

RESOLUTION NUMBER 96- 65

RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS
OF ST. JOHNS COUNTY, FLORIDA
APPROVING A FINAL DEVELOPMENT PLAN
FOR SAWMILL LAKES UNIT ONE
LOCATED WITHIN THE PARCEL OF LAND ZONED PUD
PURSUANT TO ORDINANCE 96-7

86 Lec 34500
Sur - 4350
Dan Ret - Y. Carter

WHEREAS, the Final Development Plan for Sawmill Lakes Unit One has been fully considered after public hearing pursuant to Section 8-3-2 of the St. Johns County Ordinance, and;

WHEREAS, it is found that:

- a.) The request received favorable review and recommendation by the Planning and Zoning Agency at its meeting on December 21, 1995; and
- b.) The request is both consistent with the Comprehensive Plan and compatible with development patterns in the surrounding area;
- c.) The request is consistent with the requirements of Section 8-3-2 of the Zoning Ordinance and with the requirements of PUD Ordinance 96-7; and

THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, AS FOLLOWS:

SECTION 1. Pursuant to the request for approval of Sawmill Lakes Unit One made by Arvida/JMB Acquisitions, L.P., in accordance with Section 8-3 of the St. Johns County Zoning Ordinance, and subsequent review and approval by the St. Johns County Planning and Zoning Agency, the Final Development Plan attached hereto as Exhibit "A" relating to that portion of the PUD, the legal description of which is set forth on Exhibit "A-1" attached hereto, and which is known as Sawmill Lakes Unit One and including Exhibit "C" and Exhibit "D", are hereby approved in reliance upon and in accordance with the representations and statements made therein and in the Final Development Plan Narrative attached hereto as Exhibit "B", all of which, except for Exhibit "C"; are incorporated into and made a part of this Final Development Plan, and which shall be complied with and based on the above referenced findings of fact which are also hereby incorporated by reference.

SECTION 2. a.) Except to the extent that they conflict with specific provisions of the approved development plan or PUD Ordinance 96-7, all building code, zoning ordinance, and other land use and development regulations of St. Johns County, as may be amended from time to time shall be applicable to this development, except modification to approved development plans by variance or exception shall be prohibited. All such modifications shall follow the PUD amendment procedures provided for in the St. Johns County Zoning Ordinance.

- b.) Nothing in this section shall be deemed to: (a) supersede any applicable "grandfathering" or "vested rights" provisions contained in Florida Statutes or that may be provided in any such future building code, zoning ordinance or other land use and development regulations, unless the Board of County Commissioners demonstrates that compliance with the land development regulations is essential to the public health, safety or welfare; or (b) supersede any concurrency certificate or concurrency exemption determination or development agreement provision made by the Concurrency Review Committee or the Board as such may be limited at the time of issuance. Furthermore, nothing in this section shall be deemed to constitute a waiver of the Applicant's right to contest application of any such building code, zoning ordinance or other land development regulations as applied to this development under the Florida or United States Constitutions.

SECTION 3. The developer may not commence land clearing, site preparation or construction of any improvements shown on the Final Development Plan attached as Exhibit "A" until:

- a.) Submission to the Engineering Department of satisfactory evidence that all state and federal permits for the stage of development being commenced will be obtained, including, but not limited to United States Army Corps of Engineers Dredge/Fill Permit, St. Johns River Water Management District Wetlands Resource Permit, St. Johns River Water Management District Management Storage of Surface Waters Permit;
- b.) Issuance of a land clearing permit pursuant to St. Johns County Ordinance No. 90-11;
- c.) Review and approval of signed and sealed construction plans by the St. Johns County Engineering Department in compliance with Ordinance 86-4; and
- d.) Compliance with all other applicable land use and development regulations of St. Johns County.

SECTION 4. No lots shall be conveyed within the subdivision depicted on the Final Development Plan attached as Exhibit "A" until a final plat has been approved by the Board of County Commissioners of St. Johns County and recorded in Public Records of St. Johns County, and the Declaration of Covenants and Restrictions of Sawmill Lakes Unit One is recorded in the Public Records of St. Johns County, Florida.

SECTION 5. All attachments included herein are incorporated and made a part of Resolution 96-65.

Approved:

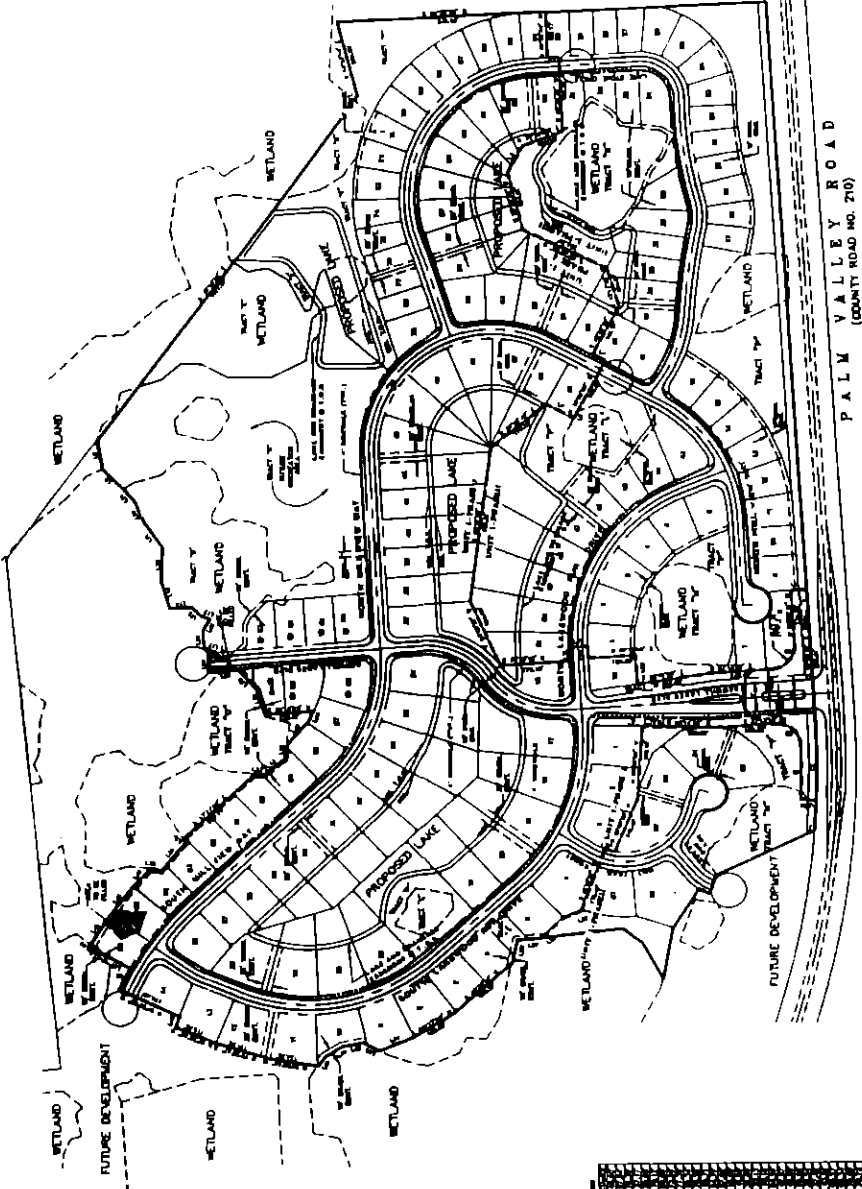
April 9, 1996

BOARD OF COUNTY COMMISSIONERS
OF ST. JOHNS COUNTY, FLORIDA

By: Donald Jordan
Its Chair - Donald Jordan

— ATTEST: CARL "BUD" MARKEL, CLERK

By: Yvonne Carter
Deputy Clerk



TRACT DESIGNATION

Tract	Description
A & B	SIGNAGE, DRAINAGE, UTILITIES MOUNDING & LANDSCAPING.
C	WETLANDS
D	WETLANDS
E	WETLANDS
F	UPLAND BUFFER
G	WETLANDS
H	RECREATION AREA
I	FUTURE R.O.W. ACQUISITION
J	PUMP STATION
K	WETLANDS
L	WETLANDS
M	WETLANDS
N	WETLANDS
O	WETLANDS
P	OPEN SPACE

MODEL HOMES ARE TO BE CONSTRUCTED ON LOTS NO. 80, 81, 82, 83, 84, 85 & 86

EXHIBIT "A" TO THE RESOLUTION

SAWMILL LAKES UNIT I
 WITHIN SAWMILL LAKES P.U.D.
 ORDINANCE 96-7
 A SINGLE-FAMILY SUBDIVISION
 FOR: ARVIDA/PTB ACQUISITIONS, INC.
 FINAL DEVELOPMENT PLAN

FDP-2
 DRAWING NO.
 SHEET 2 OF 2

IB Hill, Boring & Associates, Inc.
 CIVIL ENGINEERS / LAND PLANNERS
 6650 BELLEST OAKS PLACE, SUITE 101
 JACKSONVILLE, FLORIDA 32216
 904-781-1121

DESIGNED BY: R.W. PEVY
 DRAWN BY: E.T.
 CHECKED BY: R. L. HILL, JR.
 SCALE: 1" = 200'
 DATE: SEPT. 1995
 PROJ. NO.: 9310-28D

REVISIONS	
NO.	DATE DESCRIPTION
1	11-17-86 REVISED FOR GRANITE CONCRETE

P. U. D. OFF. REC.
BOOK J PAGE 4

EXHIBIT "A-1"
LEGAL DESCRIPTION OF
SAWMILL LAKES UNIT ONE
WITHIN THAT PORTION OF THE PUD 96-7
NAMED SAWMILL LAKES PUD

ARVIDA/JMB Acquisitions, L.P.

January 1996

PART OF GOVERNMENT LOTS 2, 3, AND 4, SECTION 22, TOGETHER WITH A PART OF THE FRANCIS X SANCHEZ GRANT, SECTION 41, TOGETHER WITH A PART OF THE PEDROMESTRE GRANT, SECTION 54, ALL IN TOWNSHIP 4 SOUTH, RANGE 29 EAST, ST. JOHNS COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS FOR A POINT OF BEGINNING COMMENCE AT THE CORNER COMMON TO SECTIONS 15, 22, AND THE FRANCIS X SANCHEZ GRANT, SECTION 41; THENCE N88°29'06"E, ALONG THE LINE COMMON TO SAID SECTION 15 AND 22, A DISTANCE OF 109110 FEET TO AN INTERSECTION WITH THE WEST RIGHT-OF-WAY LINE OF COUNTY ROAD 210 (A 66 FOOT RIGHT-OF-WAY AS NOW ESTABLISHED) THENCE SOUTHERLY ALONG SAID WEST RIGHT-OF-WAY LINE THE FOLLOWING BEING COURSES (1) S03°08'41"E, A DISTANCE OF 184740 FEET TO THE POINT OF BEGINNING OF A CURVE CONCAVE WESTERLY HAVING A RADIUS OF 2228.16 FEET (2) SOUTHERLY 31105 FEET ALONG THE ARC OF SAID CURVE A CHORD BEARING S00°51'16"W, AND A CHORD DISTANCE OF 31080 FEET TO A POINT ON SAID CURVE, THENCE S65°09'59"W, A DISTANCE OF 17984 FEET, THENCE S66°43'26"W, A DISTANCE OF 9291 FEET, THENCE S27°27'08"W, A DISTANCE OF 401 FEET, THENCE S19°43'19"W, A DISTANCE OF 5000 FEET TO A POINT ON A CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 12500 FEET, THENCE NORTHWESTERLY 3043 FEET ALONG THE ARC OF SAID CURVE, A CHORD BEARING N63°18'15"W AND A CHORD DISTANCE OF 3035 FEET TO A POINT ON SAID CURVE, THENCE S33°40'12"W, A DISTANCE OF 12000 FEET; THENCE S10°22'41"W, A DISTANCE OF 13734 FEET; THENCE N28°58'25"W, A DISTANCE OF 11108 FEET, THENCE N53°02'30"W, A DISTANCE OF 6264 FEET; THENCE S84°33'41"W, A DISTANCE OF 26883 FEET; THENCE S12°17'14"W, A DISTANCE OF 6034 FEET, THENCE S48°30'14"W, A DISTANCE OF 19029 FEET; THENCE S59°27'02"W, A DISTANCE OF 12002 FEET, THENCE S68°51'35"W, A DISTANCE OF 9660 FEET, THENCE N61°51'14"W, A DISTANCE OF 4751 FEET; THENCE S79°46'46"W, A DISTANCE OF 5546 FEET; THENCE S58°50'35"W, A DISTANCE OF 5141 FEET; THENCE S36°06'42"W, A DISTANCE OF 8556 FEET, THENCE N79°56'42"W, A DISTANCE OF 13456 FEET, THENCE S22°35'47"W, A DISTANCE OF 13152 FEET, THENCE N67°32'40"W, A DISTANCE OF 1252 FEET, THENCE N22°27'20"E, A DISTANCE OF 2888 FEET, THENCE S64°58'33"W, A DISTANCE OF 17000 FEET, THENCE NORTHEASTERLY 6419 FEET ALONG THE ARC OF A CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 77500 FEET A CHORD BEARING N27°23'49"E, AND A CHORD DISTANCE OF 6417 FEET, TO A POINT ON SAID CURVE, THENCE N60°13'48"W, A DISTANCE OF 9804 FEET, THENCE S31°11'31"W, A DISTANCE OF 1030 FEET, THENCE N49°22'53"W, A DISTANCE OF 3116 FEET, THENCE N33°06'39"E, A DISTANCE OF 8938 FEET, THENCE S39°05'24"E, A DISTANCE OF 9733 FEET, THENCE N44°11'25"E, A DISTANCE OF 1195 FEET, THENCE S81°47'27"E, A DISTANCE OF 2878 FEET, N40°55'20"E, A DISTANCE OF 9479 FEET, THENCE N30°38'04"W, A DISTANCE OF 1199 FEET, THENCE S47°27'06"E, A DISTANCE OF 24874 FEET, THENCE S83°45'38"E, A DISTANCE OF 1279 FEET, THENCE N52°23'19"E, A DISTANCE OF 6702 FEET, THENCE S39°41'45"E, A DISTANCE OF 3742 FEET, THENCE N42°48'36"E, A DISTANCE OF 1895 FEET, THENCE N25°41'17"E, A DISTANCE OF 3224 FEET, THENCE S86°15'02"W, A DISTANCE OF 12391 FEET, THENCE N16°14'55"W, A DISTANCE OF 1585 FEET, THENCE N41°46'52"W, A DISTANCE OF 7072 FEET, THENCE S86°15'02"W, A DISTANCE OF 7397 FEET, THENCE N03°54'15"W, A DISTANCE OF 1000 FEET, THENCE N86°15'02"E, A DISTANCE OF 1880 FEET, THENCE S60°25'25"W, A DISTANCE OF 3260 FEET, THENCE N04°34'26"W, A DISTANCE OF 1190 FEET, THENCE N32°10'51"E, A DISTANCE OF 3313 FEET, THENCE S65°25'02"W, A DISTANCE OF 2479 FEET, THENCE N45°44'29"W, A DISTANCE OF 1971 FEET, THENCE S88°51'23"W, A DISTANCE OF 5702 FEET, THENCE N16°48'45"W, A DISTANCE OF 7515 FEET, THENCE N02°55'10"E, A DISTANCE OF 18459 FEET, THENCE N35°41'09"W, A DISTANCE OF 7858 FEET, THENCE S23°45'45"W, A DISTANCE OF 5934 FEET, THENCE N41°10'03"W, A DISTANCE OF 14257 FEET, THENCE N44°45'20"W, A DISTANCE OF 7399 FEET, THENCE N10°30'44"W, A DISTANCE OF 7730 FEET, THENCE N37°10'52"E, A DISTANCE OF 11718 FEET TO AN INTERSECTION WITH THE LINE SEPARATING AFORESAID SECTION 22 FROM THE FRANCIS X SANCHEZ GRANT, SECTION 41, THENCE N14°33'14"W, ALONG SAID LINE, A DISTANCE OF 20000 FEET, TO THE POINT OF BEGINNING CONTAINING 8584 SQUARES MORE OR LESS

P. U. D. OFF. REC.
BOOK 1 PAGE 5

EXHIBIT "B"
FINAL DEVELOPMENT PLAN FOR
SAWMILL LAKES UNIT ONE
WITHIN THAT PORTION OF THE PUD 96-7
NAMED SAWMILL LAKES PUD

P. U. D. OFF. REG.
BOOK J PAGE 6

ARVIDA/JMB Acquisitions, L.P.

