarant. Upon recordation of any deed or deeds conveying Common Area to the Association, the Association shall be conclusively deemed to have accepted the conveyance evidenced by such deed or deeds. No title insurance or title opinion shall be provided to the Association by Declarant.

(b) Each deed of the Common Areas shall be subject to the following provisions:

(i) a perpetual nonexclusive easement in favor of governmental agencies for the maintenance and repair of existing road, speed and directional signs, if any;

(ii) matters reflected in the plat(s);

(iii) recorded easements for drainage, utilities and access.

(iv) perpetual non-exclusive easements in favor of Declarant, its successors, and assigns in, to, upon and over all of the Common Areas for the purpose of vehicular and pedestrian ingress and egress, installation of utilities, landscaping and/or drainage, without charge, including, without limitation, the right to use such roadways for construction vehicles and equipment. The easements reserved in the deed shall run in favor of Declarant, and its employees, representatives, agents, licensees, guests, invitees, successors and/or assigns;

(v) all restrictions, easements, covenants and other matters of record;

(vi) in the event that Association believes that Declarant shall have failed in any respect to meet Declarant's obligations under this Declaration or has failed to comply with any of Declarant's obligations under law or the Common Areas conveyed herein are defective in any respect, Association shall give written notice to Declarant detailing the alleged failure or defect. Once Association has given written notice to Declarant pursuant to this sub-section, Association shall be obligated to permit Declarant and its agents to perform inspections of the Common Areas and to perform all tests and make all repairs/replacements deemed necessary by Declarant to respond to such notice at all reasonable times.

Association agrees that any inspection, test and/or repair/replacement scheduled on a business day between 9 a.m. and 5 p.m. shall be deemed scheduled at a reasonable time. The rights reserved in this sub-section include the right of Declarant to repair or address, in Declarant's sole option and expense, any aspect of the Common Areas deemed defective by Declarant during its inspections of the Common Areas.

(vii) a reservation of right in favor of Declarant (so long as Declarant owns any portion of the Property) to require that Association reconvey all or a portion of the Common Areas conveyed by quitclaim deed in favor of Declarant in the event that such property is required to be owned by Declarant for any purpose, including, without limitation, the reconfiguration of any adjacent property by replatting or otherwise.

Declarant may have obtained land development, construction and other permits from applicable governmental agencies and third parties that were necessary to develop and improve the Property. Permits of this nature include, but are not limited to permits for storm water management, water wells, conservation operations, landscaping maintenance and other matters, and may have been issued by the WMD, the U.S. Army Corps of Engineers, the County, and other permitting agencies. In the instance of many of these permits, there are at least two phases, construction, and operation. In most cases, operation of the constructed facilities or improvements was intended to be undertaken by the Association. In such cases, Declarant will transfer the permits to the Association at the appropriate time and the Association is obligated to accept the transfer and comply with the permits thereafter.

THE ASSOCIATION SHALL ACCEPT THE CONVEYANCE OF SUCH PROPERTY, INCLUDING THE OPERATIONAL PHASE OF ANY PERMITS DESCRIBED IN THIS SECTION. THE CONVEYANCE SHALL BE "AS IS", WITHOUT ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, IN FACT OR BY LAW, WITH RESPECT THERETO, OR WITH RESPECT TO THE IMPROVEMENTS AND REPAIRS TO BE COMPLETED AFTER THE CONVEYANCE, INCLUDING, WITHOUT LIMITATION, REPRESENTATIONS OR WARRANTIES OF MERCHANTABILITY OR FITNESS FOR THE ORDINARY OR ANY PARTICULAR PURPOSE, AND WITHOUT ANY REPRESENTATIONS OR WARRANTIES REGARDING THE CONDITION, CONSTRUCTION, ACCURACY, COMPLETENESS, DESIGN, ADEQUACY OF THE SIZE OR CAPACITY IN RELATION TO THE UTILIZATION, DATE OF COMPLETION OR THE FUTURE ECONOMIC PERFORMANCE OR OPERATIONS OF, OR THE MATERIALS OR

ANY FURNITURE WHICH HAS BEEN OR WILL BE USED IN SUCH PROPERTY OR REPAIRS. ALL COSTS AND EXPENSES OF ANY CONVEYANCE OF ANY PROPERTY BY DECLARANT TO THE ASSOCIATION SHALL BE PAID FOR BY THE ASSOCIATION.

Section 16. Approval of Litigation. Except for any legal proceedings initiated by the Association to (i) enforce the terms of the Declaration, Articles of Incorporation, Bylaws, and any rules established by the ACC (hereinafter, the "**Project Documents**"), or (ii) enforce a contract entered into by the Association with vendors providing services to the Association, the Association shall not incur litigation expenses, including without limitation, attorneys' fees and costs, where the Association initiates legal proceedings or is joined as a plaintiff in legal proceedings, without the prior approval of a majority of the Members of the Association entitled to cast a vote who are voting in person or by proxy at a meeting duly called for such purpose, excluding the vote of any Owner who would be a defendant in such proceedings. The costs of any legal proceedings initiated by the Association which are not included in the above exceptions shall be financed by the Association only with monies that are collected for that purpose by Special Assessment and the Association shall not borrow money, use reserve funds, or use monies collected for other Association obligations. Each Owner shall notify prospective Purchasers of such legal proceedings initiated by the Board and not included in the above exceptions and must provide such prospective Purchasers with a copy of the notice received from the Association in accordance with Section 2, Article VIII of this Declaration. Nothing in this section shall preclude the Board from incurring expenses for legal advice in the normal course of operating the Association to (i) enforce the Project Documents; (ii) comply with the statutes or regulations related to the operation of the Association; (iii) amend the Project Documents as provided in this Declaration; (iv) grant easements or convey Common Area as provided in this Declaration (v) perform the obligations of the Association as provided in this Declaration, or (vi) defend (including but not limited to the filing of counterclaims and cross-claims in) any lawsuit filed against the Association. Subject to the exceptions in the first sentence of this section, with respect to matters involving property or improvements to property, the Association additionally shall not initiate legal proceedings or join as a plaintiff in legal proceedings unless (1) such property or improvement is owned either by the Association or jointly by all Members of the Association, (2) the Association has the maintenance responsibility for such property or improvements pursuant to this Declaration, or (3) the Owner who owns such property or improvements consents in writing to the Association initiating or joining such legal proceeding.

ARTICLE IX
Operation, Maintenance and Monitoring of Surface Water Management System

Section 1. Purpose. The provisions of this Article IX are included for purposes of complying with various requirements of the WMD. The provisions of this Article IX are intended to supplement and not replace the remaining provisions of this Declaration. However, in the event of any conflict between any provision of this Article IX and any other provision of this Declaration, and assuming no reasonable interpretation of such provisions reconciles such conflict, then the provisions of this Article IX will prevail. Furthermore, if so required by the WMD, the Declarant may amend this Article as may be necessary or desirable to comply with such requirement, without the joinder or consent of any other party, including any Owner, mortgagee, or the Association.

Section 2. Surface Water Management System. The Association or Declarant shall own and be responsible for the maintenance, operation, and repair of the Surface Water Management System with the exception of those elements of the Surface Water Management System infrastructure located within public rights-of-way, which shall be maintained by the County. Maintenance of the Surface Water Management System shall mean the exercise of practices which allow the system to provide drainage, water storage, retention ponds, conveyance, or other surface water or stormwater management capabilities as permitted by the Water Management District. Any repair or reconstruction of the Surface Water Management System shall be as permitted, or if modified, as approved by the Water Management District.

Section 3. Association Existence. The Association shall exist in perpetuity; however, if the Association is dissolved, the maintenance responsibilities and necessary easements as to the portions of the Common Area consisting of the Surface Water Management System will be conveyed to an appropriate agency of local government or an Owner which owns more than fifty (50) percent of the lots. If this is not accepted, then the Surface Water Management System will be dedicated to a similar non-profit corporation; provided, however if no other not-for-profit corporation or agency will accept such property, then any affected governmental instrumentality or agency, including the WMD, may petition the Circuit Court of the County in which the Property is located to appoint a receiver or trustee to conduct the affairs and fulfill the obligations of the Association with respect to such applicable portions of the Common Area, as the Circuit Court may deem appropriate. If a receiver or trustee is appointed, the Association shall be responsible for court costs, attorney's fees, and all other expenses of the receivership or trust, which shall constitute Common Expenses of the Association and shall be assessed against its Members. If the Association has been dissolved, or if the Association shall not have a sufficient number of directors, the receiver or trustee shall have all powers and duties of a duly constituted board of directors. The receiver or trustee shall serve until such time as the Circuit Court may deem appropriate.

Section 4. Maintenance and Ownership of the Surface Water Management System. The Surface Water Management System and its related infrastructure and ponds, including any drainage, stormwater, or other easements of which such system may be comprised of and may be located within Lots and owned by an Owner, subject the necessary easements. Surface Water Management System infrastructure located within public-rights of way may constitute Common Areas of the Association. The Association shall be responsible for the operation and maintenance of the Surface Water Management System and for assessing and collecting fees for the operation, maintenance, and if necessary, replacement of the system, with the exception of those elements of the infrastructure to be maintained by the City, as aforesaid. Any repair or reconstruction of the Surface Water Management System shall be as provided in the SJRWMD Permit or, if modified, as approved, in writing, by the WMD. Notwithstanding the foregoing, no person shall alter the drainage flow of the Surface Water Management System, including buffer areas or swales, without the prior written approval of the Water Management District.

The Declarant may construct drainage swales upon some or all of the Lots for the purpose of managing and containing the flow of excess surface water. Each Lot Owner shall be jointly responsible for the maintenance, operation and repair of the swales on each Lot, as applicable. Maintenance, operation and repair shall mean the exercise of practices, such as mowing and erosion repair, which allow the swales to provide drainage, water storage, conveyance or other stormwater management capabilities as permitted by the WMD. Filling, excavation, construction

of fences or otherwise obstructing the surface water flow in the swales is prohibited. No alteration of the drainage swale shall be authorized and any damage to any drainage swale, whether caused by natural or human-induced phenomena, shall be repaired and the drainage swale returned to its former condition as soon as possible by the Owner(s) of the Lot(s) upon which the drainage swale is located.

It shall be the responsibility of each Owner at the time of construction of a building, residence, or structure, to comply with the construction plans for the Surface Water Management System pursuant to applicable law as approved by the City and WMD. No Owner may construct or maintain any building, residence, or structure, or undertake or perform any activity in the buffer areas, common areas or drainage easements described in the approved permit and recorded plat of the subdivision, unless prior approval is received from the City and WMD.

Section 5. Surface Water Management Permit. The registered agent for the Association shall maintain copies of the District Permit and all other Stormwater Management System permitting documents for the benefit of the Association.

Section 6. Ponds and Other Water Areas. Any ponds or other water areas on Lots or otherwise within the Property are for the exclusive use of the Association, Owners and occupants of those Lots on which such ponds and water areas are located, subject to any drainage easements that are part of the Plat or provided for herein. It is the exclusive right and obligation of the Association to maintain such ponds and water areas.

Section 7. Enforcement/Easement Rights. The County and WMD shall each have the right, which right may be exercised independently of the other party, to enforce this Article (including the right of a civil action for injunction and/or penalties) against the Association or any Owner to compel it to correct any outstanding problems with the Surface Water Management System.

ARTICLE X
Liability

NEITHER DECLARANT, THE ASSOCIATION NOR ANY OF THEIR RESPECTIVE OFFICERS, DIRECTORS, COMMITTEE MEMBERS, EMPLOYEES, MANAGEMENT AGENTS, CONTRACTORS OR SUB-CONTRACTORS (COLLECTIVELY THE "LISTED PARTIES") SHALL BE LIABLE OR RESPONSIBLE FOR MAINTAINING OR ASSURING THE WATER QUALITY OR LEVEL IN ANY LAKE, POND, CANAL, CREEK, STREAM OR OTHER WATER BODY WITHIN THE COMMUNITY, EXCEPT (i) AS SUCH RESPONSIBILTY MAY BE SPECIFICALLY IMPOSED BY, OR CONTRACTED WITH, ANY APPLICABLE GOVERNMENTAL OR QUASI-GOVERNMENTAL AGENCY OR AUTHORITY OR (ii) TO THE EXTENT THAT OTHER EXPRESSLY APPLICABLE SECTIONS HEREOF WOULD OTHERWISE APPLY, IF AT ALL. FURTHER, ALL OWNERS AND USERS OF ANY PORTION OF THE COMMUNITY LOCATED ADJACENT TO OR HAVING A VIEW OF ANY OF THE AFORESAID WATER BODIES SHALL BE DEEMED, BY VIRTUE OF THEIR ACCEPTANCE OF THE DEED TO OR USE OF SUCH PROPERTY, TO HAVE AGREED TO HOLD HARMLESS THE LISTED PARTIES FOR ANY AND ALL

CHANGES IN THE QUALITY AND LEVEL OF THE WATER IN SUCH BODIES.

NEITHER DECLARANT NOR THE ASSOCIATION SHALL HAVE ANY LIABILITY WHATSOEVER TO OWNERS, GUESTS, TENANTS, LICENSEES OR INVITEES IN CONNECTION WITH THE RETENTION AND DETENTION OF LAKES AND DRAINAGE EASEMENTS OR ANY PART OF THE STORMWATER MANAGEMENT SYSTEM LOCATED ON THE PROPERTY. EACH OWNER, FOR ITSELF AND ITS GUESTS, TENANTS, LICENSEES AND INVITEES, RELEASES DECLARANT, OR THE ASSOCIATION FROM ANY LIABILITY IN CONNECTION THEREWITH.

ALL PERSONS ARE HEREBY NOTIFIED THAT LAKE BANKS AND SLOPES WITHIN CERTAIN AREAS OF THE PROPERTY MAY BE STEEP AND THAT DEPTHS NEAR SHORE MAY DROP OFF SHARPLY. BY THEIR ACCEPTANCE OF A DEED TO, OR USE OF, ANY LOT OR COMMON AREA WITHIN THE PROPERTY, ALL OWNERS OR USERS OF SUCH PROPERTY SHALL BE DEEMED TO HAVE AGREED TO HOLD HARMLESS THE LISTED PARTIES FROM ALL LIABILITY OR DAMAGES ARISING FROM THE DESIGN, CONSTRUCTION OR TOPOGRAPHY OF ANY LAKE BANKS, SLOPES OR BOTTOMS.