January 1996

ARVIDA/JMB ACQUISITIONS, L.P. hereby submits for approval by the St. Johns County Planning and Zoning Board and the St. Johns County Board of County Commissioners, the "Final Development Plan" for a single family subdivision to be known as Sawmill Lakes Unit One. The Final Development Plan consists of a 2-page map identified as Exhibit "A" to the Resolution (the "Map"), which includes a legal description of the site and this text identified as Exhibit "B" to the Resolution (the "Text"), copies of the applicable sections of the Covenants and Restrictions identified as Exhibit "C", and a list of those sections of the Covenants specifically incorporated into the Final Development Plan, which list is identified as Exhibit "D" to the Resolution.

The Property is located wholly within that parcel of land zoned Planned Unit Development (PUD) pursuant to Ordinance 96-7 and known as the Sawmill Lakes PUD. The area encompassed by this Final Development Plan is located along the north and west side of C.R. 210 and the east side of Roscoe Blvd. Sawmill Lakes Unit One will contain 153 single-family lots on approximately 85.84 acres.

Prior to commencement of land clearing, site preparation, or construction of any improvements depicted on the Map, the Developer shall submit to the Engineering Department satisfactory evidence that all state, local, and federal permits required for the stage of development have been obtained including, but not limited to: a) United States Army Corps of Engineers Dredge and Fill Permit and St. Johns River Water Management District Management and Storage of Surface Water Permit; (b) Land clearing permit pursuant to St. Johns County Ordinance No. 90-11; (c) Signed and sealed construction plans approved by the St. Johns County Engineering Department in compliance with Ordinance 86-4; and (d) Compliance with all other applicable land use and development regulations of St. Johns County. Once the foregoing conditions to construction have been met, the Developer may proceed to construction of horizontal improvements prior to approval and recording of a final plat. No lot within the Subdivision shall be conveyed until a final plat has been approved by the Board of County Commissioners of St. Johns County, Florida and recorded in the public records of St. Johns County, and the Declaration of Covenants and Restrictions for Sawmill Lakes Unit One has been recorded in the Public Records of St. Johns County. Nothing contained in the covenants shall be interpreted to limit or restrict in any way the regulatory powers of St. Johns County (including its powers to review and approve plats and replats under Section 177.071 of the Florida Statutes).

In accordance with the procedure established in Section 8-3, "Implementation of a PUD", the attached Final Development Plan prepared by Hill, Boring & Associates, Inc. and the following text regarding compliance with Section 8-4, are submitted for your consideration.

8-4-1 Density of Development

Sawmill Lakes Unit One will contain no more than 153 lots on approximately 85.84 acres. This is consistent with the PUD ordinance. The total ground area occupied by the residential buildings and structures in the subdivision shall not exceed 35 percent of the total ground area committed to residential use.

8-4-2 Open Space

Areas of open space are designated on the Map as Tracts A through P. These tracts will be utilized as follows:

Tract A and B - Signage, Landscaping, mounding, drainage, and utilities. Landscaping and drainage will be maintained by the Homeowners Association.

Tracts C, D, E, F, G, K, L, M, N, and O are wetlands and uplands that will remain undisturbed except for possible under brushing and other activities permitted through the proper permitting agencies. These areas will be owned and maintained by the Homeowners Association.

Tract H will be utilized as a recreation area as discussed in Section 8-4-8 (j).

Tract I is for future rights-of-way acquisition for County Road 210 (Palm Valley Road) and Tract P is open space for upland buffers and preservation areas.

Tract J is for a sanitary sewer pump station to be owned and maintained by Intercoastal Utilities.

8-4-3 Waiver of Yard, Dwelling Unit, Frontage Criteria, and Use Restriction

All development which is to occur within the Property will comply with the spirit and intent of the Zoning Ordinance. There will be no more than 153 future residences on the 153 lots as depicted on the attached Final Development Plan Exhibit "A". Each lot will have a minimum of 6,000 square feet and a minimum width of sixty feet (60'). The lot frontage will be less for lots where the curvature of the roads narrow the lot frontage at the right-of-way, but the minimum lot width will be 60' at the front setback, except on cul-de-sacs, where the minimum lot frontage will be 25 feet. The residential structures will be set back at least twenty (20) feet from the road right-of-way. Corner lots shall maintain a twenty (20) foot setback along the front adjacent to the road and a ten (10) foot setback along the side adjacent to the road. All lots shall have only one (1) front setback. The builder must designate which side will have a front line setback and which side will have a side yard setback on the site plan submitted for the building permit. The rear yard setback will be a minimum of ten (10) feet or a minimum of ten (10) feet from top of bank on lake lots. The side lot setbacks will be five (5) feet from each side with a minimum of ten (10) feet between residential structures. Air conditioner compressors will be allowed within the side line setback. Maximum height is 35 feet. Setbacks are to be measured from the walls of buildings. Pools and enclosures will have a minimum setback of five (5) feet from all property lines. A Development Review Board ("DRB") will be created by the Developer. DRB approval will be required prior to the issuance of a building permit or a certificate of occupancy. Unit One will be platted in Phases, the 153 lot Unit I will be sub-phased into phases consisting of 96 lots and 57 lots, as shown on the Final Development Plan. The existing air curtain incinerator may be used on site in accordance with state and local regulations, and moved from place to place on site to be used as needed. Relocation is subject to approval of a Temporary Use Permit by the County. A twenty-five (25') foot buffer/setback is required for the location of the incinerator from the property lines to avoid impacting adjacent properties.

8-4-4 Project Size

All phases of The Sawmill Lakes PUD will comprise approximately 484 acres. The Sawmill Lakes Unit One area shown on this Final Development Plan comprises approximately 85.84 acres and 153 lots.

8-4-5 Support Legal Documents for Open Space

Legal documents which assure adequate management and maintenance of the open space areas will be recorded by the Developer prior to the sale of lots within the subdivision. The covenants shall include provisions which:

- a.) As stated in the Covenants, ARTICLE IV, Section 6, Ownership, the Covenants will provide for conveyance of title to the Common Property to, for ownership by, the appropriate Homeowners' Association, which shall be a duly constituted and legally responsible community association.
- b.) The Covenants shall appropriately limit use of the Common Property by inclusion of a provision in ARTICLE IV, Section 1, Member's Easements.
- c.) As stated in the Covenants, ARTICLE IV, Section 3, Maintenance, the Covenants shall assign responsibility for the maintenance of the Common Property to the appropriate Homeowners' Association.
- d.) The Covenants place responsibility for enforcement of the Covenants contained therein upon the appropriate Homeowners' Association and its board of directors. References to enforcement are found in the Covenants, ARTICLE IX, Section 2, Enforcement and Exhibit "B", Bylaws, of the Covenants and Restrictions, Section 5, Subsection (L) and (M).

- e.) The Covenants shall permit the subjection of each lot to assessment for its proportionate share of maintenance costs by inclusion of a provision in the Covenants, ARTICLE V, Section 1, Creation of the lien and Personal Obligation for Assessment.

P. U. D. OFF. REC.
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8-4-6 Access

As graphically depicted on the Final Development Plan, each lot is provided vehicular access within the Property via the proposed roads which will be privately owned and maintained.

8-4-7 Privacy

Each dwelling will be provided visual and acoustical privacy by virtue of lot sizes and architectural control of the subdivision by the Development Review Board. Landscaping, both planted and retained native vegetation, shall be provided for the protection and aesthetic enhancement of the Property, and to screen objectionable views and reduce noise.

8-4-8 Community Facilities

- a.) None of the utility facilities serving the Property are proposed for dedication to St. Johns County; therefore, the provisions of subparagraph "a" are inapplicable.
- b.) All requirements for off-street parking and loading set forth in Article 9 of the St. Johns County Zoning Ordinance are addressed specifically in Section 9-3-1 below.
- c.) The Final Development Plan illustrates the anticipated traffic flow pattern. Sufficient space has been allowed to permit access for fire fighting equipment, furniture moving vans, fuel trucks, refuse collection, deliveries, and debris removal. Temporary cul-de-sacs will be constructed in four (4) locations as shown on the FDP Map (Exhibit "A"). These cul-de-sacs will remain until the construction of Sawmill Lakes Unit One, Phase Two is complete. The fire hydrants to be installed pursuant to this Final Development Plan shall meet County standards and must be approved by the County Fire Coordinator prior to issuance of certificates of occupancy for any structure to be served with such fire hydrants. The fire hydrants and water distribution system shall be owned and maintained by the Utility Company serving the site both initially and long term.
- d.) All utilities serving the Property, including telephone, power, cable television, sewer lines, and water lines, will be installed underground. The signed and sealed construction plans shall show the locations and design of the storm sewer facilities serving the Property and the grading and topography of the site. The storm sewer facilities shall comply with all applicable requirements of law including, but not limited to the requirements of Ordinance No. 86-4 and shall facilitate proper drainage of storm waters and prevent erosion and the formation of dust.
- e.) Specifications for all streets and roadways depicted on the Final Development Plan and which shall be privately owned and maintained, shall conform to the rules, and regulations adopted by St. Johns County Board of County Commissioners, with the exception that a request for variance be granted to allow for the construction of 18 inch wide "Miami" type curb and gutter in lieu of 24-inch wide County standard curb and gutter.
- f.) Signs - Entry signs will be installed as a part of Sawmill Lakes Unit One at the entrance of County Road 210 (Palm Valley Road). The signage will be lighted and shall be installed to not obstruct visibility. The maximum height is 8 feet and square footage is 300 square feet for each sign.

- g.) Temporary Uses - It is expected that model home buildings will be constructed. Signs will be utilized to designate these model homes. A maximum of two temporary construction trailers will be utilized on the site. Trailers will be removed within thirty (30) days after issuance of the certificate of occupancy for the final home constructed within Sawmill Lakes Unit One. Parking will be allowed in the model home driveways only. Sales offices may exist in the proposed model homes.
- h.) Maximum Height - No building or unit in the subdivision shall be taller than the maximum height allowed in the Zoning Ordinance (for detached single-family homes) or thirty five (35) feet.
- i.) Sidewalks - Sidewalks will be constructed by the Owner and will be turned over to and maintained by the Homeowners Association.
- j.) A recreation area will be constructed by the Owner and will be turned over to and maintained by the Homeowners Association. Amenities may or may not include a pool, poolside, aqua tot-lot, tot lot, high density gardening area, basketball court, rollerblade area, combination soccer and softball field, pavilion or clubhouse or the like. A separate Final Development Plan will be required for the recreation area.

9-1-1 Drainage

The drainage system for the Property will prevent damage to abutting parcels and streets and is graphically depicted on the Final Development Plan. Specific plans for each lot upon which a residence is to be constructed will be submitted and reviewed by the Development Review Board prior to commencement of construction to ensure consistency with this general drainage plan. All necessary easements for the drainage shall comply with the requirements of 86-4 and shall be depicted on the Final Plat. The construction plans must be reviewed and approved by the St. Johns County Engineering Department prior to commencement of land clearing, site preparation or construction. The proposed lake will be contained within recorded easements and will be owned and maintained by the Homeowners Association and/or a Drainage Association. Water quality treatment berms will be utilized within all 10' drainage easements as required by St. Johns River Water Management District.

9-1-2 Separation of Walkway and Street

No combined off-street parking lot to loading facilities will be constructed on the Property.

9-1-3 Entrances and Exits

The location and design of the entrances and/or exits to all streets and driveways will be in accordance with County specifications.

9-1-4 Interior Drives

As shown on the Final Development Plan, Exhibit "A", interior drives (roadway) will paved with a single layer of asphalt at a width of 24-feet wide, with "Miami" type curb and gutter on each side of each roadway. A variance from St. Johns County Ordinance 86-4 is requested to allow the construction of 18-inch wide "Miami" type curb and gutter in lieu of 24-inch wide curb and gutter.

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9-1-5 Marking of Parking Spaces

As shown on the Final Development Plan, the only off-street parking will be in the recreation area parking lot. This parking area will accommodate passenger vehicles.

P. U. D. OFF. REC.
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9-1-6 Lighting

Lighting within the Property will meet or exceed the minimum requirements of St. Johns County. The lighting shall be designed and installed to minimize glare on adjacent property.

9-1-7 Screening

The screening of the parking area will be done by natural buffers.

9-2 Location

The required off-street parking facilities, consisting of driveways and garages, as described in Section 9-3-1- below, will be located upon the same parcel of land they are intended to serve.

9-3-1 Off-Street Parking; Numbers Required

The Property will be used for single-family residential lots. In accordance with Subsection "a" of 9-3-13, at least one off-street parking space will be provided per dwelling unit located in each dwelling's driveway. Also, a garage for each unit shall exist.

9-4-1 Off-Street Loading

This section does not apply to residential developments.

DEVELOPER: ARVIDA/JMB Acquisitions, L.P.

AGENT:



Robert W. Pevy

P. U. D. OFF. REC.
BOOK J PAGE 12

EXHIBIT "C"

**DECLARATION OF COVENANTS
AND RESTRICTIONS
FOR**

SAWMILL LAKES UNIT ONE

**WITHIN THAT PORTION OF
THE PUD 96-7 NAMED
SAWMILL LAKES PUD**

THIS INSTRUMENT WAS PREPARED BY:
Charles W. Edgar, III, Esq.
Levine, Frank & Edgar, P.A.
3300 PGA Boulevard, Suite 500
Palm Beach Gardens, Florida 33410

P. U. D. OFF. REC.
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DECLARATION OF COVENANTS
AND RESTRICTIONS FOR SAWMILL LAKES

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EXHIBITS

- Schedule "A" - Rules and Regulations
- Exhibit "A" - Articles of Incorporation
- Exhibit "B" - By-Laws
- Exhibit "C" - Initial Common Areas
- Exhibit "D" - Initial Portions of The Properties

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DECLARATION OF COVENANTS AND RESTRICTIONS

FOR
SAWMILL LAKES

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THIS DECLARATION is made this ___ day of ____, 1995, by ARVIDA/JMB ACQUISITIONS, LTD., a Delaware limited partnership, which declares hereby that "The Properties" described in Article II of this Declaration are and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens hereinafter set forth.

ARTICLE I

DEFINITIONS AND INTERPRETATION

Section 1. Definitions. The following words when used in this Declaration (unless the context shall prohibit) shall have the following meanings:

(a) "Articles" or "Articles of Incorporation" shall mean and refer to the Articles of Incorporation of the Association attached hereto as Exhibit "A", as amended from time to time.

(b) "Association" shall mean and refer to SAWMILL LAKES MAINTENANCE ASSOCIATION, INC., a Florida corporation not for profit.

(c) "Builder" shall mean and refer to a party acquiring one or more Lots from Developer for the purpose of constructing thereon a single family home for "retail" sale. In the event of any doubt or conflict as to whether any party is a Builder hereunder, a written statement from Developer establishing same shall be binding and conclusive. The inclusion of provisions regarding Builders in this Declaration shall not necessarily suggest that any party other than Developer will construct Homes, but Developer reserves the right to sell Lots to Builders for such purpose.