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

ARTICLE XI
Claim and Dispute Resolution/Legal Actions

Section 1. General. It is intended that the Common Area, each Lot, and all Improvements constructed on the Property by persons (hereinafter referred to in this Article XI as "**Developers**") in the business of constructing improvements will be constructed in compliance with all applicable building codes and ordinances and that all Improvements will be of a quality that is consistent with good construction and development practices in the area where the Property is located for production housing similar to that constructed within the Property. Nevertheless, due to the complex nature of construction and the subjectivity involved in evaluating such quality, disputes may arise as to whether a defect exists and the responsibility therefor. It is intended that all disputes and claims regarding alleged defects ("**Alleged Defects**") in any Improvements on any Lot or Common Area will be resolved amicably, without the necessity of time-consuming and costly litigation. Accordingly, all Developers (including Declarant where these provisions do not conflict with any other provisions of this Declaration, in which case those provisions will control), the Association, the Board, and all Owners shall be bound by the following claim resolution procedures.

Section 2. Right to Cure Alleged Defect. If a person or entity ("**Claimant**") claims, contends, or alleges an Alleged Defect, each Developer shall have the right to inspect, repair and/or replace such Alleged Defect as set forth herein.

Section 2.1. Notice of Alleged Defect. If a Claimant discovers an Alleged Defect, within fifteen (15) days after discovery thereof, Claimant shall give written notice of the Alleged Defect ("**Notice of Alleged Defect**") to the Developer constructing the Improvement with respect to which the Alleged Defect relates.

Section 2.2. Right to Enter, Inspect, Repair and/or Replace. Within a reasonable time after the receipt by a Developer of a Notice of Alleged Defect, or the independent discovery of any. Alleged Defect by a Developer, Developer shall have the right, upon reasonable notice to Claimant and during normal business hours, to enter onto or into the Common Area, areas of Association responsibility, any Lot or Residential Unit, and/or any Improvements for the purposes of inspecting and/or conducting testing and, if deemed necessary by Developer at its sole discretion, repairing and/or replacing such Alleged Defect. In conducting such inspection, testing, repairs and/or replacement, Developer shall be entitled to take any actions as it shall deem reasonable and necessary under the circumstances.

Section 3. No Additional Obligations; Irrevocability and Waiver of Right. Nothing set forth in this Article shall be construed to impose any obligation on a Developer to inspect, test, repair, or replace any item or Alleged Defect for which such Developer is not otherwise obligated under applicable law or any warranty provided by such Developer in connection with the sale of the Lots and Residential Units and/or the Improvements constructed thereon. The right reserved to Developer to enter, inspect, test, repair and/or replace an Alleged Defect shall be irrevocable and may not be waived or otherwise terminated with regard to a Developer except by a written document executed by such Developer and recorded in the records of the County.

Section 4. Legal Actions. All legal actions initiated by a Claimant shall be brought in accordance with the terms of this Declaration. If a Claimant initiates any legal action, cause of action, regulatory action, proceeding, reference, mediation, or arbitration against a Developer alleging (1) damages for costs of repairing Alleged Defect ("**Alleged Defect Costs**"); (2) for the diminution in value of any real or personal property-resulting from such Alleged Defect, or (3) for any consequential damages resulting from such Alleged Defect, any judgment or award in connection therewith shall first be used to correct and or repair such Alleged Defect or to reimburse the Claimant for any costs actually incurred by such Claimant in correcting and/or repairing the Alleged Defect. If the Association as a Claimant recovers any funds from a Developer (or any other person or entity) to repair an Alleged Defect, any excess funds remaining after repair of such Alleged Defect shall be paid in to the Association's reserve fund. If the Association is a Claimant, the Association must provide a written notice to all Members prior to initiation of any legal action, regulatory action, cause of action, proceeding, reference, mediation or arbitration against a Developer(s) which notice shall include at a minimum (1) a description of the Alleged Defect; (2) a description of the attempts of the Developer(s) to correct such Alleged Defect and the opportunities provided to the Developer(s) to correct such Alleged Defect; (3) a certification from an architect or engineer licensed in the State of Florida that such Alleged Defect exists along with a description of the scope of work necessary to cure such Alleged Defect and a resume of such architect or engineer; (4) the estimated Alleged Defect Costs; (5) the name and professional background of the attorney retained by the Association to pursue the claim against the Developer(s) and a description of the relationship between such attorney and member(s) of the Board or the Association's management company (if any); (6) a description of the fee arrangement between such

attorney and the Association; (7) the estimated attorneys' fees and expert fees and costs necessary to pursue the claim against the Developer(s) and the source of the funds which will be used to pay such fees and expenses; (8) the estimated time necessary to conclude the action against the Developer(s); and (9) an affirmative statement from a majority of the members of the Board that the action is in the best interests of the Association and its Members.

Section 5. Alternative Dispute Resolution. Any dispute or claim between or among (a) a Developer (or its brokers, agents, consultants, contractors, subcontractors, or employees) on the one hand, and any Owner(s) or the Association on the other hand; or (b) any Owner and another Owner; or (c) the Association and any Owner, regarding any controversy or claim between the parties, including any claim based on contract, tort, or statute, arising out of or relating to (i) the rights or duties of the parties under this Declaration; (ii) the design or construction of any portion of the Project, (iii) or an Alleged Defect, but excluding disputes relating to the payment of any type of Assessment (collectively a "**Dispute**"), shall be subject first to negotiation, then mediation, and then arbitration as set forth in this Section 5 prior to any party to the Dispute instituting litigation with regard to the Dispute.

Section 5.1. Negotiation. Each party to a Dispute shall make every reasonable effort to meet in person and confer for the purpose of resolving a Dispute by good faith negotiation. Upon receipt of a written request from any party to the Dispute, the Board may appoint a representative to assist the parties in resolving the dispute by negotiation, if in its discretion the Board believes its efforts will be beneficial to the parties and to the welfare of the community. Each party to the Dispute shall bear their own attorneys' fees and costs in connection with such negotiation.

Section 5.2. Mediation. If the parties cannot resolve their Dispute pursuant to the procedures described in Subsection 5.1 above within such time period as may be agreed upon by such parties (the "**Termination of Negotiations**"), the party instituting the Dispute (the "**Disputing Party**") shall have thirty (30) days after the termination of negotiations within which to submit the Dispute to mediation pursuant to the mediation procedures adopted by the American Arbitration Association or any successor thereto or to any other independent entity providing similar services upon which the parties to the Dispute may mutually agree. No person shall serve as a mediator in any Dispute in which such person has a financial or personal interest in the result of the mediation, except by the written consent of all parties to the Dispute. Prior to accepting any appointment, the prospective mediator shall disclose any circumstances likely to create a presumption of bias or to prevent a prompt commencement of the mediation process. If the Disputing Party does not submit the Dispute to mediation within thirty days after Termination of Negotiations, the Disputing Party shall be deemed to have waived any claims related to the Dispute and all other parties to the Dispute shall be released and discharged from any and all liability to the Disputing Party on account of such Dispute; provided, nothing herein shall release or discharge such party or parties from any liability to persons or entities not a party to the foregoing proceedings.

Section 5.2.1 Position Memoranda: Pre-Mediation Conference. Within ten (10) days of the selection of the mediator, each party to the Dispute shall submit a brief memorandum setting forth its position with regard to the issues to be resolved. The mediator shall have the right to schedule a pre-mediation conference and all parties to the Dispute shall attend unless otherwise agreed. The mediation shall commence within ten (10) days following submittal

of the memoranda to the mediator and shall conclude within fifteen (15) days from the commencement of the mediation unless the parties to the Dispute mutually agree to extend the mediation period. The mediation shall be held in the County where the property is located or such other place as is mutually acceptable by the parties to the Dispute.

Section 5.2.2 Conduct of Mediation. The mediator has discretion to conduct the mediation in the manner in which the mediator believes is most appropriate for reaching a settlement of the Dispute. The mediator is authorized to conduct joint and separate meetings with the parties to the Dispute and to make oral and written recommendations for settlement. Whenever necessary, the mediator may also obtain expert advice concerning technical aspects of the dispute, provided the parties to the Dispute agree to obtain and assume the expenses of obtaining such advice as provided in Subsection 5.2.5 below. The mediator does not have the authority to impose a settlement on any party to the Dispute.

Section 5.2.3 Exclusion Agreement. Any admissions, offers of compromise or settlement negotiations or communications at the mediation shall be excluded in any subsequent dispute resolution forum.

Section 5.2.4 Parties Permitted at Session. Persons other than the parties to the Dispute may attend mediation sessions only with the permission of all parties to the Dispute and the mediator. Confidential information disclosed to a mediator by the parties to the Dispute or by witnesses in the course of the mediation shall be kept confidential. There shall be no stenographic, videographic or audio record of the mediation process.

Section 5.2.5 Expenses of Mediation. The expenses of witnesses for either side shall be paid by the party producing such witnesses. All other expenses of the mediation, including, but not limited to, the fees and costs charged by the mediator and the expenses of any witnesses or the cost of any proof of expert advice produced at the direct request of the mediator, shall be borne equally by the parties to the Dispute unless agreed to otherwise. Each party to the Dispute shall bear their own attorneys' fees and costs in connection with such mediation.

Section 5.3 Final and Binding Arbitration. If the parties cannot resolve their Dispute pursuant to the procedures described in Subsection 5.2 above, the Disputing Party shall have thirty days following termination of mediation proceedings (as determined by the mediator) to submit the Dispute to final and binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association, as modified or as otherwise provided in this Subsection 5.3. If the Disputing Party does not submit the Dispute to arbitration within thirty (30) days after termination of mediation proceedings, the Disputing Party shall be deemed to have waived any claims related to the Dispute and all other parties to the Dispute shall be released and discharged from any and all liability to the Disputing Party on account of such Dispute; provided, nothing herein shall release or discharge such party or parties from any liability to a person or entity not a party to the foregoing proceedings.

The existing parties to the Dispute shall cooperate in good faith to ensure that all necessary and appropriate parties are included in the arbitration proceeding. No Developer shall be required to participate in the arbitration proceeding if all parties against whom a Developer would have necessary or permissive cross-claims or counterclaims are not or cannot be joined in the arbitration

proceedings. Subject to the limitations imposed in this Subsection 5.3, the arbitrator shall have the authority to try all issues, whether of fact or law.

Section 5.3.1 Place. The arbitration proceedings shall be heard in the County where the Property is located.

Section 5.3.2 Arbitration. A single arbitrator shall be selected in accordance with the rules of the American Arbitration Association from panels maintained by the American Arbitration Association with experience in relevant matters which are the subject of the Dispute. The arbitrator shall not have any relationship to the parties or interest in the Project. The parties to the Dispute shall meet to select the arbitrator within ten (10) days after service of the initial complaint on all defendants named therein.

Section 5.3.3 Commencement and Timing of Proceeding. The arbitrator shall promptly commence the arbitration proceeding at the earliest convenient date in light of all of the facts and circumstances and shall conduct the proceeding without undue delay.

Section 5.3.4 Pre-hearing Conferences. The arbitrator may require one or more pre-hearing conferences.

Section 5.3.5 Discovery. The parties to the Dispute shall be entitled to limited discovery only, consisting of the exchange between the parties of the following matters: (i) witness lists; (ii) expert witness designations; (iii) expert witness reports; (iv) exhibits; (v) reports of testing or inspections of the property subject to the Dispute, including but not limited to, destructive or invasive testing; and (vi) trial briefs. The Developer shall also be entitled to conduct further tests and inspections as provided in Section 2 above. Any other discovery shall be permitted by the arbitrator upon a showing of good cause or based on the mutual agreement of the parties to the Dispute. The arbitrator shall oversee discovery and may enforce all discovery orders in the same manner as any trial court judge.

Section 5.3.6 Limitation on Remedies/Prohibition on the Award of Punitive Damages. Notwithstanding contrary provisions of the Commercial Arbitration Rules, the arbitrator in any proceeding shall not have the power to award punitive or consequential damages; however, the arbitrator shall have the power to grant all other legal and equitable remedies and award compensatory damages. The arbitrator's award may be enforced as provided for in the Florida Arbitration Code, Chapter 682, Florida Statutes, or such similar law governing enforcement of awards in a trial court as is applicable in the jurisdiction in which the arbitration is held.

Section 5.3.7 Motions. The arbitrator shall have the power to hear and dispose or motions, including motions to dismiss, motions for judgment on the pleadings, and summary judgment motions, in the same manner as a trial court judge, except the arbitrator shall also have the power to adjudicate summary issues of fact or law including the availability of remedies, whether or not the issue adjudicated could dispose of an entire cause of action or defense.

Section 5.3.8 Expenses of Arbitration. Each party to the Dispute shall bear all of its own costs incurred prior to and during the arbitration proceedings, including the fees and

costs of its attorneys or other representatives, discovery costs, and expenses of witnesses produced by such party. Each party to the Dispute shall share equally all charges rendered by the arbitrator unless otherwise agreed to by the parties.

Section 5.4 Statute of Limitations. Nothing in this Article shall be considered to toll, stay, or extend any applicable statute of limitations.

Section 5.5 Enforcement of Resolution. If the parties to a Dispute resolve such Dispute through negotiation or mediation in accordance with Subsection 5.1 or Subsection 5.2 above, and any party thereafter fails to abide by the terms of such negotiation or mediation, or if an arbitration award is made in accordance with Subsection 5.3 and any party to the Dispute thereafter fails to comply with such resolution or award, then the other party to the Dispute may file suit or initiate administrative proceedings to enforce the terms of such negotiation, mediation, or award without the need to again comply with the procedures set forth in this Article. In such event, the party taking action to enforce the terms of the negotiation, mediation, or the award shall be entitled to recover from the non-complying party (or if more than one non-complying party, from all such parties pro rata), all costs incurred to enforce the terms of the negotiation, mediation or award including, without limitation, attorneys' and paralegals' fees and court costs.