(d) "By-Laws" shall mean and refer to the By-Laws of the Association attached hereto as Exhibit "B", as amended from time to time.

(e) "Common Areas" shall mean and refer to the property legally described in Exhibit "C" attached hereto and made a part hereof, plus all property designated as Common Areas in any future recorded supplemental declaration; together with the landscaping and any improvements thereon. "Common Areas" shall also include within their meaning the area subject to any easement in favor of the Association including, without limitation, easements over Lots for a lake or other water body. In the case of such an easement the provisions hereof which assume that fee simple title to a Common Area is held by the Association or which requires the conveyance of such title to the Association shall not apply and the duties and

responsibilities of the Association with respect to such easement Common Areas shall only operate to require the Association's maintenance thereof.

(f) "Developer" shall mean and refer to ARVIDA/JMB ACQUISITIONS, LTD., a Delaware limited partnership, its successors and such of its assigns as to which the rights of Developer hereunder are specifically assigned. Developer may assign all or a portion of its rights hereunder, or all or a portion of such rights in connection with appropriate portions of The Properties. In the event of such a partial assignment, the assignee shall not be deemed the Developer, but may exercise such rights of Developer specifically assigned to it. Any such assignment may be made on a non-exclusive basis.

(g) "Home" shall mean and refer to the individual residential structure constructed on a Lot for which a certificate of occupancy has been issued and all related improvements.

(h) "Lot" shall mean and refer to any Lot on any plat of all or a portion of The Properties, which plat is designated by Developer hereby or by any other recorded instrument to be subject to these covenants and restrictions, any Lot shown upon any resubdivision of any such plat, and any other property hereafter declared as a Lot by the Developer and thereby made subject to this Declaration.

(i) "Member" shall mean and refer to all those Owners who are Members of the Association as provided in Article III hereof, including Builders and the Developer. Any provision of this Declaration or of the Articles, By-Laws or Rules and Regulations of the Association restricting, regulating or mandating any activities by Members or Owners (including, without limitation, the Association's enforcement rights) shall also be binding upon and enforceable against all other occupants of the Member's Home, whether family member, tenant or otherwise; provided, however, that no person other than a Member shall be personally entitled to vote or otherwise participate in Association business and no such party shall be liable for the payment of assessments hereof (other than fines as permitted by law). Additionally, any action to be taken by a Member or Owner hereunder shall, if the Member or Owner is a corporation, partnership or otherwise other than a natural person, be taken by an officer, partner or other designee thereof and such Member may exercise all of the benefits and privileges of a Member (including, without limitation, serving on the Board of Directors or a committee of the Association) through such party, subject to any provision of the By-Laws requiring the written designation of such a party.

(j) "Owner" shall mean and refer to the owner of record, whether one or more persons or entities, of the fee simple title to any Lot situated within The Properties, including Builders and the Developer.

(k) "Surface Water or Stormwater Management System" shall mean and refer to 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 a quantity and quality of discharges from the system, as permitted pursuant to Chapters 40C-4, 40C-40, or 40C-42, Florida Administrative Code.

(1) "The Properties" shall mean and refer to all existing properties, and additions thereto, as are now or hereafter made subject to this Declaration, except those which are withdrawn from the provisions hereof in accordance with the procedures hereinafter set forth.

Section 2. Interpretation. The provisions of this Declaration as well as those of the Articles, By-Laws and any rules and regulations of the Association shall be interpreted by the Board of Directors. Any such interpretation of the Board which is rendered in good faith shall be final, binding and conclusive if the Board receives a written opinion of legal counsel to the Association, or the counsel having drafted this Declaration or other applicable document, that the interpretation is not unreasonable, which opinion may be rendered before or after the interpretation is adopted by the Board. Notwithstanding any rule of law to the contrary, the provisions of this Declaration and the Articles, By-Laws and the Rules and Regulations of the Association shall be liberally construed so as to effectuate the purposes herein expressed with respect to the efficient operation of the Association and The Properties, the preservation of the value of the Lots and Homes and the protection of Developer's and Builders' rights, benefits and privileges herein contemplated.

No provision of this Declaration or of the Articles, By-Laws or any rules or regulations of the Association shall limit or restrict in any way the regulatory powers of St. Johns County (including its powers to review and approve plats and replats under Section 177.071 of the Florida Statutes) nor the regulatory powers of the St. Johns River Water Management District.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION; ADDITIONS THERETO

Section 1. Legal Description. The real property which, initially, is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in St. Johns County, Florida, and is more particularly described in Exhibit "D" attached hereto, all of which real property (and all improvements thereto), together with additions thereto, but less any withdrawals therefrom, is herein referred to collectively as "The Properties".

Section 2. Supplements. Developer hereby reserves the right to increase the land constituting The Properties from time to time in "phases". Accordingly, Developer may bring other land under the provisions hereof by recorded supplemental declarations (which shall not require the consent of then existing Owners, the Association, or any mortgagee other than that of the land intended to be added to The Properties, if any) and thereby add to The Properties. Nothing herein, however, shall obligate the Developer to add to the initial portion of The Properties, to develop any such future portions under such common scheme, nor to prohibit Developer (or the applicable Developer-affiliated Owner) from rezoning and/or changing plans

with respect to such future portions. All Owners, by acceptance of a deed to or other conveyance of their Lots, thereby automatically consent to any such rezoning, change, addition or deletion thereafter made by the Developer (or the applicable Developer-affiliated Owner thereof) and shall evidence such consent in writing if requested to do so by the Developer at any time (provided, however, that the refusal to give such written consent shall not obviate the general effect of this provision).

Section 3. Withdrawal. Developer reserves the right to amend this Declaration at any time, without prior notice and without the consent of any person or entity, for the purpose of removing certain portions of The Properties then owned by the Developer or its affiliates or the Association from the provisions of this Declaration to the extent included originally in error or as a result of any changes whatsoever in the plans for The Properties desired to be effected by the Developer; provided, however, that such withdrawal is not unequivocally contrary to the overall, uniform scheme of development for The Properties. Any withdrawal of land not owned by Developer shall require the written consent or joinder of the then-owner(s) and mortgagee(s) of such land. Further, the withdrawal of any portion of The Properties which were required to be included herein by any governmental or quasi-governmental entity (including, without limitation, St. Johns County and the St. Johns River Water Management District), whether specifically or by standards set forth in applicable codes and regulations, shall require the written consent of such entity.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. Every person or entity who is a record Owner of a fee or undivided fee interest in any Lot shall be a Member of the Association. Notwithstanding anything else to the contrary set forth in this Section 1, any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a Member of the Association.

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

Class A. Class A Members shall be all those Owners as defined in Section 1 with the exception of the Developer (as long as the Class B Membership shall exist, and thereafter, the Developer shall be a Class A Member to the extent it would otherwise qualify). Class A Members shall be entitled to one (1) vote for each Lot in which they hold the interests required for membership by Section 1. When more than one person holds such interest or interests in any Lot, all such persons shall be Members, but the single vote for such Lot shall be exercised as they among themselves determine but, subject only to the following subsection, in no event shall more than one (1) vote be cast with respect to any such Lot.

Class B. The Class B Member shall be the Developer. The Class B Member shall be entitled to one (1) vote, plus two (2) votes for each vote entitled to be cast in

the aggregate at any time and from time to time by the Class A Members. The Class B membership shall cease and terminate when the last of the Lots within The Properties has been sold and conveyed to Class A Members other than builders, contractors or others who acquire a Lot(s) for the purpose of constructing improvements thereon for resale, or sooner at the election of the Developer.

Section 3. General Matters. When reference is made herein, or in the Articles, By-Laws, Rules and Regulations, management contracts or otherwise, to a majority or specific percentage of Members, such reference shall be deemed to be reference to a majority or specific percentage of the votes of Members present at a duly constituted meeting thereof (i.e., one for which proper notice has been given and at which a quorum exists) and not of the Members themselves or of their Lots.

ARTICLE IV

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COMMON AREAS; CERTAIN EASEMENTS

Section 1. Members' Easements. Except for Limited Common Areas as herein specified, each Member, and each Member's Permittee, shall have a non-exclusive permanent and perpetual easement over and upon the Common Areas for the intended use and enjoyment thereof in common with all other such Members, Member's Permittees, their tenants, agents and invitees, in such manner as may be regulated by the Association.

Without limiting the generality of the foregoing, such rights of use and enjoyment are hereby made subject to the following:

(a) The right and duty of the Association to levy assessments against each Lot for the purpose of maintaining the Common Areas and facilities in compliance with the provisions of this Declaration and with the restrictions on the plats of portions of The Properties from time to time recorded.

(b) The right of the Association to adopt at any time and from time to time and enforce rules and regulations governing the use of The Properties, including the right to fine Members as hereinafter provided and the right to regulate access over Common Area roadways. Any rule and/or regulation so adopted by the Association shall apply until rescinded or modified as if originally set forth at length in this Declaration.

(c) The right to the use and enjoyment of the Common Areas thereon shall extend to all Members' Permittees, subject to regulation from time to time by the Association in its lawfully adopted and published rules and regulations.

(d) The right of Developer to permit such persons as Developer shall designate to use the Common Areas.

(e) The right of Developer and the Association to have, grant and use general ("blanket") and specific easements over, under and through the Common Areas.

(f) The right of the Association, by a 2/3rds affirmative vote of the entire membership, to dedicate or convey portions of the Common Areas to any other association having similar functions, or any local government or public or quasi-public agency, community development district or similar entity under such terms as the Association deems appropriate and to create or contract with the other association, government, community development and special taxing districts for lighting, roads, recreational or other services, patrol, or communications and other similar purposes deemed appropriate by the Association (to which such dedication or contract all Owners, by the acceptance of the deeds, to their Lots, shall be deemed to have consented, no consent of any other party, except the Developer, being necessary). Notwithstanding the foregoing, the Board of Directors may, acting alone, prove and effectuate a conveyance of any portion of the Common Areas to the Developer if necessary to effectuate plans for the development of The Properties or changes therein.

WITH RESPECT TO THE USE OF THE COMMON AREAS AND THE PROPERTIES GENERALLY, ALL PERSONS ARE REFERRED TO ARTICLE XIII, SECTION 10, AND ARTICLE XIV, HEREOF, WHICH SHALL AT ALL TIMES APPLY THERETO.

Section 2. Easements Appurtenant. The easements provided in Section 1 shall be appurtenant to and shall pass with the title to each Lot, but shall not be deemed to grant or convey any ownership interest in the Common Area subject thereto.

Section 3. Maintenance. The Association shall at all times maintain in good repair and manage, operate and insure, and shall replace as often as necessary, the Common Areas and, to the extent not otherwise provided for, the paving, drainage structures, landscaping, improvements and other structures (except public utilities and Community Systems, to the extent same have not been made Common Areas) situated on the Common Areas, if any, all such work to be done as ordered by the Board of Directors of the Association. Without limiting the generality of the foregoing, the Association shall assume all of Developer's and its affiliates' responsibility to St. Johns County and its governmental and quasi-governmental subdivisions, the St. Johns River Water Management District and similar entities of any kind with respect to the Common Areas and shall indemnify and hold the Developer and its affiliates harmless with respect thereto.

Without limiting the generality of the foregoing, the Association shall be responsible for the maintenance, operation and repair of the Surface Water or Stormwater Management System. Maintenance of the Surface Water or Stormwater Management System(s) shall mean the exercise of practices which allow the System(s) to provide drainage, water storage, conveyance or other surface water or stormwater management capabilities as permitted by the St. Johns River Water Management District. The Association shall be responsible for such maintenance and operation. Any repair or reconstruction of the Surface Water or Stormwater Management System shall be as permitted, or if modified as approved, by the St. Johns Water Management District. Accordingly, the Association shall operate, maintain and manage the

Surface Water or Stormwater Management System(s) in a manner consistent with the St. Johns River Water Management District Permit requirements applicable to The Properties and applicable District rules, and shall assist in the enforcement of the restrictions and covenants contained therein. The aforesaid maintenance, operation and repair duties of the Association may be performed by way of the Association contracting for the performance thereof, provided that the Association shall remain ultimately responsible for same.

All work pursuant to this Section and all expenses incurred by the Association pursuant to this Declaration shall be paid for by the Association through assessments (either general or special) imposed in accordance herewith.

No Owner may waive or otherwise escape liability for assessments by non-use (whether voluntary or involuntary) of the Common Areas or abandonment of the right to use the Common Areas.

Section 4. Utility Easements. Use of the Common Areas for utilities, as well as use of the other utility easements as shown on relevant plats, shall be in accordance with the applicable provisions of this Declaration and said plats. The Developer and its affiliates and its and their designees shall have a perpetual easement over, upon and under the Common Areas and the unimproved portions of the Lots for the installation, operation, maintenance, repair, replacement, alteration and expansion of utilities. As used herein, "utilities" shall include, without limitation, drainage systems (even if such systems consist only of special grading) and cable telecommunications systems. All utilities shall be installed underground, except for transformers and similar equipment which must be above ground.

Section 5. Public Easements. Fire, police, health and sanitation, park maintenance and other public service personnel and vehicles shall have a permanent and perpetual easement for ingress and egress over and across the Common Areas in the performance of their respective duties.

Section 6. Ownership. The Common Areas are hereby dedicated non-exclusively to the joint and several use, in common, of the Developer and the Owners of all Lots that may from time to time constitute part of The Properties and all Member's Permittees and the Developer's tenants, guests and invitees, all as provided and regulated herein or otherwise by the Association. The Common Areas (or appropriate portions thereof) shall, upon the date when the last Lot within The Properties has been conveyed to a purchaser (or at any time and from time to time sooner at the sole election of the Developer), be conveyed by quitclaim deed to the Association, which shall be deemed to have automatically accepted such conveyance. Beginning from the date this Declaration is recorded, the Association shall be responsible for the maintenance, insurance and administration of such Common Areas (whether or not then conveyed or to be conveyed to the Association), all of which shall be performed in a continuous and satisfactory manner without cost to the general taxpayers of St. Johns County.

Without limiting the generality of the definition of Common Areas herein, in the event that a Common Area is not owned or to be owned by the Association but, rather, constitutes an easement in favor of the Association, then the foregoing shall apply only to the extent necessary to permit and require the Association to maintain the area within such easement or

to perform such other functions as the easement may require or permit. By way of example, in the event that the Association has an easement, or is required by applicable plat or governmental requirement or regulation, to provide weed or water quality control within a water body, then the area to be so maintained shall be deemed a Common Area of the Association but only for the purpose of complying with such requirement.

It is intended that any and all real estate taxes assessed against that portion of the Common Areas owned or to be owned by the Association shall be (or have been, because the purchase prices of the Lots and Homes have already taken into account their proportionate shares of the values of the Common Area), proportionally assessed against and payable as part of the taxes of the applicable Lots within The Properties. However, in the event that, notwithstanding the foregoing, any such taxes are assessed directly against the Common Areas, the Association shall be responsible for the payment (subject to protest or appeal before or after payment) of the same, including taxes on any improvements and any personal property located thereon, which taxes accrue from and after the date these covenants are recorded, and such taxes shall be prorated between Developer and the Association as of the date of such recordation.

Developer and its affiliates shall have the right from time to time to enter upon the Common Areas and other portions of The Properties (including, without limitation, Lots and Homes) for the purpose of the installation, construction, reconstruction, repair, replacement, operation, expansion and/or alteration of any improvements or facilities on the Common Areas or elsewhere on The Properties that Developer and its affiliates or designee elect to effect, and to use, without charge, the Common Areas and other portions of The Properties for sales, displays and signs or for any other purpose during the period of construction and sale of any portion thereof or of other portions of adjacent or nearby communities. Without limiting the generality of the foregoing, the Developer and its affiliates and Builders shall have the specific right to maintain upon any portion of The Properties owned thereby sales, administrative, construction or other offices and appropriate exclusive and non-exclusive easements of access and use are expressly reserved unto the Developer and its affiliates, and its and their successors, assigns, employees and contractors, for this purpose. Any obligation (which shall not be deemed to be created hereby) to complete portions of the Common Areas shall, at all times, be subject and subordinate to these rights and easements and to the above-referenced activities. Accordingly, the Developer shall not be liable for delays in such completion to the extent resulting from the need to finish the above-referenced activities prior to such completion.

Section 7. Drainage Easements. Notwithstanding any provision of this Declaration or any condition or restriction on the plat(s) of any portion of The Properties to the contrary, in the event that Developer or a Builder installs any equipment (such as, but not limited to, air conditioning equipment) serving a Home within a drainage easement granted the Association on any plat of The Properties, or if a roof or other portion of a Home overhangs such easement, then such installation (including, without limitation, concrete pads and connecting pipes and wires) and/or overhanging portion of the Home shall not be deemed in derogation of the Association's rights under such easement and, accordingly, shall be and is hereby authorized. This authorization shall extend to any and all access to such equipment necessary for its use, maintenance, repair or replacement.

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation for Assessments. Except as provided elsewhere herein, the Developer (and each party joining in any supplemental declaration), for all Lots within The Properties, hereby covenants and agrees, and each Owner of any Lot by acceptance of a deed therefor or other conveyance thereof, whether or not it shall be so expressed in such deed or other conveyance, shall be deemed to covenant and agree, to pay to the Association annual assessments and charges for the operation of, and for payment of expenses allocated or assessed to or through, the Association, the maintenance, management, operation and insurance of the Common Areas as provided elsewhere herein, including such reasonable reserves as the Association may deem necessary, capital improvement assessments, as provided in Section 4 hereof, special assessments as provided in Section 3 hereof, payments under "bulk" contracts for cable television, monitoring systems and the like and all other charges and assessments hereinafter referred to or lawfully imposed by or on the Association, all such assessments to be fixed, established and collected from time to time as herein provided. In addition, special assessments may be levied against particular Owners and Lots for fines, expenses incurred against particular Lots and/or Owners to the exclusion of others and other charges against specific Lots or Owners as contemplated in this Declaration. The annual, special and other assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with such interest thereon and costs of collection thereof as hereinafter provided, shall also be the personal obligation of the person who is the Owner of such property at the time when the assessment fell due and all subsequent Owners until paid, except as provided in Section 8 of this Article.

Except as provided herein with respect to special assessments which may be imposed on one or more Lots and Owners to the exclusion of others, all assessments imposed by the Association shall be imposed against all Lots subject to its jurisdiction equally.

Reference herein to assessments shall be understood to include reference to any and all of the charges described in this Article whether or not specifically mentioned.

Section 2. Purpose of Assessments. The regular assessments levied by the Association shall be used exclusively for the purposes expressed in Section 1 of this Article.

Section 3. Special Assessments. In addition to the regular and capital improvement assessments which are or may be levied hereunder, the Association (through the Board of Directors) shall have the right to levy special assessments against an Owner(s) to the exclusion of other Owners for (i) the repair or replacement of damage to any portion of the Common Areas (including, without limitation, improvements and landscaping thereon) caused by the misuse, negligence or other action or inaction of an Owner or his Member's Permittee(s) or (ii) the costs of work performed by the Association in accordance with Article VI of this Declaration (together with any surcharges collectible thereunder). Any such special assessment shall be subject to all of the applicable provisions of this Article including, without limitation,

lien filing, foreclosure procedures, late charges and interest. Any special assessment levied hereunder shall be due within the time specified by the Board of Directors in the action imposing such assessment.

Section 4. Capital Improvements. Funds which, in the aggregate, exceed 10% of the total amount of the then-current operating budget of the Association in any one fiscal year which are necessary for the addition of capital improvements (as distinguished from repairs and maintenance, in the reasonable judgment of the Association's Board of Directors) relating to the Common Areas under the jurisdiction of the Association and which have not previously been collected as reserves or are not otherwise available to the Association (other than by borrowing) shall be levied by the Association as assessments only upon approval of a majority of the Board of Directors of the Association and upon approval by two-thirds (2/3) favorable vote of the Members of the Association voting at a meeting or by ballot as may be provided in the By-Laws of the Association.

Section 5. Date of Commencement of Annual Assessments: Due Dates. The annual regular assessments provided for in this Article shall commence on the first day of the month next following the recordation of these covenants and shall be applicable through December 31 of such year. Each subsequent annual assessment shall be imposed for the year beginning January 1 and ending December 31.

The annual assessments shall be payable in advance in monthly installments, or in annual, semi- or quarter-annual installments if so determined by the Board of Directors of the Association (absent which determination they shall be payable quarterly).

The assessment amount (and applicable installments) may be changed at any time by said Board from that originally stipulated or from any other assessment that is in the future adopted. The original assessment for any year shall be levied for the calendar year (to be reconsidered and amended, if necessary, no more than twice each year), but the amount of any revised assessment to be levied during any period shorter than a full calendar year shall be in proportion to the number of months (or other appropriate installments) remaining in such calendar year.

The due date of any special assessment or capital improvement assessment shall be fixed in the Board resolution authorizing such assessment.

Section 6. Duties of the Board of Directors. The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against the Lots subject to the Association's jurisdiction for each assessment period, to the extent practicable, at least thirty (30) days in advance of such date or period, and shall, at that time, prepare a roster of the Lots and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner.

Written notice of the assessment shall thereupon be sent to every Owner subject thereto at least twenty (20) days prior to the date for the payment of the first installment thereof, except as to special assessments. In the event no such notice of the assessments for a new

assessment period is given, the amount payable shall continue to be the same as the amount payable for the previous period, until changed in the manner provided for herein.

Subject to other provisions hereof, the Association shall upon demand at any time furnish to any Owner liable for an assessment a certificate in writing signed by an officer of the Association, setting forth whether such assessment has been paid as to any particular Lot. Such certificate shall be conclusive evidence of payment of any assessment to the Association therein stated to have been paid.

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

Section 7. Effect of Non-Payment of Assessment; the Personal Obligation; the Lien; Remedies of the Association. If the assessments (or installments) provided for herein are not paid on the date(s) when due (being the date(s) specified herein or pursuant hereto), then such assessments (or installments) shall become delinquent and shall, together with late charges, interest and the cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the Lot which shall bind such property in the hands of the then Owner, his heirs, personal representatives, successors and assigns. Except as provided in Section 8 of this Article to the contrary, the personal obligation of the then Owner to pay such assessment shall pass to his successors in title and recourse may be had against either or both.

If any installment of an assessment is not paid within fifteen (15) days after the due date, at the option of the Association, a late charge not greater than ten percent (10%) of the amount of such unpaid installment may be imposed (provided that only one late charge may be imposed on any one unpaid installment and if such installment is not paid thereafter, it and the late charge shall accrue interest as provided herein but shall not be subject to additional late charges; provided further, however, that each other installment thereafter coming due shall be subject to one late charge each as aforesaid) or the next twelve (12) months' worth of installments may be accelerated and become immediately due and payable in full and all such sums shall bear interest from the dates when due until paid at the highest lawful rate (or, if there is no highest lawful rate, 18% per annum). In any such case, the Association may bring an action at law against the Owner(s) personally obligated to pay the same, may record a claim of lien (as evidence of its lien rights as hereinabove provided for) against the Lot on which the assessments are unpaid, may foreclose the lien against the Lot on which the assessments are unpaid, or may pursue one or more of such remedies at the same time or successively, and attorneys' fees and costs actually incurred in preparing and filing the claim of lien and the complaint, if any, and prosecuting same, in such action shall be added to the amount of such assessments, late charges and interest, and in the event a judgment is obtained, such judgment shall include all such sums as above provided and attorneys' fees actually incurred together with the costs of the action, through all applicable appellate levels.

In the case of an acceleration of the next twelve (12) months' of installments, each installment so accelerated shall be deemed, initially, equal to the amount of the then most

current delinquent installment, provided that if any such installment so accelerated would have been greater in amount by reason of a subsequent increase in the applicable budget, the Owner of the Lot whose installments were so accelerated shall continue to be liable for the balance due by reason of such increase and special assessments against such Lot shall be levied by the Association for such purpose.

In addition to the rights of collection of assessments stated in this Section, any and all persons acquiring title to or an interest in a Lot as to which the assessment is delinquent, including without limitation persons acquiring title by operation of law and by judicial sales, shall not be entitled to the occupancy of such Lot or the enjoyment of the Common Areas until such time as all unpaid and delinquent assessments due and owing from the selling Owner have been fully paid; provided, however, that the provisions of this sentence shall not be applicable to the mortgagees and purchasers contemplated by Section 8 of this Article.

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

Section 8. Subordination of the Lien. The lien of the assessments provided for in this Article shall be subordinate to real property tax liens and the lien of any first mortgage (recorded prior to recordation by the Association of a claim of lien) and which is now or hereafter placed upon any property subject to assessment; provided, however, that any such mortgage lender when in possession or any receiver, and in the event of a foreclosure, any purchaser at a foreclosure sale, and any such mortgage lender acquiring a deed in lieu of foreclosure, and all persons claiming by, through or under such purchaser or mortgage lender, shall hold title subject to the liability and lien of any assessment coming due after such foreclosure (or conveyance in lieu of foreclosure). Any unpaid assessment which cannot be collected as a lien against any Lot by reason of the provisions of this Section shall be deemed to be an assessment divided equally among, payable by and a lien against all Lots subject to assessment by the Association, including the Lots as to which the foreclosure (or conveyance in lieu of foreclosure) took place.

Section 9. Developer's Assessments. Notwithstanding anything herein to the contrary, Developer shall have the option, in its sole discretion, to (i) pay assessments on the Lots owned by it, (ii) pay assessments only on certain designated Lots (e.g., those under construction or those containing a Home for which a certificate of occupancy has been issued) or (iii) not pay assessments on any Lots and in lieu thereof fund any resulting deficit in the Association's operating expenses not produced by assessments receivable from Owners other than Developer and any other income receivable by the Association. The deficit to be paid under option (iii), above, shall be the difference between (a) actual operating expenses of the Association (i.e., expenses exclusive of capital improvement costs and reserves) and (b) the sum of all monies receivable by the Association (including, without limitation, assessments, interest, late charges, fines and incidental income) and any surplus carried forward from the preceding year(s). Developer may from time to time change the option under which Developer is making payments to the Association by written notice to such effect to the Association. If Developer at any time elects option (ii), above, it shall not be deemed to have necessarily elected option (i) or (iii) as to the Lots which are not designated under option (ii). When all Lots within The Properties are sold and conveyed to purchasers, neither the Developer nor its affiliates shall

have further liability of any kind to the Association for the payment of assessments, deficits or contributions.

Section 10. Association Funds. The portion of all regular assessments collected by the Association for reserves for future expenses, and the entire amount of all special and capital assessments, shall be held by the Association and may be invested in interest bearing accounts or in certificates of deposit or other like instruments or accounts available at banks or savings and loan institutions, the deposits of which are insured by an agency of the United States.

ARTICLE VI

MAINTENANCE OF HOMES AND LOTS

Section 1. Exteriors of Homes. Each Owner shall maintain all structures (including the Home) located on his Lot in a neat, orderly and attractive manner and consistent with the general appearance of The Properties. The minimum (though not sole) standard for the foregoing shall be consistency with the general appearance of The Properties as initially constructed and otherwise improved by Developer or by any Builders who build in accordance with plans approved by Developer (taking into account, however, normal weathering and fading of exterior finishes, but not to the point of unsightliness, in the judgment of the Architectural Review Committee. Each Owner shall repaint or restain, as appropriate, the exterior portions of his Home (with the same colors as initially used on the Home, unless otherwise approved by the Architectural Review Committee) as often as is necessary to comply with the foregoing standards.

Section 2. Lots. Each Owner shall maintain the trees, shrubbery, grass and other landscaping on his Lot in a neat, orderly and attractive manner and consistent with the general appearance of The Properties as a whole. The minimum (though not sole) standard for the foregoing shall be the general appearance of The Properties as initially landscaped by Developer or Builders (such standard being subject to being raised by virtue of the natural and orderly growth and maturation of applicable landscaping, as properly trimmed and maintained).

In addition to the foregoing, each Owner shall maintain the area located between the front (and side, in the case of a corner lot) boundary line of his Lot and the edge of the pavement of the adjacent road (including, without limitation, sidewalks, sod, trees, any mailbox and the driveway) to the extent the Association does not affirmatively elect to do so. The portion of a Lot which is subject to an easement for a lake or other water body and which is actually submerged shall not be maintained by the Owner but, rather, shall be maintained by the Association.

Section 3. Remedies for Noncompliance. In the event of the failure of an Owner to maintain his Home or Lot in accordance with this Article, the Association shall have the right, upon at least five (5) days' prior written notice to the Owner at the address last appearing in the records of the Association, to enter upon the Owner's Lot and perform such work as is necessary to bring the Lot or Home, as applicable, into compliance with the standards set forth in this Article. Such work may include, but shall not necessarily be limited to, the

cutting/trimming of grass, trees and shrubs; the removal (by spraying or otherwise) of weeds and other vegetation; the resodding or replanting of grass, trees or shrubs; the repainting or restaining of exterior surfaces of a Home; the repair of walls, fences, roofs, doors, windows and other portions of a Home or other structures on a Lot; and such other remedial work as is judged necessary by the applicable entity. The remedies provided for herein shall be cumulative with all other remedies available under this Declaration (including, without limitation, the imposition of fines or special assessments or the filing of legal or equitable actions).

Section 4. Costs of Remedial Work: Surcharges. In the event that the Association performs any remedial work on a Home or Lot pursuant to this Article, the costs and expenses thereof shall be deemed a special assessment under Article V, Section 3 of this Declaration and may be immediately imposed by the Board of Directors. In order to discourage Owners from abandoning certain duties hereunder for the purpose of forcing one of the aforesaid entities to assume same, and, additionally, to reimburse same for administrative expenses incurred, the applicable entity may impose a surcharge of not more than thirty-five percent (35%) of the cost of the applicable remedial work, such surcharge to be a part of the aforesaid special assessment. No bids need be obtained for any of the work performed pursuant to this Article and the person(s) or company performing such work may be selected by the Association in its sole discretion.

Section 5. Right of Entry. There is hereby created an easement in favor of the Association and its applicable designees over each Lot for the purpose of entering onto such Lot in the performance of the work herein described, provided that the notice requirements of this Article are complied with and any such entry is during reasonable hours.

Section 6. Limited Exemption. To the extent that a Home on a Lot is under construction by the Developer or a Builder, the provisions of this Article shall not apply to such Lot until such time as the construction of the Home is completed as evidenced by the issuance of a certificate of occupancy therefor. Notwithstanding the foregoing, each Builder shall be responsible for maintaining any unimproved Lot owned by that Builder free of litter and debris and in a "rough mowed" condition.

ARTICLE VII

CERTAIN USE RESTRICTIONS

Section 1. Applicability. The provisions of this Article VII shall be applicable to all of The Properties but shall not be applicable to the Developer or any of its designees or Lots or other property owned by the Developer or its designees, except as to the architectural review requirements of Section 10, below.

Section 2. Land Use and Building Type. No Lot shall be used except for residential and reasonable ancillary purposes. No building constructed on a Lot shall be used except for such purposes. Temporary uses by Developer, Builders and those affiliates for model homes, sales displays, parking lots, sales offices and other offices, or any one or combination of such

uses, shall be permitted until permanent cessation of such uses takes place. No changes may be made in buildings erected by the Developer, any Builder or their affiliates (except if such changes are made by the Developer or such a builder) without the consent of the Architectural Review Committee.