ARTICLE XII
PLAN OF DEVELOPMENT

Section 1. Property Initially Subject to the Declaration. This Declaration is being recorded to establish a general plan for the development and use of the Project in order to protect and enhance the value and desirability of the Project. All of the Property within the Project shall be held, sold, and conveyed subject to this Declaration. By acceptance of a deed or by acquiring any interest in any of the Property subject to this Declaration, each person or entity, for himself or itself, his heirs, personal representatives, successors, transferees and assigns, binds himself, his heirs, personal representatives, successors, transferees and assigns, to all of the provisions, restrictions, covenants, conditions, rules, and regulations now or hereafter imposed by this Declaration and any amendments thereof. In addition, each such person by so doing thereby acknowledges that this Declaration sets forth a general plan for the development and use of the Property and hereby evidences his intent that all the restrictions, conditions, covenants, easements, rules and regulations contained in this Declaration shall run with the land and be binding on all subsequent and future Owners, grantees, Purchasers, assignees, lessees and transferees thereof. Furthermore, each such person fully understands and acknowledges that this Declaration shall be mutually beneficial, prohibitive, and enforceable by the Association and all Owners. Declarant, its successors, assigns and grantees, covenants and agrees that the Lots and the membership in the Association and the other rights created by this Declaration shall not be separated or separately conveyed, and such shall be deemed to be conveyed or encumbered with its respective Lot even though the description in the instrument of conveyance or encumbrance may refer only to the Lot.

Section 2. Additional Property. So long as the Class B membership (as herein defined) shall exist, the Declarant may, from time to time, bring Additional Property under the provisions hereof by recorded supplemental declarations (which shall not require the consent of any then-existing Owners, the Association, or any mortgagee) and thereby add to and include all or such portions of the Additional Property as part of the Property subject to this Declaration, in

which event the same shall be entitled to utilize the same Surface Water Management System as the Property. To the extent that Additional Property shall be made a part of the Property as a common scheme, reference herein to the Property should be deemed to be a reference to all of such Additional Property where such reference is intended to include property other than that legally described on Exhibit "A" attached hereto. Nothing herein, however, shall obligate the Declarant to add to the initial portion of the Property, to develop any such future portions under such common scheme, nor to prohibit the Declarant from rezoning and/or changing the development plans with respect to such future portions, nor to prohibit the Declarant from adding additional or other property to the Property under such common scheme.

Section 3. Supplemental Declarations. Supplemental declaration(s) may, but need not necessarily, be recorded from time to time by Declarant (or with the express prior written consent of Declarant, in its sole discretion). A supplemental declaration shall be supplemental to this Declaration, and may create and/or impose supplemental obligations, covenants, conditions, or restrictions, or reservations of easements, with respect to a particular portion of the Property or other land described in such instrument. This Declaration and any supplemental declaration shall be construed to be consistent with each other to the greatest extent reasonably possible; however, in the event of any irreconcilable conflict, the provisions of this Declaration shall prevail. Any purported supplemental declaration recorded by a person other than Declarant, without the express prior written consent of Declarant, shall be null and void.

Section 4. Removal of Property. So long as the Class B membership shall exist, the Declarant shall have the right from time to time, in its sole discretion and without the consent of any person (other than consent of the owner of the property being removed), to delete from the Property and remove from the effect of this Declaration one or more portions of the Property, provided, however, that a portion of the Property may not be deleted from this Declaration unless at the time of such deletion and removal no Residential Units or material Common Area Improvements have been constructed thereon (unless the removal is for the purpose of accomplishing minor adjustments to the boundaries of Lots or the Property). No deletion of Property shall occur if such deletion would act to terminate access to any right-of-way or utility line unless reasonable alternative provisions are made for such access. No deletion of Property shall affect the lien of Assessments on the deleted Property for Assessments accruing prior to deletion. Any deletion of Property hereunder shall be made by Declarant recording written notice thereof.

Section 5. Association's Obligation to Cooperate. Association shall at all times cooperate with every entity comprising the Declarant. Without limiting the foregoing, Association shall provide Developer with such consents and approvals which Declarant may reasonably require in connection with (i) the sale of the Property, (ii) the development and conveyance of the Common Areas, and (iii) master land development requirements. Additionally, Association shall cooperate with Declarant in connection with the turnover of Association control including, but not limited to, signing a turnover receipt in the form to be provided by Declarant to Association on the Turnover Date.

ARTICLE XIII
Maintenance Requirements of Owners

Section 1. Maintenance by Owners. All lawns, landscaping and sprinkler systems and any property, structures, improvements and appurtenances within a Lot shall be well maintained and kept in first class, good, safe, clean, neat and attractive condition by the Owner of each such Lot. Each Owner is specifically responsible for maintaining all grass, landscaping and improvements within any portion of their Residential Unit in accordance with the standards set forth below.

Section 2. Lawn Maintenance Standards. The following maintenance standards (the "Lawn Maintenance Standards") apply to landscaping maintained by Owners.

(a) Trees. Trees are to be pruned as needed.

(b) Shrubs. All shrubs are to be trimmed as needed.

(c) Grass.

i. Cutting Schedule. Grass shall be maintained in a neat and appropriate manner. In no event shall an Owner's lawn get in excess of five inches (5") in height.

ii. Edging. Edging of all streets, curbs, beds and borders shall be performed as needed. Chemical edging shall not be permitted.

iii. Dead Grass. Owner shall be responsible to replace dead grass. Neither Declarant nor Association shall be responsible to replace dead grass.

(d) Mulch. Mulch is to be turned two (2) times per year and shall be replenished as needed on a yearly basis.

(e) Insect Control and Disease. Disease and insect control shall be performed on an as needed basis.

(f) Fertilization. Fertilization of all turf, trees, shrubs, and palms shall be performed at a minimum of three (3) times a year during months of February, June and October, or as otherwise determined by the Board from time to time in its discretion.

(g) Irrigation. Owners shall be responsible to irrigate grass. Owners will be limited to irrigating Lots during scheduled times established by the Association from time to time. Owners shall maintain all sprinklers located on their respective Lot(s). Pump stations and valves shall be checked as needed by an independent contractor to assure proper automatic operation.

(h) Post Lights. Each Owner shall maintain all post lights (whether gas or electric) which are located within the boundaries of his or her Residential Unit.

(i) Weeding. All beds are to be weeded upon every cut. Weeds growing in joints in curbs, driveways, and expansion joints shall be removed as needed. Chemical treatment is permitted.

(j) Trash Removal. Dirt, trash, plant and tree cuttings and debris resulting from all operations shall be removed and all areas left in clean condition before the end of the day. All trashcans shall be stored out of view except on pick up days.