Section 3. Easements. Easements for installation and maintenance of utilities are reserved as shown on the recorded plats covering The Properties and as provided herein. The area of each Lot covered by an easement and all improvements in the area shall be maintained continuously by the Owner of the Lot, except for installations for which a public authority or utility company is responsible. The appropriate water and sewer authority, electric utility company, telephone company, the Association, and the Developer and its affiliates, and their respective successors and assigns, shall have a perpetual easement for the installation and maintenance, all underground, of water lines, sanitary sewers, storm drains, and electric, telephone and telecommunications lines, cables and conduits, under and through the utility easements as shown on the plats.

Section 4. Nuisances. Nothing shall be done or maintained on any Lot which may be or become an annoyance or nuisance to the neighborhood. Any activity on a Lot which interferes with television, cable or radio reception on another Lot shall be deemed a nuisance and a prohibited activity. In the event of a dispute or question as to what may be or become a nuisance, such dispute or question shall be submitted to the Board of Directors of the Association, which shall render a decision in writing, which decision shall be dispositive of such dispute or question. ALL PERSONS ARE REFERRED TO ARTICLE XIII, SECTION 10 HEREOF WITH RESPECT TO CERTAIN ACTIVITIES OF DEVELOPER.

Section 5. Temporary Structures; Gas Tanks; Other Outdoor Equipment. Except as may be approved or used by the Developer during construction and/or sales periods, no structure of a temporary character, or trailer, mobile home or recreational vehicle, shall be permitted on any Lots within The Properties at any time or used at any time as a residence, either temporarily or permanently. No gas tank, gas container or gas cylinder shall be permitted to be placed on or about the outside of any Home or on or about any ancillary building, except for one (1) gas cylinder (not to exceed 20 lbs. capacity) connected to a barbecue grill and such other tank designed and used for household purposes as shall be approved by the Architectural Review Committee described in Section 11, below. Any outdoor equipment such as, but not limited to, pool pumps and water softening devices shall be completely screened from the view of anyone not standing on the Lot by the use of landscaping or other means (in any event, as approved by the Architectural Review Committee); provided, however, that the use of such screening shall not alter the requirement that the installation of any such equipment nevertheless be approved by the Architectural Review Committee.

Section 6. Signs. Except as provided below, no sign of any kind shall be displayed to the public view on any Lot except for signs used or approved by the Developer and its affiliates and agents during the development, construction and sale of The Properties.

The foregoing shall not prohibit placing usual and customary "for sale" and similar signs on Lots or those used to identify a Builder of a Unit on a Lot, subject to such rules and

standards for same as may be adopted by the Architectural Review Committee described below.

The foregoing shall also not prohibit placing numbers representing the street address of a Home on such Home or on the mailbox or mailbox pole serving such home.

Section 7. Private Wells: Oil and Mining Operations. No private water well for irrigation, swimming pool or other purposes shall be permitted within The Properties other than those, if any, used by the Association for the irrigation of Common Areas or other purposes.

No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in The Properties, nor on dedicated areas, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in The Properties. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any portion of the land subject to these restrictions. ALL PERSONS ARE REFERRED TO ARTICLE XIV, SECTION 10 WITH RESPECT TO CERTAIN ACTIVITIES OF DEVELOPER.

Section 8. Pets, Livestock and Poultry. No animals, reptiles, wildlife, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that household pets may be kept, provided they are not kept, bred or maintained for any commercial purpose, and provided that they do not become a nuisance or annoyance to any neighbor by reason of barking or otherwise. No dogs or other pets shall be permitted to have excretions on any Common Areas, except areas designated by the Association, if any, for such use and Owners shall be responsible to clean-up any such excretions. For purposes hereof, "household pets" shall mean dogs, cats and other animals expressly permitted by the Association, if any. ALL PETS SHALL BE KEPT ON A LEASH WHEN NOT IN THE APPLICABLE HOME OR A FENCED-IN YARD, IF ANY. Pets shall also be subject to all applicable rules and regulations. Nothing contained herein shall prohibit the keeping of fish or domestic (household-type) birds, as long as the latter are kept indoors and do not become a source of annoyance to neighbors.

Section 9. Visibility at Intersections. No obstruction to visibility at street intersections or Common Area intersections shall be permitted; provided that the Association shall not be liable in any manner to any person or entity, including Owners and Members Permittees, for any damages, injuries or deaths arising from any violation of this Section.

Section 10. Architectural Control. No building, wall, fence or other structure or improvement of any nature (including, but not limited to, swimming pools, spas, screen enclosures, patios (or patio extensions), hedges, other landscaping, exterior paint or finish, play structures, awnings, shutters, hurricane protection, basketball hoops, mailboxes, decorative plaques or accessories, birdhouses, other pet houses, swales, asphaltting, sidewalk/driveway surfaces or treatments or other improvements or changes of any kind, even if not permanently affixed to the land or to other improvements) shall be erected, placed or altered on any Lot (including the removal of trees) until the plans and specifications and a plan showing the location of the structure and landscaping or of the materials as may be required by the Architectural Review Committee (which shall be a committee appointed by the Board of Directors of the

Association until such membership terminates, after which if shall be appointed by the Board of Directors) have been approved, if at all, in writing by the Architectural Review Committee and all necessary governmental permits are obtained. Each building, wall, fence or other structure or improvement of any nature, together with landscaping, shall be erected, placed or altered upon the premises only in accordance with the plans and specifications and plot plan so approved and applicable governmental permits and requirements. Refusal of approval of plans, specifications and plot plans, or any of them, may be based on any ground, including purely aesthetic grounds, which in the sole and uncontrolled discretion of said Architectural Review Committee seem sufficient. Any change in the exterior appearance of any building, wall, fence or other structure or improvements, and any change in the appearance of the landscaping, shall be deemed an alteration requiring approval. The Architectural Review Committee shall have the power to promulgate such rules and regulations as it deems necessary to carry out the provisions and intent of this paragraph. A majority of the Board may take any action the Board is empowered to take, may designate a representative to act for the Board and may employ personnel and consultants to act for it. In the event of death, disability or resignation of any member of the Board, the remaining members shall have full authority to designate a successor. The members of the Board shall not be entitled to any compensation for services performed pursuant to this covenant, unless engaged by the Association in a professional capacity. The Architectural Review Committee shall act on submissions to it within forty-five (45) days after receipt of the same (and all further documentation required) or else the request shall be deemed approved.

In the event that any violation of this Section, the Association shall have the right (and an easement and license) to enter upon the applicable Lot and remove or otherwise remedy the applicable violation after giving the Owner of the Lot at least five (5) days' prior written notice of, and opportunity to cure, the violation in question. The costs of such remedial work and a surcharge of no more than thirty-five percent (35%) of the aforesaid costs) shall be a special assessment against the Lot, which assessment shall be payable upon demand and secured by the lien for assessments provided for in this Declaration.

The approval of any proposed improvements or alterations by the Architectural Review Committee shall not constitute a warranty or approval as to, and neither the Association nor any member or representative of the Architectural Review Committee or the Board of Directors (including officers and directors) shall be liable for, the safety, soundness, workmanship, materials or usefulness for any purpose of any such improvement or alteration nor as to its compliance with governmental or industry codes or standards. By submitting a request for the approval of any improvement or alteration, the requesting Owner shall be deemed to have automatically agreed to hold harmless and indemnify the aforesaid members and representatives, and the Association generally, from and for any loss, claim or damages connected with the aforesaid aspects of the improvements or alterations.

The provisions of this Section shall not apply to a Lot until such time as a Home has been completed thereon, as evidenced by the issuance of a Certificate of Occupancy for same. Rather, the initial construction on a Lot shall be subject to the approval of the Design Review Committee, which shall be a committee appointed by the Developer and which shall exist for so long as the Developer or any Builder owns any portion of The Properties. The Design Review Committee shall not be deemed a committee of the Association but, rather, a group

representing the Developer solely. Nevertheless, all of the procedures set forth above for submittals, reviews and approvals/rejections shall be followed as the procedure for the Design Review Committee and, likewise, the remedies and disclaimers of liability set forth above shall be exercised by and are applicable to the Design Review Committee.

Section 11. Commercial Vehicles, Trucks, Trailers, Campers and Boats. Unless specifically permitted (if at all) by rules adopted by the Board of Directors, no trucks or commercial vehicles, or campers, mobile homes, motorhomes, house trailers or trailers of every other description, recreational vehicles, boats, boat trailers, horse trailers or vans shall be permitted to be parked or to be stored at any place on The Properties, nor in dedicated areas, except in (i) enclosed garages and (ii) spaces for some or all of the above specifically designated by Developer or the Association, if any. For purposes of this Section, "commercial vehicles" shall mean those which are not designed and used for customary, personal/family purposes or, even if so, those containing attached equipment such as pipe racks, exterior tool boxes (other than in the bed) or the like. The absence of commercial-type lettering or graphics on a vehicle shall not be dispositive as to whether it is a commercial vehicle. The prohibitions on parking contained in this Section shall not apply to temporary parking of trucks and commercial vehicles, such as for construction use or providing pick-up and delivery and other commercial services, nor to passenger-type vans with windows for personal use which are in acceptable condition in the sole opinion of the Board (which favorable opinion may be changed at any time), nor to any vehicles of the Developer or its affiliates.

All Owners and other occupants of Homes are advised to consult with the Association prior to purchasing, or bringing onto The Properties, any type of vehicle other than a passenger car inasmuch as such other type of vehicle may not be permitted to be kept within The Properties.

Subject to applicable laws and ordinances, any vehicle parked in violation of these or other restrictions contained herein or in the rules and regulations now or hereafter adopted may be towed by the Association at the sole expense of the owner of such vehicle if such vehicle remains in violation for a period of 24 hours from the time a notice of violation is placed on the vehicle. The Association shall not be liable to the owner of such vehicle for trespass, conversion or otherwise, nor guilty of any criminal act, by reason of such towing and once the notice is posted, neither its removal, nor failure of the owner to receive it for any other reason, shall be grounds for relief of any kind. For purposes of this paragraph, "vehicle" shall also mean campers, mobile homes and trailers. An affidavit of the person posting the aforesaid notice stating that it was properly posted shall be conclusive evidence of proper posting.

Section 12. Parking on Common Areas and Lots/Garages. No vehicles of any type shall be parked on any portion of the Common Areas or any portions of a Lot other than its driveway and garage. Parking on road rights of way shall be subject to the regulations, if any, of the Association and/or St. Johns County.

All Owners and Members Permittees shall use at least one (1) space in their respective garages for the parking of a vehicle. In the event that such a party keeps a boat on a trailer in the party's garage, the other space shall still be used for vehicular parking. Garage doors shall be kept closed at all times except when in actual use and during reasonably limited

periods when the garage is being cleaned or other activities are being conducted therefrom which reasonably require the doors to be left open.

Section 13. Garbage and Trash Disposal. No garbage, refuse, trash or rubbish (including materials for recycling) shall be kept out of doors except as permitted by the Association. The requirements from time to time of the applicable governmental authority or other company or association for disposal or collection of waste shall be complied with. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. Containers must be rigid plastic, no less than 20 gallons or more than 32 gallons in capacity, and well sealed. Such containers may not be placed out for collection sooner than 24 hours prior to scheduled collection and must be removed within 12 hours of collection.

Section 14. No Drying. No clothing, laundry or wash shall be aired or dried on any portion of The Properties except on a portion of a Lot which is completely screened from the view of all persons other than those on the Lot itself.

Section 15. Waterfront Property. As to all portions of The Properties which have a boundary contiguous to any lake, canal or other body of water, the following additional restrictions and requirements shall be applicable:

(a) No boathouse, dock, wharf or other structure of any kind shall be erected, placed, altered or maintained on the shores of the water body unless erected by the Developer or its affiliates, subject to any and all governmental approvals and permits that may be required.

(b) No boat, boat trailer or vehicular parking or use of canal or waterway slope or shore areas shall be allowed, except as permitted by applicable governmental authorities.

(c) No solid or liquid waste, litter or other materials may be discharged into/onto or thrown into/onto any lake or other body of water or the banks thereof.

(d) Each applicable Owner shall maintain his Lot to the line of the water in the adjacent lake or other water body, as such line may change from time to time by virtue of changes in water levels, to the extent such maintenance is not performed by any applicable governmental authority.

(e) No landscaping, fences, structures or other improvements (regardless of whether or not same are permanently attached to the land or to other improvements) shall be placed within any lake maintenance or similar easements around lakes or other bodies of water unless permitted by the entity or entities to which such easement is dedicated, granted or assigned.

(f) No water shall be drawn from any lake, canal or other body of water for irrigation or any other purpose, except by the Association.

WITH RESPECT TO WATER LEVELS AND QUALITY AND OTHER WATER - BODY-RELATED MATTERS, ALL PERSONS ARE REFERRED TO ARTICLE XIII, SECTION 11 HEREOF.

Section 16. Home Air Conditioners and Reflective Materials. No air conditioning units may be mounted through windows or walls. No building shall have any aluminum foil placed in any window or glass door or any reflective substance or other materials (except standard window treatments) placed on any glass, except such as may be approved by the Architectural Review Committee for energy conservation purposes.

Section 17. Exterior Antennas. No exterior antennas, satellite dishes or similar equipment shall be permitted on any Lot or improvement thereon unless approved, if at all, by the Architectural Review Committee in its sole discretion.

Section 18. Renewable Resource Devices. Nothing in this Declaration shall be deemed to prohibit the installation of energy devices based on renewable resources (e.g., solar collector panels); provided, however, that same shall be installed only in accordance with the reasonable standards adopted from time to time by the Architectural Review Committee. Such standards shall be reasonably calculated to maintain the aesthetic integrity of The Properties without making the cost of the aforesaid devices prohibitively expensive and shall permit such installations which, by law, cannot be prohibited.

Section 19. Artificial Vegetation. No artificial grass, plants or other artificial vegetation, or rocks used in lieu of sod, shall be placed or maintained upon the exterior portion of any Lot without the prior approval of the Architectural Review Committee.

Section 20. Variances. The Board of Directors of the Association shall have the right and power to grant variances from the provisions of this Article VII for good cause shown, as determined in the reasonable discretion of the Board. No variance granted as aforesaid shall alter, waive or impair the operation or effect of the provisions of this Article VII in any instance in which such variance is not granted.

Section 21. Developer and Builders. Developer and any Builder of a Home within The Properties shall be exempt from the provisions of this Article, as well as those of Article VI hereof, to the extent that the application of same would prevent or unreasonably interfere with the construction of a Home in a lawful manner; provided, however, that such Builder shall not be so exempt unless it is subject to initial construction review requirements imposed by the Developer. Notwithstanding the foregoing, each such Builder shall keep its construction site in a neat, clean and orderly manner appropriate for such a site.

Section 22. Additional Rules and Regulations. Attached hereto as Schedule "A" are certain additional rules and regulations of the Association which are incorporated herein by this reference and which, as may the foregoing, may be modified, in whole or in part, at any time by the Board without the necessity of recording an amendment hereto or thereto in the public records.

ARTICLE VIII
ESTOPPEL CERTIFICATE

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No Owner may sell or convey his interest in a Lot unless all sums due the Association are paid in full and an estoppel certificate in recordable form to such effect shall have been received by the Owner. If all such sums shall have been paid, the Association shall deliver such certificate within ten (10) days of a written request therefor. The Owner requesting the certificate may be required by the Association to pay to the Association a reasonable sum to cover the costs of examining records and preparing the certificate.

Owners shall be obligated to deliver the documents originally received from the Developer, containing this and any other declarations and documents, to any grantee of such Owner.

ARTICLE IX
ENFORCEMENT

Section 1. Compliance by Owners. Every Owner and Member's Permittee shall comply with the restrictions and covenants set forth herein and any and all rules and regulations which from time to time may be adopted by the Board of Directors of the Association.

Section 2. Enforcement. Failure of an Owner or his Member's Permittee to comply with such restrictions, covenants or rules and regulations shall be grounds for immediate action which may include, without limitation, an action to recover sums due for damages, injunctive relief, or any combination thereof. The Association shall have the right to suspend the rights of use of Common Areas (except for legal access) of defaulting Owners. The offending Owner shall be responsible for all costs of enforcement including attorneys' fees actually incurred and court costs.