Section 3. Right of Association to Enforce. Each Owner grants Association an easement over his or her Residential Unit for the purpose of insuring compliance with the requirements of this provision and the Lawn Maintenance Standards. In the event an Owner does not comply with this Section, Association may perform the necessary maintenance to the lawn and charge the costs thereof to the non-complying Owner as an Individual Assessment. Association shall have the right to enforce the foregoing Lawn Maintenance Standards by all necessary legal action. In the event that Association is the prevailing party with respect to any litigation respecting the Lawn Maintenance Standards, it shall be entitled to recover all of its attorneys' fees and paraprofessional fees, and costs, pre-trial and at all levels of proceedings, including appeals.

Section 4. Landscaping and Irrigation of Lots; Removal of Sod and Shrubbery; Additional Planting.

(a) Without the prior consent of the ACC, no sod, topsoil, tree or shrubbery shall be removed from the Project, and there shall be no change in the plant landscaping, elevation, condition of the soil or the level of the land of such areas which results in any change in the flow and drainage of surface water which the ACC, in its sole discretion, considers detrimental or potentially detrimental to person or property. Notwithstanding the foregoing, Owners who install improvements to the Residential Units (including, without limitation, concrete or brick pavers) which result in any change in the flow and/or drainage of surface water shall be responsible for all of the costs of drainage problems resulting from such improvement. Further, in the event that such Owner fails to pay for such required repairs, each Owner agrees to reimburse the Association for all expenses incurred in fixing such drainage problems including, without limitation, removing excess water and/or repairing the Surface Water Management System.

(b) No landscape lighting shall be installed by an Owner without the prior written approval of the ACC and consent of the Master ACC.

Section 5. Weeds and Refuse. No weeds, underbrush, or other unsightly growth shall be permitted to be grown or remain upon any Residential Unit. No refuse or unsightly objects shall be allowed to be placed or suffered to remain upon any Residential Unit.

Section 6. Driveway and Sidewalk Repair. Each Owner shall be responsible to timely repair, maintain and/or replace the driveway which comprises part of a Lot and the sidewalk abutting the Front Yard or side of its Residential Unit including, but not limited to, any damage caused by Developer, Declarant, Association, or by the holder of any easement over which such driveway or sidewalk is constructed. Each Owner, by acceptance of a deed to a Lot, shall be deemed to have agreed to indemnify and hold harmless Developer, Declarant and Association and the holder of any such easement, including without limitation, all applicable utility companies and governmental agencies, their agents, servants, employees and elected officials, from and against any and all actions or claims whatsoever arising out of the use of the Common Areas and any

easement or the construction and/or maintenance of any driveway or sidewalk in that portion of the Common Areas, easement area, or in a public right-of-way between the boundary of such Owner's Lot and the edge of the adjacent paved roadway. Further, each Owner agrees to reimburse Association any expense incurred in repairing any damage to such driveway or sidewalk in the event that such Owner fails to make the required repairs, together with interest at the highest rate allowed by law.

ARTICLE XIV
ADDITIONAL DISCLOSURES

Section 1. Development Plans and Completion Time May Change. Declarant presently plans to develop only those Lots which have already been released for construction and sale, and Declarant has no obligation with respect to future phases, plans, zoning, or development of other real property contiguous to or nearby the Lots presently planned for development. The Owner of a Residential Unit may have seen proposed or contemplated residential and other developments which may have been illustrated in the plot plan or other sales literature in or from Declarant's sales office, and/or may have been advised of the same in discussions with sales personnel; however, notwithstanding such plot plans, sales literature, or discussions or representations by sales personnel or otherwise, Declarant is under no obligation to construct such future or planned developments or units, and the same may not be built in the event that Declarant, for any reason whatsoever, decides not to build same. An Owner is not entitled to rely upon, and in fact has not relied upon, the presumption or belief that the same will be built; and no sales personnel or any other person in any way associated with Declarant has any authority to make any statement contrary to the foregoing provisions. Owner understands that Declarant may modify the development plan for the Project. Such modifications could include, without limitation, increasing or decreasing the number of Residential Units that are built; changing the style, size, floor plans, and appearance of the Residential Units; increasing or decreasing the number of Residential Units per acre; and changing the size, type or amount of amenities (if any). Declarant will determine when and in what sequence the neighborhood will be completed and this may change over time. Declarant may choose to temporarily or permanently suspend development. Declarant may also sell all or any portion of the neighborhood to another business that may modify the development plans and other aspects of the neighborhood. All development decisions of Declarant will be made in the exercise of Declarant's sole discretion subject to compliance with any applicable law.

Section 2. Construction and Sales Activities. Each Owner acknowledges and understands that construction and sales activities will be ongoing in the Project. Such activities may include, without limitation, the use of the model(s), sales trailers, construction trailers, construction equipment, vehicles, exhibits, billboards, flags, signs, displays, barriers, fencing, lights, and other activities relating to the development and sale of the neighborhood. Such development and sales activity will create noise, vehicle and foot traffic, dust, and will increase the amount of dirt and litter on the streets and other areas. As a result of construction activity, (a) public and private utilities (water, electrical, cable television, phone, internet, sewers, storm drain, etc.) within the Project may be temporarily disrupted, including service to Residential Units; and (b) access may be impeded from using portions of the Project and surrounding area. Each Owner must exercise care when driving near construction areas.

Section 3. Major Highways and Thoroughfares. Major highways and thoroughfares may be located within the vicinity of the Project that are heavily traveled at most hours of the day and night. Declarant has no control over the use, maintenance or care of these highways and thoroughfares. An Owner may experience noise, dust, wind, traffic, vibrations, fuel particles, air pollution, fumes, odors, bright lights, potential danger from traffic, and other impacts within and in the vicinity of the neighborhood based on the public's use of any such highways and thoroughfares.

Section 4. Postal Service and Mailboxes. As a general rule, the United States Postal Service ("Postal Service") no longer provides curbside delivery to new communities. Instead, cluster mailboxes will likely be installed and used at one or more delivery points in the Project. The local Postal Service manager must approve the mailbox sites and the types of mailbox equipment. Mailbox sites may be within a resident's Residential Unit site, within any common areas in the neighborhood or master community if applicable, or as the Postal Service may otherwise determine. The mailbox sites, equipment type, and method of delivery may change from time to time in the Postal Service's discretion, unless the Postal Service has otherwise previously agreed in a specific instance. Once a location is determined, residents and Residential Unit owner associations may not move the mailboxes. Packages may be placed in special lockers in the cluster mailbox units; however, if a package does not fit within the cluster mailbox unit, or if there are insufficient lockers, the package recipient may be required to retrieve the package at the local post office.

Until (i) the cluster mailbox units or other delivery receptacles are installed and approved by the Postal Service or (ii) a certain number of residences are occupied in the neighborhood, residents may be required to pick up their mail via general delivery service at the local post office.

Section 5. Water Levels and Condition. The water levels of any bodies of water or waterways, including but not limited to ponds, lakes, rivers, creeks, detention basins, and floodways ("Water Components") within or around the neighborhood can fluctuate. Higher water levels may result in flooding or the drowning hazards discussed below. Fluctuations in water levels and other factors may result in the death of fish and other wildlife in and around the Water Components. The quality of the water may also change and be subject to algae growth and other conditions. Changing water levels, algae growth, and other conditions may make the Water Components unattractive and unpleasant smelling. Dredging may be required. Declarant does not represent that the Water Components, including those used for aesthetic purposes, will maintain a certain or consistent water level or condition.

Section 6. Water Related Hazards. Unless specifically permitted by the Association (if any) and other governing authorities, you, your family, your guests, and your pets are not permitted to enter the Water Components or use them for boating, fishing, swimming or other aquatic activity. In most cases, such water components are created for environmental mitigation, flood control, or purely aesthetic purposes. Water Components are drowning hazards and you are responsible for keeping yourself, your family, and guests safe from these hazards. The water within such Water Components may be unsanitary. Because the water levels may change rapidly during periods of heavy rain, the Water Components may become flash flood or increased drowning hazards.

Section 7. Watering Restrictions. To combat drought, the City, WMD, and other water service providers may enact voluntary or mandatory cut-backs or other restrictions on water usage, including landscape and lawn watering. These restrictions may cause landscaping to dry out and die.

Section 8. Wildlife and Insects. Depending on your area of the country and the neighborhood's proximity to farm or ranch land, open space, Water Components, or other uninhabited areas, wild animals, including without limitation, venomous snakes and spiders, rats, mice, rabbits, skunks, opossums, squirrels, coyotes, bobcats, javelina, bears, feral pigs, and alligators may be found in the surrounding area, and these wild animals may visit the neighborhood. Depending on the season and your part of the country, insects that may be encountered in the neighborhood include, without limitation, flies, mosquitoes, gnats, spiders, scorpions, ants, crickets and termites. The presence of wild animals and insects pose a potential danger to pets and humans in the neighborhood and your Residential Unit. You are strongly advised to (a) securely cover all food and trash stored in containers located outside or in the garage in order to avoid attracting such animals, (b) keep pets from straying outside of your Residential Unit, (c) exercise caution in allowing children to enter open space areas in or around the neighborhood; (d) carefully watch children and pets while they are in the yard; and (e) protect yourself, your family, and pets from insects and animals that are venomous or may carry diseases such as Lyme disease and the West Nile Virus. Pest control and similar services for your Residential Unit are your responsibility. Please contact the local vector control district for more information.

Section 9. No Guarantee of Security. Declarant does not guarantee the security of the neighborhood, your Residential Unit, the surrounding area, or the occupants and is not responsible for loss or damage relating to the security of the Project or your Residential Unit. Declarant may post attendants at access points during construction and marketing of the neighborhood; however, such attendants, if present, will be present solely for the purpose of directing construction and sales traffic into and out of the neighborhood. The Project contains public parks, natural open space, and public roads or that are owned and maintained by the City and as a result, such facilities are open to public vehicular and pedestrian traffic.

Section 10. Special Districts and Assessments. Each Owner takes title to the Residential Unit subject to any taxes, assessments, mill levies, development fees, maintenance fees or other charges ("District Taxes") arising by reason of the inclusion of the Residential Unit in any special improvement districts, metropolitan districts, fire protection districts, recreation and park districts, water and sanitation districts, school districts, community facilities districts, community development districts, and other special taxing districts or municipalities providing services established in connection with the development of the neighborhood and/or surrounding area. The Project may be annexed to other special districts from time to time in the future. Each Owner is responsible for paying such District Taxes as well as any and all District Taxes that may be assessed from time to time by such districts or that may hereafter be assessed by reason of the Residential Unit's inclusion in any district. You should consult the County Assessor's office for further information regarding District Taxes affecting the Residential Unit.

Section 11. Natural Gas Developer Agreement. Declarant may enter into a Developer Agreement ("Gas Agreement") governing the installation of a natural gas distribution

system to the Residential Units. The rates charged for gas service are set by the Florida Public Service Commission. A copy of the Developer Agreement, it such exists, is available from the Association upon request.

Section 12. Prices. Declarant shall have the right, from time to time, in its sole discretion, to establish and/or adjust sales prices or price levels for new Residential Units and/or Lots.

Section 13. Restriction of Traffic. Declarant reserves the right, so long as it owns any portion of the Property, to unilaterally restrict and/or re-route all pedestrian and vehicular traffic within the Property, in Declarant's sole discretion, to accommodate Declarant's construction activities, and sales and marketing activities; provided that no Residential Unit shall be deprived of access to a dedicated street adjacent thereto.

Section 14. Neighborhood Title Documents. Each Owner by acceptance of a deed to a Residential Unit acknowledges that such Residential Unit is subject to certain land use and title documents and all amendments thereto, which include among other items, the title documents listed in the Owner's title commitment and title policy, as wells as the title documents identified in this Declaration (collectively, the "Neighborhood Title Documents"). Declarant's plan of development for the Project may necessitate from time to time the further amendment, modification and/or termination of the Neighborhood Title Documents. DECLARANT RESERVES THE UNCONDITIONAL RIGHT TO SEEK AMENDMENTS AND MODIFICATIONS OF THE NEIGHBORHOOD TITLE DOCUMENTS. It is possible that a governmental subdivision or agency may require the execution of one or more documents in connection with an amendment, modification, and/or termination of the Neighborhood Title Documents. To the extent that such documents require the joinder of Owners other than Declarant, Declarant, by any one of its duly authorized officers, may, as the agent and/or the attorney-in-fact for the Owners, execute, acknowledge and deliver any documents required by applicable governmental subdivision or agency; and the Owners, by virtue of their acceptance of deeds, irrevocably nominate, constitute and appoint Declarant, through any one of its duly authorized officers, as their proper and legal attorney-in-fact for such purpose. This appointment is coupled with an interest and is therefore irrevocable. Any such documents executed pursuant to this Section may recite that it is made pursuant to this Section. Notwithstanding the foregoing, each Owner agrees, by its acceptance of a deed to a Residential Unit: (i) to execute or otherwise join in any documents required in connection with the amendment, modification, or termination of the Neighborhood Title Documents; and (ii) that such Owner has waived its right to object to or comment the form or substance of any amendment, modification, or termination of the Neighborhood Title Documents. Without limiting the foregoing, upon Turnover, Declarant shall have the right to assign to the Association all of the obligations of Declarant under the Neighborhood Title Documents by amendment to this Declaration recorded by Declarant in the Public Records, from time to time, and in the sole and absolute discretion of Declarant.

Section 15. Water Intrusion. Florida experiences heavy rainfall and humidity on a regular basis. Each Owner is responsible for making sure his or her Residential Unit remains watertight including, without limitation, checking caulking around windows and seals on doors. Each Owner acknowledges that running air conditioning machinery with windows and/or doors open in humid conditions can result in condensation, mold and/or water intrusion. Neither

Declarant nor Association shall have liability under such circumstances for any damage or loss that an Owner may incur.