Section 3. Fines. In addition to all other remedies, and to the maximum extent lawful, in the sole discretion of the Board of Directors of the Association, a fine or fines may be imposed upon an Owner for failure of an Owner or his Member's Permittees to comply with any covenant, restriction, rule or regulation, provided the following procedures are adhered to:

(a) Notice: The Association shall notify the Owner of the alleged infraction or infractions. Included in the notice shall be the date and time of a special meeting of the Enforcement Committee (as defined below) at which time the Owner shall present reasons why a fine(s) should not be imposed. At least fourteen (14) days' notice of such meeting shall be given.

(b) Enforcement Committee: The Board of Directors shall appoint an Enforcement Committee to perform the functions given it under this Section. The Enforcement Committee shall consist of at least three (3) Members who

are not officers, directors or employees of the Association or the spouse, parent, child, brother or sister of such an officer, director or employee. The Enforcement Committee may impose fines only upon a majority vote thereof.

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(c) Hearing: The alleged non-compliance shall be presented to the Enforcement Committee at a meeting at which it shall hear reasons why a fine(s) should not be imposed. A written decision of the Enforcement Committee shall be submitted to the Owner by not later than twenty-one (21) days after the meeting.

(d) Amounts: The Enforcement Committee (if its findings are made against the Owner) may impose special assessments in the form of fines against the Lot owned by the Owner as follows:

(1) In the case of each violation, a fine not to exceed Fifty Dollars (\$50.00); provided, however, that

(2) To the extent permitted by law, the Board of Directors may adopt a rule whereby any violations of a continuing nature described in that rule will constitute a separate violation (i.e., be subject to a separate fine) for each day or week (as determined in the rule) it continues after notice to the violating party.

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

(f) Collection of Fines: Fines shall be treated as an assessment subject to the provisions for the collection of assessments as set forth herein.

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

(h) Non-exclusive Remedy: These fines shall not be construed to be exclusive, and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; provided, however, any penalty paid by the offending Owner shall be deducted from or offset against any damages which the Association may otherwise be entitled to recover by law from such Owner.

ARTICLE X

DAMAGE OR DESTRUCTION TO COMMON AREAS

Damage to or destruction of all or any portion of the Common Areas shall be handled in the following manner, notwithstanding any provision in this Declaration to the contrary:

(a) In the event of damage to or destruction of the Common Areas, if the insurance proceeds are sufficient to effect total restoration, then the Association

shall cause such portions of the Common Areas to be repaired and reconstructed substantially as it previously existed.

(b) If the insurance proceeds are within Fifty Thousand Dollars (\$50,000.00) or less of being sufficient to effect total restoration of the Common Areas, then the Association shall cause such portions of the Common Areas to be repaired and reconstructed substantially as it previously existed and the difference between the insurance proceeds and the actual cost shall be levied as a capital improvement assessment against each of the Owners in equal shares in accordance with the provisions of Article V, of this Declaration.

(c) If the insurance proceeds are insufficient by more than Fifty Thousand Dollars (\$50,000.00) to effect total restoration of the Common Areas, then by written consent or vote of a majority of each class of the Members, they shall determine, subject to Article XII hereof, whether (1) to rebuild and restore the Common Areas in substantially the same manner as they existed prior to damage and to raise the necessary funds over the insurance proceeds by levying capital improvement assessments against all Members, (2) to rebuild and restore in a way which is less expensive than replacing the Common Areas in substantially the same manner as they existed prior to being damaged, or (3) subject to the approval of the Board, to not rebuild and to retain the available insurance proceeds. Anything to the contrary herein notwithstanding, no decision not to rebuild or to rebuild in a manner which would result in a change in the Common Areas shall be effective without the written approval of the Board, which can require rebuilding as it deems appropriate.

(d) Each Member shall be liable to the Association for any damage to the Common Areas not fully covered by collected insurance which may be sustained by reason of the negligence or willful misconduct of any Member or his Member's Permittees. Notwithstanding the foregoing, the Association reserves the right to charge such Member an assessment equal to the increase, if any, in the insurance premium directly attributable to the damage caused by such Member. In the case of joint ownership of a Home, the liability of such Member shall be joint and several. The cost of correcting such damage shall be an assessment against the Member and may be collected as provided herein for the collection of assessments.

ARTICLE XI

INSURANCE

Section 1. Common Areas. The Association shall keep all improvements, facilities and fixtures located within the Common Areas (other than landscaping and other improvements which are not customarily insured or insurable), insured against loss or damage by fire or other casualty for the full insurable replacement value thereof (with reasonable deductibles and normal exclusions for land, foundations, excavation costs and similar matters), and may obtain insurance against such other hazards and casualties as the Association may deem desirable. The Association may also insure any other property, whether real or personal, owned by the

Association, against loss or damage by fire and such other hazards as the Association may deem desirable, with the Association as the owner and beneficiary of such insurance for and on behalf of itself and all Members. The insurance coverage with respect to the Common Areas shall be written in the name of, and the proceeds thereof shall be payable to, the Association. Insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried. Premiums for all insurance carried by the Association are common expenses included in the assessments made by the Association.

To the extent obtainable at reasonable rates, the insurance policy(ies) maintained by the Association shall contain provisions, or be accompanied by endorsements, for: agreed amount and inflation guard, demolition costs, contingent liability from operation of building laws and increased costs of construction.

All insurance policies shall contain standard mortgagee clauses, if applicable.

The Association shall also maintain flood insurance in an amount equal to the lesser of 100% of the replacement costs of all insurable improvements (if any) within the Common Areas or the maximum amount of coverage available under the National Flood Insurance Program.

Any improvements within a Common Area which is only an easement in favor of the Association shall be insured by the Owner of the Lot over which such easement exists and shall not be the insurance, maintenance, repair or replacement responsibility of the Association except to the extent that any such improvements are damaged by the Association.

Section 2. Replacement or Repair of Property. In the event of damage to or destruction of any portion of the Common Areas, the Association shall repair or replace the same from the insurance proceeds available, subject to the provisions of Article XI of this Declaration.

Section 3. Waiver of Subrogation. As to each policy of insurance maintained by the Association which will not be voided or impaired thereby, the Association hereby waives and releases all claims against the Board, the Members, Developer and the agents and employees of each of the foregoing, with respect to any loss covered by such insurance, whether or not caused by negligence of or breach of any agreement by said persons, but only to the extent that insurance proceeds are received in compensation for such loss.

Section 4. Liability and Other Insurance. The Association shall have the power to and shall obtain comprehensive public liability insurance, including medical payments and malicious mischief, with coverage of at least \$1,000,000.00 (if available at reasonable rates and upon reasonable terms) for any single occurrence, insuring against liability for bodily injury, death and property damage arising from the activities of the Association or with respect to property under its jurisdiction, including, if obtainable, a cross liability endorsement insuring each Member against liability to each other Member and to the Association and vice versa and coverage for legal liability resulting from lawsuits related to employment contracts shall also be maintained. The Association may also obtain Worker's Compensation insurance and other liability insurance as it may deem desirable, insuring each Member and the Association and its Board of Directors and officers, from liability in connection with the Common Areas, the

premiums for which shall be Common Expenses and included in the assessments made against the Members. The Association may also obtain such other insurance as the Board deems appropriate. All insurance policies shall be reviewed at least annually by the Board of Directors and the limits increased in its discretion.

The Board may also obtain such errors and omissions insurance, indemnity bonds, fidelity bonds and other insurance as it deems advisable, insuring the Board or any management company engaged by the Association against any liability for any act or omission in carrying out their obligations hereunder, or resulting from their membership on the Board or any committee thereof. At a minimum, however, there shall be blanket fidelity bonding of anyone (compensated or not) who handles or is responsible for funds held or administered by the Association, with the Association to be an obligee thereunder. Such bonding shall cover the maximum funds to be in the hands of the Association or management company during the time the bond is in force. In addition, the fidelity bond coverage must at least equal the sum of three (3) months' of regular assessments, plus all reserve funds.

ARTICLE XII

MORTGAGEE PROTECTION

P. U. D. OFF. REC.
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The following provisions are added hereto (and to the extent these added provisions conflict with any other provisions of the Declaration, these added provisions shall control):

(a) The Association shall be required to make available to all Owners and Mortgagees, and to insurers and guarantors of any first Mortgage, for inspection, upon request, during normal business hours or under other reasonable circumstances, current copies of this Declaration (with all amendments) and the Articles, By-Laws and rules and regulations and the books and records of the Association. Furthermore, such persons shall be entitled, upon written request, to (i) receive a copy of the Association's financial statement for the immediately preceding fiscal year, (ii) receive notices of and attend the Association meetings, (iii) receive notice from the Association of an alleged default by an Owner in the performance of such Owner's obligations under this Declaration, the Articles of Incorporation or the By-Laws of the Association, which default is not cured within thirty (30) days after the Association learns of such default, and (iv) receive notice of any substantial damage or loss to the Common Areas.

(b) Any holder, insurer or guarantor of a Mortgage on a Home shall have, if first requested in writing, the right to timely written notice of (i) any condemnation or casualty loss affecting a material portion of the Common Areas, (ii) a sixty (60) day delinquency in the payment of the Assessments on a mortgaged Lot, (iii) the occurrence of a lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association, and (iv) any proposed action which requires the consent of a specified number of Mortgage holders:

(c) Unless at least 66-2/3% of first Mortgagees (based upon one vote for each Mortgage owned), and the Members holding at least two-thirds (2/3rds) of the

votes entitled to be cast by them, have given their prior written approval, neither the Association nor the Owners shall:

(1) by act or omission seek to sell or transfer the Common Areas and any improvements thereon which are owned by the Association (the granting of easements for utilities or for other such purposes consistent with the intended use of such property by the Association or the Declarant or the transfer of the Common Areas to another similar association of the Owners in accordance with the Articles of Incorporation of the Association or dedication of such property to the public shall not be deemed a transfer within the meaning of this clause);

(2) change the basic methods of determining the obligations, assessments, dues or other charges which may be levied against a Lot, except as provided herein with respect to future Lots;

(3) by act or omission, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior appearance of The Properties;

(4) fail to maintain fire and extended insurance on insurable portions of the Common Areas as provided herein; or

(5) use hazard insurance proceeds for losses to any Common Areas for other than the repair, replacement or reconstruction of the improvements.

ARTICLE XIII

GENERAL PROVISIONS

Section 1. Duration. The covenants and restrictions of this Declaration shall run with and bind The Properties, and shall inure to the benefit of and be enforceable by the Association, the Architectural Review Committee, the Developer (at all times) and the Owner of any land subject to this Declaration, and their respective legal representatives, heirs, successors and assigns, for a term of ninety-nine (99) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years each unless an instrument signed by the then Owners of 75% of all the Lots subject hereto and of 100% of the mortgagees thereof has been recorded, agreeing to revoke said covenants and restrictions; provided, however, that no such agreement to revoke shall be effective unless made and recorded three (3) years in advance of the effective date of such revocation, and unless written notice of the proposed agreement is sent to every Owner at least ninety (90) days in advance of any signatures being obtained.

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 Member or Owner on the records of the Association at the time of such mailing.

Section 3. Enforcement. Enforcement of these covenants and restrictions shall be accomplished by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against the Lots to enforce any lien created by these covenants; and failure to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 4. Severability. Invalidation of any one of these covenants or restrictions or any part, clause or word hereof, or the application thereof in specific circumstances, by judgment or court order shall not affect any other provisions or applications in other circumstances, all of which shall remain in full force and effect.

Section 5. Amendment. In addition to any other manner herein provided for the amendment of this Declaration, the covenants, restrictions, easements, charges and liens of this Declaration may be amended, changed, deleted or added to at any time and from time to time upon the execution and recordation of an instrument executed by the Developer alone, for so long as it or its affiliates holds title to any Lot affected by this Declaration; or alternatively by approval at a meeting of Owners holding not less than 66 2/3% vote of the entire membership in the Association (as opposed to only those Members represented at a meeting of the Association), provided, that so long as the Developer or its affiliates is the Owner of any Lot affected by this Declaration, the Developer's consent must be obtained if such amendment, in the sole opinion of the Developer, affects its interest. In addition to the foregoing, any amendment to this Declaration which alters the Surface Water or Stormwater Management System, beyond maintenance in its original condition, including the water management portions of the Common Areas, must have the prior approval of the St. Johns River Water Management District. The foregoing sentence may not be amended without the consent of such District.

Further, those provisions of this Declaration which are specifically referenced in the St. Johns County P.U.D. approval of The Properties and incorporated into the Final Development Plan for same shall not be amended without the approval of the Board of County Commissioners of St. Johns County.

Section 6. Effective Date. This Declaration shall become effective upon its recordation in the Public Records of St. Johns County.

Section 7. Conflict. This Declaration shall take precedence over conflicting provisions in Schedule "A" hereto and in the Articles of Incorporation and By-Laws of the Association and said Articles shall take precedence over the By-Laws.

Section 8. Standards for Consent, Approval, Completion, Other Action and Interpretation. Whenever this Declaration shall require the consent, approval, completion, substantial completion, or other action by the Developer or its affiliates, the Association or the Architectural Review Committee, such consent, approval or action may be withheld in the sole and unfettered discretion of the party requested to give such consent or approval or take such

action, and all matters required to be completed or substantially completed by the Developer or its affiliates or the Association shall be deemed so completed or substantially completed when such matters have been completed or substantially completed in the reasonable opinion of the Developer or Association, as appropriate. This Declaration shall be interpreted by the Board of Directors and an opinion of counsel to the Association or the counsel having drafted this Declaration rendered in good faith that a particular interpretation is not unreasonable shall conclusively establish the validity of such interpretation.

Section 9. Easements. Should the intended creation of any easement provided for in this Declaration fail by reason of the fact that at the time of creation there may be no grantee in being having the capacity to take and hold such easement, then any such grant of easement deemed not to have been so created shall nevertheless be considered as having been granted directly to the Association as agent for such intended grantees for the purpose of allowing the original party or parties to whom the easements were originally intended to have been granted the benefit of such easement and the Owners designate hereby the Developer and the Association (or either of them) as their lawful attorney-in-fact to execute any instrument on such Owners' behalf as may hereafter be required or deemed necessary for the purpose of later creating such easement as it was intended to have been created herein. Formal language of grant or reservation with respect to such easements, as appropriate, is hereby incorporated in the easement provisions hereof to the extent not so recited in some or all of such provisions.

Section 10. Construction Activities. ALL OWNERS, OCCUPANTS AND USERS OF THE PROPERTIES ARE HEREBY PLACED ON NOTICE THAT DEVELOPER AND/OR ITS AGENTS, CONTRACTORS, SUBCONTRACTORS, LICENSEES AND OTHER DESIGNEES WILL BE, FROM TIME TO TIME, CONDUCTING EXCAVATION, CONSTRUCTION AND OTHER ACTIVITIES WITHIN OR IN PROXIMITY TO THE PROPERTIES. BY THE ACCEPTANCE OF THEIR DEED OR OTHER CONVEYANCE OR MORTGAGE, LEASEHOLD, LICENSE OR OTHER INTEREST, AND BY USING ANY PORTION OF THE PROPERTIES, EACH SUCH OWNER, OCCUPANT AND USER AUTOMATICALLY ACKNOWLEDGES, STIPULATES AND AGREES (i) THAT NONE OF THE AFORESAID ACTIVITIES SHALL BE DEEMED NUISANCES OR NOXIOUS OR OFFENSIVE ACTIVITIES, HEREUNDER OR AT LAW GENERALLY, (ii) NOT TO ENTER UPON, OR ALLOW THEIR CHILDREN OR OTHER PERSONS UNDER THEIR CONTROL OR DIRECTION TO ENTER UPON (REGARDLESS OF WHETHER SUCH ENTRY IS A TRESPASS OR OTHERWISE) ANY PROPERTY WITHIN OR IN PROXIMITY TO THE PROPERTIES WHERE SUCH ACTIVITY IS BEING CONDUCTED (EVEN IF NOT BEING ACTIVELY CONDUCTED AT THE TIME OF ENTRY, SUCH AS AT NIGHT OR OTHERWISE DURING NON-WORKING HOURS), (iii) THAT DEVELOPER AND THE OTHER AFORESAID PARTIES SHALL NOT BE LIABLE FOR ANY AND ALL LOSSES, DAMAGES (COMPENSATORY, CONSEQUENTIAL, PUNITIVE OR OTHERWISE), INJURIES OR DEATHS ARISING FROM OR RELATING TO THE AFORESAID ACTIVITIES, (iv) THAT ANY PURCHASE OR USE OF ANY PORTION OF THE PROPERTIES HAS BEEN AND WILL BE MADE WITH FULL KNOWLEDGE OF THE FOREGOING AND (v) THAT THIS ACKNOWLEDGMENT AND AGREEMENT IS A MATERIAL INDUCEMENT TO DEVELOPER TO SELL, CONVEY, LEASE AND/OR ALLOW THE USE OF THE APPLICABLE PORTION OF THE PROPERTIES.

Section 11. Notices and Disclaimers as to Water Bodies. NEITHER DEVELOPER, THE ASSOCIATION, NOR ANY OF THEIR OFFICERS, DIRECTORS, COMMITTEEMEMBERS, EMPLOYEES, MANAGEMENT AGENTS, CONTRACTORS OR SUBCONTRACTORS (COLLECTIVELY, THE "LISTED PARTIES") SHALL BE LIABLE OR RESPONSIBLE FOR MAINTAINING OR ASSURING THE SAFETY, WATER QUALITY OR WATER LEVEL OF/IN ANY LAKE, POND, CANAL, CREEK, STREAM OR OTHER WATER BODY WITHIN THE PROPERTIES, EXCEPT AS SUCH RESPONSIBILITY MAY BE SPECIFICALLY IMPOSED BY, OR CONTRACTED FOR WITH, AN APPLICABLE GOVERNMENTAL OR QUASI-GOVERNMENTAL AGENCY OR AUTHORITY. FURTHER, NONE OF THE LISTED PARTIES SHALL BE LIABLE FOR ANY PROPERTY DAMAGE, PERSONAL INJURY OR DEATH OCCURRING IN, OR OTHERWISE RELATED TO, ANY WATER BODY, ALL PERSONS USING SAME DOING SO AT THEIR OWN RISK.

ALL OWNERS AND USERS OF ANY PORTION OF THE PROPERTIES 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 RELEASE THE LISTED PARTIES FROM ALL CLAIMS FOR ANY AND ALL CHANGES IN THE QUALITY AND LEVEL OF THE WATER IN SUCH BODIES.

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

Section 12. Covenants Running With The Land. Anything to the contrary herein notwithstanding and without limiting the generality (and subject to the limitations) of Section 1 hereof, it is the intention of all parties affected hereby (and their respective heirs, personal representatives, successors and assigns) that these covenants and restrictions shall run with the land and with title to the properties. Without limiting the generality of Section 4 hereof, if any provision or application of this Declaration would prevent this Declaration from running with the land as aforesaid, such provision and/or application shall be judicially modified, if at all possible, to come as close as possible to the intent of such provision or application and then be enforced in a manner which will allow these covenants and restrictions to so run with the land; but if such provision and/or application cannot be so modified, such provision and/or application shall be unenforceable and considered null and void in order that the paramount goal of the parties (that these covenants and restrictions run with the land as aforesaid) be achieved.

ARTICLE XIV

DISCLAIMER OF LIABILITY OF ASSOCIATION

NOTWITHSTANDING ANYTHING CONTAINED HEREIN OR IN THE ARTICLES OF INCORPORATION, BY-LAWS, ANY RULES OR REGULATIONS OF THE ASSOC-

IATION OR ANY OTHER DOCUMENT GOVERNING OR BINDING THE ASSOCIATION (COLLECTIVELY, THE "ASSOCIATION DOCUMENTS"). THE ASSOCIATION SHALL NOT BE LIABLE OR RESPONSIBLE FOR, OR IN ANY MANNER A GUARANTOR OR INSURER OF, THE HEALTH, SAFETY OR WELFARE OF ANY OWNER, OCCUPANT OR USER OF ANY PORTION OF THE PROPERTIES INCLUDING, WITHOUT LIMITATION, RESIDENTS AND THEIR FAMILIES, GUESTS, INVITEES, AGENTS, SERVANTS, CONTRACTORS OR SUBCONTRACTORS OR FOR ANY PROPERTY OF ANY SUCH PERSONS. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING:

(a) IT IS THE EXPRESS INTENT OF THE ASSOCIATION DOCUMENTS THAT THE VARIOUS PROVISIONS THEREOF WHICH ARE ENFORCEABLE BY THE ASSOCIATION AND WHICH GOVERN OR REGULATE THE USES OF THE PROPERTIES HAVE BEEN WRITTEN, AND ARE TO BE INTERPRETED AND ENFORCED, FOR THE SOLE PURPOSE OF ENHANCING AND MAINTAINING THE ENJOYMENT OF THE PROPERTIES AND THE VALUE THEREOF;

(b) THE ASSOCIATION IS NOT EMPOWERED, AND HAS NOT BEEN CREATED, TO ACT AS AN ENTITY WHICH ENFORCES OR ENSURES THE COMPLIANCE WITH THE LAWS OF THE UNITED STATES, STATE OF FLORIDA, ST. JOHNS COUNTY, AND/OR ANY OTHER JURISDICTION OR THE PREVENTION OF TORTIOUS ACTIVITIES; AND

(c) ANY PROVISIONS OF THE ASSOCIATION DOCUMENTS SETTING FORTH THE USES OF ASSESSMENTS WHICH RELATE TO HEALTH, SAFETY AND/OR WELFARE SHALL BE INTERPRETED AND APPLIED ONLY AS LIMITATIONS ON THE USES OF ASSESSMENT FUNDS AND NOT AS CREATING A DUTY OF THE ASSOCIATION TO PROTECT OR FURTHER THE HEALTH, SAFETY OR WELFARE OF ANY PERSON(S), EVEN IF ASSESSMENT FUNDS ARE CHOSEN TO BE USED FOR ANY SUCH REASON.

EACH OWNER (BY VIRTUE OF HIS ACCEPTANCE OF TITLE TO HIS LOT) AND EACH OTHER PERSON HAVING AN INTEREST IN OR LIEN UPON, OR MAKING ANY USE OF, ANY PORTION OF THE PROPERTIES (BY VIRTUE OF ACCEPTING SUCH INTEREST OR LIEN OR MAKING SUCH USES) SHALL BE BOUND BY THIS ARTICLE AND SHALL BE DEEMED TO HAVE AUTOMATICALLY WAIVED ANY AND ALL RIGHTS, CLAIMS, DEMANDS AND CAUSES OF ACTION AGAINST THE ASSOCIATION ARISING FROM OR CONNECTED WITH ANY MATTER FOR WHICH THE LIABILITY OF THE ASSOCIATION HAS BEEN DISCLAIMED IN THIS ARTICLE.

AS USED IN THIS ARTICLE, "ASSOCIATION" SHALL INCLUDE WITHIN ITS MEANING ALL OF THE ASSOCIATION'S DIRECTORS, OFFICERS, COMMITTEE AND BOARD MEMBERS, EMPLOYEES, AGENTS, CONTRACTORS (INCLUDING MANAGEMENT COMPANIES), SUBCONTRACTORS, SUCCESSORS AND ASSIGNS. THE PROVISIONS OF THIS ARTICLE SHALL ALSO INURE TO THE BENEFIT OF THE DEVELOPER AND ALL PARTIES RELATED THERETO, ALL OF WHICH SHALL BE FULLY PROTECTED HEREBY.

EXECUTED as of the date first above written.

P. U. D. OFF. REC.
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WITNESSES:

ARVIDA/JMB ACQUISITIONS, LTD.,
a Delaware limited partnership,

By: AJ ACQUISITION COMPANY,
a Delaware corporation,
general partner

Print Name:

By: _____,
_____, President

Print Name:

Address: _____

[CORPORATE SEAL]

STATE OF FLORIDA

)
) SS.

COUNTY OF _____

)

The foregoing instrument was acknowledged before me this ____ day of September, 1995
by _____, as President of AJ Acquisition Company, a Delaware corporation and
general partner of Arvida/JMB Acquisitions, Ltd., a Delaware limited partnership, on behalf
of said corporation. _____ is personally known to me or has produced
_____ as identification.

NOTARY PUBLIC, STATE OF FLORIDA

Print Name: _____

Commission No.: _____

Commission Exp: _____

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EXHIBIT "A"

ARTICLES OF INCORPORATION

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OF

SAWMILL LAKES MAINTENANCE ASSOCIATION, INC.

The undersigned incorporator, desiring to form a corporation not for profit under Chapter 617, Florida Statutes, as amended, hereby adopts the following Articles of Incorporation:

ARTICLE I

NAME

The name of the corporation shall be the SAWMILL LAKES MAINTENANCE ASSOCIATION, INC., which is hereinafter referred to as "the Association".

ARTICLE II

PURPOSES AND POWERS

The objects and purposes of the Association are those objects and purposes as are authorized by the Declaration of Covenants and Restrictions for Sawmill Lakes recorded (or to be recorded) in the Public Records of St. Johns, Florida, as hereafter amended and/or supplemented from time to time (the "Covenants"). The further objects and purposes of the Association are to preserve the values and amenities in The Properties and to maintain the Common Areas thereof for the benefit of the Members of the Association.

The Association is not organized for profit and no part of the net earnings, if any, shall inure to the benefit of any Member or individual person, firm or corporation.

The Association shall have the power to contract for the management of the Association and to delegate to the party with whom such contract has been entered into (which may be an affiliate of the Developer) the powers and duties of the Association, except those which require specific approval of the Board of Directors or Members.

The Association shall have all of the common law and statutory powers of a corporation not for profit which are not in conflict with the terms of these Articles and the Covenants above identified. The Association shall also have all of the powers necessary to implement the

purposes of the Association as set forth in the Covenants and to provide for the general health and welfare of its membership.

Definitions set forth in the Covenants are incorporated herein by this reference.

ARTICLE III

MEMBERS

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BOOK J PAGE 50

Section 1. Membership. Every person or entity who is a record owner of a fee or undivided fee interest in any Lot shall be a Member of the Association, provided that any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a Member.

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

Class A. Class A Members shall be all those Owners as defined in Section 1 with the exception of the Developer (as long as the Class B Membership shall exist, and thereafter, the Developer shall be a Class A Member to the extent it would otherwise qualify). Except as provided below, Class A Members shall be entitled to one (1) vote for each Lot in which they hold the interests required for membership by Section 1. When more than one person holds such interest or interests in any Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as they among themselves determine, but, subject only as provided in the following sentence, in no event shall more than one vote be cast with respect to any such Lot.

Class B. The Class B Member shall be the Developer. The Class B Member shall be entitled to one (1) vote, plus two (2) votes for each vote which the Class A Members are entitled to cast in the aggregate from time to time. The Class B Membership shall cease and convert to a Class A Membership at the time provided in the Declaration.

Section 3. Meetings of Members. The By-Laws of the Association shall provide for an annual meeting of Members, and may make provisions for regular and special meetings of Members other than the annual meeting as well as the quorum requirements for meetings of members.

Section 4. General Matters. When reference is made herein, or in the Covenants, By-Laws, Rules and Regulations, management contracts or otherwise, to a majority or specific percentage of Members, such reference shall be deemed to be reference to a majority or specific percentage of the votes of Members and not of the Members themselves.

ARTICLE IV

P. U. D. OFF. REC.

CORPORATE EXISTENCE BOOK J PAGE 51

The Association shall have perpetual existence; provided that if it is even dissolved, its assets shall be conveyed to another association or public agency having a similar purpose approved by the St. Johns River Water Management District and by St. Johns County.

ARTICLE V

BOARD OF DIRECTORS

Section 1. Management by Directors. The property, business and affairs of the Association shall be managed by a Board of Directors, which shall consist of not less than three (3) persons, but as many persons as the Board of Directors shall from time to time determine. A majority of the directors in office shall constitute a quorum for the transaction of business. The By-Laws shall provide for meetings of directors, including an annual meeting.

Section 2. Original Board of Directors. The names and addresses of the first Board of Directors of the Association, who shall hold office until the first annual meeting of Members and thereafter until qualified successors are duly elected and have taken office, shall be as follows:

<u>Name</u>	<u>Address</u>
Michael T. Dick	1275 Lake Heathrow Lane Heathrow, FL 32746
Mark S. Ambach	3995 Hunt Club Road Jacksonville, FL 32224
Joe DoBosh	1275 Lake Heathrow Lane Heathrow, FL 32746

Section 3. Election of Members of Board of Directors. Except as otherwise provided herein and for the first Board of Directors and their Developer-appointed replacements, directors shall be elected by a plurality vote of the Members of the Association at the annual meeting of the membership as provided by the By-Laws of the Association, and the By-Laws may provide for the method of voting in the election and for removal from office of directors. All directors shall be members of the Association residing in The Properties or shall be authorized representatives, officers, or employees of corporate members of the Association, or

designees of the Developer. Notwithstanding the foregoing, until the time provided below, the Developer shall have the right to appoint the Directors of the Association by written notice to such effect or by an announcement reflected in the minutes of the annual meeting of the Association. Failure to achieve a quorum at the annual meeting shall not effect the validity of an election of directors.

The Class A Members shall have the right to elect a majority of the Board of Directors three (3) months after ninety percent (90%) of the Lots which will ultimately be included if The Properties have been sold by the Developer to parties other than Builders, contractors or any other persons acquiring a lot for the purpose of constructing a Home thereon for resale.

Section 4. Duration of Office. Members elected to the Board of Directors shall hold office until the next succeeding annual meeting of Members, and thereafter until qualified successors are duly elected and have taken office.

Section 5. Vacancies. If a director elected by the general membership shall for any reason cease to be a director, the remaining directors so elected may elect a successor to fill the vacancy for the balance of the term.

ARTICLE VI

OFFICERS

Section 1. Officers Provided For. The Association shall have a President, a Vice President, a Secretary and a Treasurer, and such other officers as the Board of Directors may from time to time elect.

Section 2. Election and Appointment of Officers. The officers of the Association, in accordance with any applicable provision of the By-Laws, shall be elected by the Board of Directors for terms of one (1) year and thereafter until qualified successors are duly elected and have taken office. The By-Laws may provide for the method of voting in the election, for the removal from office of officers, for filling vacancies and for the duties of the officers. The President shall be a director; other officers may or may not be directors of the Association. If the office of President shall become vacant for any reason, or if the President shall be unable or unavailable to act, the Vice President shall automatically succeed to the office or perform its duties and exercise its powers. If any office shall become vacant for any reason, the Board of Directors may elect or appoint an individual to fill such vacancy.

Section 3. First Officers. The names and addresses of the first officers of the Association, who shall hold office until the first annual meeting of directors and thereafter until successors are duly elected and have taken office, shall be as follows:

Name and Office

Address

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President:

Michael T. Dick

1275 Lake Heathrow Lane
Heathrow, FL 32746

Vice-President:

Mark S. Ambach

3995 Hunt Club Road
Jacksonville, FL 32224

Secretary/ Treasurer:

Joe DoBosh

1275 Lake Heathrow Lane
Heathrow, FL 32224

ARTICLE VII

BY-LAWS

The Board of Directors shall adopt By-Laws consistent with these Articles of Incorporation. Such By-Laws may be altered, amended or repealed in the manner set forth in the By-Laws.