ARTICLE XV
Additional Rights of Declarant

Section 1. Sales and Administrative Offices. Declarant shall have the perpetual right to take such action reasonably necessary to transact any business necessary to consummate the development of the Project and sales and re-sales of Residential Units and/or other properties owned by Declarant or others outside of the Project. This right shall include, but not be limited to, the right to maintain models, sales offices (including sales offices in model homes, the Common Areas, as determined by Declarant in its sole and absolute discretion) and parking associated therewith, have signs on any portion of the Project, including Common Areas, keep employees in the models and offices without the payment of rent or any other fee, maintain offices in models and use of the Common Areas to show Residential Units. Specifically, Declarant may construct a sign on the Common Areas in order to advertise Residential Units within the Project and/or other communities or neighborhoods. The sales office and signs and all items pertaining to development and sales remain the property of Declarant. Declarant shall have all of the foregoing rights without charge or expense. The rights reserved hereunder shall extend beyond Turnover.

Section 2. Modification. The development and marketing of the Project will continue as deemed appropriate in Declarant's sole discretion, and nothing in this Declaration or Community Standards, or otherwise, shall be construed to limit or restrict such development and marketing. It may be necessary or convenient for the development of The Project to, as an example and not a limitation, amend a Plat and/or the Master Plan, modify the boundary lines of the Common Areas, grant easements, dedications, agreements, licenses, restrictions, reservations, covenants, rights-of-way, and to take such other actions which Declarant, or its agents, affiliates, or assignees may deem necessary or appropriate. Association and Owners shall, at the request of Declarant, execute and deliver any and all documents and instruments which Declarant deems necessary or convenient, in its sole discretion, to accomplish the same. Without limiting anything to the contrary in this Declaration, prior to and including the Turnover Date, all agreements and/or contracts which are entered into by Association shall require the prior written approval of Declarant or may otherwise be voided by Declarant in its sole and absolute discretion.

Section 3. Promotional Events. Prior to Turnover, Declarant and its successors and assigns shall have the right, at any time, to hold marketing, special and/or promotional events within The Project and/or on the Common Areas, without any charge for use. Declarant, its agents, affiliates, or assignees shall have the right to market the Project and Residential Units in advertisements and other media by making reference to the Project, including, but not limited to, pictures or drawings of the Project, Common Areas, and Residential Units constructed in the Project. All logos, trademarks, and designs used in connection with the Project are the property of Declarant, and Association shall have no right to use the same after the Turnover except with the express written permission of Declarant.

Section 4. Use by Prospective Purchasers. Prior to the Turnover, Declarant shall have the right, without charge, to use the Common Areas for the purpose of entertaining prospective purchasers of Residential Units, or other properties owned by Declarant outside of the

Project.

Section 5. Franchises. Declarant may grant franchises or concessions to commercial concerns on all or part of the Common Areas and shall be entitled to all income derived therefrom.

Section 6. Management. Declarant may manage the Common Areas by contract with Association. Declarant may also contract with a third party ("Manager") for management of Association and the Common Areas. Each Owner acknowledges that Declarant may receive lump sum or monthly compensation from any Manager in connection with the costs of services provided by such Manager. Such compensation may be paid on a per Residential Unit or other basis. All such compensation shall be the sole property of Declarant, who shall have no duty to account for or disclose the amount of such compensation.

Section 7. Granting of Easements. Until the Turnover, Declarant reserves the exclusive right to grant, in its sole discretion, easements, permits and/or licenses for ingress and egress, drainage, utilities service, maintenance, Telecommunications Services; and other purposes over, under, upon and across the Project so long as any such easements do not materially and adversely interfere with the intended use of Residential Units previously conveyed to Owners. By way of example, and not of limitation, Declarant may be required to take certain action, or make additions or modifications to the Common Areas in connection with an environmental program. All easements necessary for such purposes are reserved in favor of Declarant, in perpetuity, for such purposes. Without limiting the foregoing, Declarant may relocate any easement affecting a Residential Unit, or grant new easements over a Residential Unit, after conveyance to an Owner, without the joinder or consent of such Owner, so long as the grant of easement or relocation of easement does not materially and adversely affect the Owner's use of the Residential Unit as a residence. As an illustration, Declarant may grant an easement for Telecommunications Systems, irrigation, drainage lines or electrical lines over any portion of a Residential Unit so long as such easement is outside the footprint of the foundation of any residential improvement constructed on such Residential Unit. Declarant shall have the sole right to any fees of any nature associated therewith, including, but not limited to, license or similar fees on account thereof. Association and Owners will, without charge, if requested by Declarant: (a) join in the creation of such easements, etc. and cooperate in the operation thereof; and (b) collect and remit fees associated therewith, if any, to the appropriate party. Association will not grant any easements, permits or licenses to any other entity providing the same services as those granted by Declarant, nor will it grant any such easement, permit or license prior to Turnover without the prior written consent of Declarant which may be granted or denied in its sole discretion.

Section 8. Right to Enforce. Declarant has the right, but not the obligation, to enforce the provisions of this Declaration and the Project Documents and to recover all costs relating thereto, including attorneys' fees and paraprofessional fees, pre-trial and at all levels of proceedings, including appeals. Such right shall include the right to perform the obligations of Association and to recover all costs incurred in doing so.

Section 9. Additional Development. If Declarant withdraws portions of the Project from the operation of this Declaration, Declarant may, but is not required to, subject to governmental approvals, create other forms of residential property ownership or other

improvements of any nature on the property not subjected to or withdrawn from the operation of this Declaration. Declarant shall not be liable or responsible to any person or entity on account of its decision to do so or to provide, or fail to provide, the amenities and/or facilities which were originally planned to be included in such areas. If so designated by Declarant, owners or tenants of such other forms of housing or improvements upon their creation, may share in the use of all or some of the Common Areas and other facilities and/or roadways which remain subject to this Declaration. The expense of the operation of such facilities shall be allocated to the various users thereof, if at all, as determined by Declarant.

Section 10. Representations. Declarant makes no representations concerning development both within and outside the boundaries of the Project including, but not limited to, the number, design, boundaries, configuration and arrangements, prices of all Parcels or Residential Units and buildings in all other proposed forms of ownership and/or other improvements on the Project or in the Project or adjacent to or near the Project, including, but not limited to, the size, location, configuration, elevations, design, building materials, height, view, airspace, number of homes, number of buildings, location of easements, parking and landscaped areas, services and amenities offered.

[end of document]

IN WITNESS WHEREOF, Declarant has caused these presents to be duly executed, by its duly authorized general partner, the day and year first above written.

Witnesses:

By:_____
Print Name: Ian McKillop
Address: 7563 Philips Hwy Bldg 500
Jacksonville, FL 32256

By: Abbey McKillop
Print Name: Abbey McKillop
Address: 7563 Philips Hwy Bldg 500
Jacksonville, FL 32256

Declarant:

CAROLINE COURT, LLC, a Florida limited liability company

By: HOOSE HOMES AND INVESTMENTS, LLC, a Florida limited liability company, its Manager

By:_____
Print name: Adam Rigel
Its: Manager

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 1st day of February, 2024 by Adam Rigel, as Manager of Hoose Homes and Investments, LLC, a Florida limited liability company, as Manager of Caroline Court, LLC, a Florida limited liability company, who is

[X] personally known to me; or
[ ] produced_____, as identification.

_____
NOTARY PUBLIC

(NOTARIAL SEAL)

IAN MCKILLOP
Notary Public - State of Florida
Commission # HH 149555
My Comm. Expires Aug 8, 2025