ARTICLE VIII

AMENDMENTS AND PRIORITIES

Section 1. Amendments to these Articles of Incorporation shall be proposed and approved by the Board of Directors and thereafter submitted to a meeting of the membership of the Association for adoption or rejection (by affirmative vote of 66 2/3% of the Members), all in the manner provided in, and in accordance with the notice provisions of, Fla. Stat. 617.017.

Section 2. In case of any conflict between these Articles of Incorporation and the By-Laws, these Articles shall control; and in case of any conflict between these Articles of Incorporation and the Covenants, the Covenants shall control.

ARTICLE IX
INCORPORATOR

P. U. D. OFF. REC.
BOOK 5 PAGE 54

The name and address of the incorporator of this Corporation is:

Name

Address

Charles W. Edgar, III

3300 PGA Boulevard
Suite 500
Palm Beach Gardens, FL 33410

ARTICLE X

INDEMNIFICATION

Section 1. The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or contemplated action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director, employee, officer or agent of the Association, against all expenses (including attorneys' fees and appellate attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding, unless (a) it is determined by a court of competent jurisdiction, after all available appeals have been exhausted or not pursued by the proposed indemnitee, that he did not act in good faith or that he acted in a manner he believed to be not in or opposed to the best interest of the Association, and, with respect to any criminal action or proceeding, that he had reasonable cause to believe his conduct was unlawful, and (b) such court further determines specifically that indemnification should be denied. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith or did act in a manner which he believed to be not in or opposed to the best interest of the Association, and with respect to any criminal action or proceeding, that he had reasonable cause to believe that his conduct was unlawful.

Section 2. To the extent that a director, officer, employee or agent of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 1 above or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees and appellate attorneys' fees) actually incurred by him in connection therewith.

Section 3. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any by-law, agreement, vote of Members or otherwise, both as to action in his official capacity while

holding such office or otherwise, and shall continue as to a person who has ceased to be director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such person.

Section 4. The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this Article.

Section 5. The provisions of this Article X shall not be amended.

ARTICLE XI

REGISTERED AGENT; PRINCIPAL OFFICE

Until changed, Michael T. Dick shall be the registered agent of the Association and the registered office shall be at 1275 Lake Heathrow Lane, Heathrow, Florida 32746.

Until changed, the principal office of the Association shall be 3995 Hunt Club Road, Jacksonville, FL 32224.

IN WITNESS WHEREOF, the aforesaid incorporator has hereunto set his hand this _____ day of _____, 199__.

Charles W. Edgar, III

STATE OF FLORIDA)

COUNTY OF PALM BEACH)

) SS:

The foregoing instrument was acknowledged before me this ___ day of _____, 199__, by Charles W. Edgar, III, who is personally known to me or has produced _____ as identification and who did not take an oath.

NOTARY PUBLIC, STATE OF FLORIDA

CERTIFICATE DESIGNATING PLACE OF BUSINESS OR DOMICILE FOR THE SERVICE OF PROCESS WITHIN THIS STATE, NAMING AGENT UPON WHOM PROCESS MAY BE SERVED.

P. U. D. OFF. REC.
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In compliance with the laws of Florida, the following is submitted:

That desiring to organize under the laws of the State of Florida with its principal office, as indicated in the foregoing Articles of Incorporation, in the County of St. Johns, State of Florida, the corporation named in said articles has named Michael T. Dick located at 1275 Lake Heathrow Lane, Heathrow, Florida 32746 as its statutory registered agent.

Having been named the statutory agent of the above corporation at the place designated in this certificate, I hereby accept the same and agree to act in this capacity, and agree to comply with the provisions of Florida law relative to keeping the registered office open.

Michael T. Dick

Dated this ___ day of _____,
199__.

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EXHIBIT "B"

BY-LAWS OF

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SAWMILL LAKES MAINTENANCE ASSOCIATION, INC.

*A corporation not for profit organized
under the laws of the State of Florida*

1. Identity. These are the By-Laws of SAWMILL LAKES MAINTENANCE ASSOCIATION, INC. (the "Association"), a corporation not for profit incorporated under the laws of the State of Florida, and organized for the purpose of administering that certain DECLARATION OF COVENANTS AND RESTRICTIONS FOR SAWMILL LAKES (the "Declaration") as well as the properties made subject thereto ("The Properties").
 - 1.1 Principal Office. The principal office of the Association shall be as provided in its Articles of Incorporation, or at such other place as may be subsequently designated by the Board of Directors. All books and records of the Association shall be kept at its principal office or in the office of any manager engaged by the Association.
 - 1.2 Fiscal Year. The fiscal year of the Association shall be the calendar year.
 - 1.3 Seal. The seal of the Association shall bear the name of the corporation, the word "Florida", the words "Corporation Not for Profit", and the year of incorporation.
2. Definitions. For convenience, these By-Laws shall be referred to as the "By-Laws" and the Articles of Incorporation of the Association as the "Articles". The other terms used in these By-Laws shall have the same definitions and meanings as those set forth in the Declaration, unless herein provided to the contrary or unless the context otherwise requires.
3. Members.
 - 3.1 Annual Meeting. The annual Members' meeting shall be held on the date, at the place and at the time determined by the Board of Directors from time to time, provided that there shall be an annual meeting every calendar year and, to the extent possible, no later than twelve (12) months after the last preceding annual meeting. The purpose of the meeting shall be, except as provided herein to the contrary, to elect Directors and to transact any other business authorized to be transacted by the Members, or as stated in the notice of the meeting sent to Members in advance thereof. Unless changed by the Board of Directors, the

first annual meeting shall be held in the month of November following the year in which the Declaration is recorded.

- 3.2 Special Meetings. Special Members' meetings shall be held at such places as provided herein for annual meetings, and may be called by the President or by a majority of the Board of Directors of the Association, and must be called by the President or Secretary upon receipt of a written request from a majority of the Members of the Association. The business conducted at a special meeting shall be limited to that stated in the notice of the meeting.
- 3.3 Notice of Meeting; Waiver of Notice. Notice of a meeting of Members, stating the time and place and the purpose(s) for which the meeting is called, shall be given by the President or Secretary. The notice of the annual meeting shall be sent by mail or hand delivery to each Member, unless the Member waives in writing the right to receive notice of the annual meeting by mail. The delivery or mailing shall be to the address of the Member as it appears on the roster of Members. The posting and mailing of the notice shall be effected not less than fourteen (14) days, nor more than sixty (60) days, prior to the date of the meeting.

Notice of specific meetings may be waived before or after the meeting and the attendance of any Member (or person authorized to vote for such Member) shall constitute such Member's waiver of notice of such meeting, except when his (or his authorized representative's) attendance is for the express purpose of objecting, at the beginning of the meeting, to the transaction of business because the meeting is not lawfully called.

An officer of the Association shall provide an affidavit, to be included in the official records of the Association, affirming that notices of the Association meeting were mailed or hand delivered in accordance with this Section. No other proof of notice of a meeting shall be required.

- 3.4 Quorum. A quorum at Members' meetings shall be attained by the presence, either in person or by proxy, of persons entitled to cast in excess of thirty percent (30%) of the votes of Members in the Association.
- 3.5 Voting.
- (a) Number of Votes. In any meeting of Members, the Members shall be entitled to cast one vote for each Lot owned, except as provided in the Declaration and/or Articles with respect to the Class B Member.
 - (b) Majority Vote. The acts approved by a majority of the votes, except in the case of the election of directors which shall be by plurality vote,

present in person or by proxy at a meeting at which a quorum shall have been attained shall be binding upon all Members for all purposes, except where otherwise provided by law, the Declaration, the Articles or these By-Laws. As used in these By-Laws, the Articles or the Declaration, the term "majority of the Members" shall mean a majority of the votes of Members and not a majority of the Members themselves and shall further mean more than 50% of the then total authorized votes present in person or by proxy and voting at any meeting of the Members at which a quorum shall have been attained. Similarly, if some greater percentage of Members is required herein or in the Declaration or Articles, it shall mean such greater percentage of the votes of Members and not of the Members themselves.

- (c) Voting Member. If a Lot is owned by one person, his right to vote shall be established by the roster of Members. If a Lot is owned by more than one person, those persons (including husbands and wives) shall decide among themselves as to who shall cast the vote of the Lot. In the event that those persons cannot so decide, no vote shall be cast. A person casting a vote for a Lot shall be presumed to have the authority to do so unless the President or the Board of Directors is otherwise notified. If a Lot is owned by a corporation, partnership, trust or other entity, the person entitled to cast the vote for the Lot shall be designated by a certificate signed by a person entitled to execute a conveyance of the entity's property and filed with the Secretary of the Association. Such person need not be a Member. Such certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the Lot concerned. A certificate designating the person entitled to cast the vote for a Lot may be revoked by any record Member of an undivided interest in the Lot. If a certificate designating the person entitled to cast the vote for a Lot for which such certificate is required is not on file or has been revoked, the vote attributable to such Lot shall not be considered in determining whether a quorum is present, nor for any other purpose, and the total number of authorized votes in the Association shall be reduced accordingly until such certificate is filed.

- 3.6 Proxies. Votes may be cast in person or by proxy. A proxy may be made by any person entitled to vote, but shall only be valid for the specific meeting for which originally given and any lawful adjourned meetings thereof. Every proxy shall be revocable at any time at the pleasure of the person executing it. A proxy must be in writing, signed by the person authorized to cast the vote for the Lot (as above described), name the person(s) voting by proxy and the person authorized to vote for such person(s), state the date, time and place of the meeting for which it is given and filed with the Secretary before the appointed

time of the meeting, or before the time to which the meeting is adjourned. Any limited proxy shall set forth the matters on which the proxy holder may vote and the manner in which the vote is to be cast.

- 3.7 Adjourned Meetings. If any proposed meeting cannot be organized because a quorum has not been attained, the Members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present, provided notice of the newly scheduled meeting is given in the manner required for the giving of notice of a meeting. Except as required above, proxies given for the adjourned meeting shall be valid for the newly scheduled meeting unless revoked for reasons other than the new date of the meeting.
- 3.8 Order of Business. If a quorum has been attained, the order of business at annual Members' meetings, and, if applicable, at other Members' meetings, shall be:
- (a) Call to order by President;
 - (b) Appointment by the President of a chairman of the meeting (who need not be a Member or a director);
 - (c) Proof of notice of the meeting or waiver of notice;
 - (d) Reading of minutes;
 - (e) Reports of officers;
 - (f) Reports of committees;
 - (g) Appointment of inspectors of election;
 - (h) Election of Directors;
 - (i) Unfinished business;
 - (j) New business;
 - (k) Adjournment.

Such order may be waived in whole or in part by direction of the chairman.

- 3.9 Minutes of Meeting. The minutes of all meetings of Members shall be kept in a book available for inspection by Members or their authorized representatives and Board members at any reasonable time.
- 3.10 Action Without A Meeting. Anything to the contrary herein notwithstanding, to the extent lawful, any action required to be taken at any annual or special meeting of Members, or any action which may be taken at any annual or special meeting of such Members, may be taken without a meeting, without prior notice and without a vote if a consent in writing, setting forth the action so taken, shall be signed by the Members (or persons authorized to cast the vote of any such Members as elsewhere herein set forth) having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting of Members at which a quorum of Members (or authorized persons) entitled to vote thereon were present and voted. Within ten (10) days after obtaining such authorization by written consent, notice must be given to Members who have not consented in writing. The notice shall fairly summarize the material features of the authorized action.

4. Directors.

- 4.1 Membership. The affairs of the Association shall be governed by a Board of not less than three (3) but no more than seven (7) Directors, the exact number to be determined in the first instance in the Articles, and, thereafter, by the Board of Directors.
- 4.2 Vacancies and Removal.
- (a) Except as to vacancies resulting from removal of Directors by Members, vacancies in the Board of Directors occurring between annual meetings of Members shall be filled by the remaining Directors, provided that all vacancies in directorships to which Directors were appointed by the Developer shall be filled by the Developer without the necessity of any meeting.
 - (b) Any Director elected by the Members other than the Developer may be removed by concurrence of a majority of the votes of the Members at a special meeting of Members called for that purpose or by written agreement signed by a majority of the Owners of all Lots. The vacancy in the Board of Directors so created shall be filled by the Members at the same meeting, or by the Board of Directors, in the case of removal by a written agreement unless said agreement also designates a new Director to take the place of the one removed.

- (c) Anything to the contrary herein notwithstanding, until a majority of the Directors are elected by the Members other than the Developer, neither the first Directors of the Association, nor any Directors replacing them, nor any Directors named by the Developer, shall be subject to removal by Members other than the Developer. The first Directors and Developer-appointed Directors replacing them may be removed and replaced by the Developer without the necessity of any meeting.
- (d) If a vacancy on the Board of Directors results in the inability to obtain a quorum of Directors in accordance with these By-Laws, any Member may apply to the Circuit Court for the jurisdiction in which The Properties exist for the appointment of a receiver to manage the affairs of the Association. At least thirty (30) days prior to applying to the Circuit Court, the applying Member shall mail to the Association a notice describing the intended action and giving the Association an opportunity to fill the vacancy(ies) in accordance with these By-Laws. If, during such time, the Association fails to fill the vacancy(ies), the Member may proceed with the petition. If a receiver is appointed, the Association shall be responsible for the salary of the receiver, court costs and attorneys' fees. The receiver shall have all powers and duties of a duly constituted Board of Directors, and shall serve until the Association fills the vacancy(ies) on the Board sufficient to constitute a quorum in accordance with these By-Laws.
- 4.3 Term. Except as provided herein to the contrary, the term of each Director's service shall extend until the next annual meeting of the Members and subsequently until his successor is duly elected and has taken office, or until he resigns or is removed in the manner elsewhere provided.
- 4.4 Organizational Meeting. The organizational meeting of newly-elected or appointed Directors shall be held within ten (10) days of their election or appointment at such place and time as shall be fixed by the Directors at the meeting at which they were elected or appointed, and no further notice to the Board of the organizational meeting shall be necessary.
- 4.5 Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegraph, and shall be transmitted at least two (2) days prior to the meeting.
- 4.6 Special Meetings. Special meetings of the Directors may be called by the President, and must be called by the President or Secretary at the written request of one-third (1/3) of the Directors. Notice of the meeting shall be given

personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting, and shall be transmitted not less than two (2) days prior to the meeting.

- 4.7 Waiver of Notice. Any Director may waive notice of a meeting before or after the meeting and that waiver shall be deemed equivalent to the due receipt by said Director of notice. Attendance by any Director at a meeting shall constitute a waiver of notice of such meeting, except when his attendance is for the express purpose of objecting, at the beginning of the meeting, to the transaction of business because the meeting is not lawfully called.
- 4.8 Quorum and Voting. A quorum at Directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except when approval by a greater number of Directors is specifically required by the Declaration, the Articles or these By-Laws. Each Director shall have one (1) vote, which may not be cast by proxy or secret ballot except that a secret ballot may be used in the election of officers.
- 4.9 Adjourned Meetings. If, at any proposed meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present, provided notice of such newly scheduled meeting is given as required hereunder. At any newly scheduled meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.
- 4.10 Joinder in Meeting by Approval of Minutes. The joinder of a Director in the action of a meeting by signing and concurring in the minutes of that meeting shall constitute the approval of that Director of the business conducted at the meeting, but such joinder shall not allow the applicable Director to be counted as being present for purposes of quorum.
- 4.11 Presiding Officer. The presiding officer at the Directors' meetings shall be the President (who may, however, designate any other person to preside).
- 4.12 Order of Business. If a quorum has been attained, the order of business at Directors' meetings shall be:
- (a) Proof of due notice of meeting;
 - (b) Reading and disposal of any unapproved minutes;
 - (c) Reports of officers and committees;

- (d) Election of officers;
- (e) Unfinished business;
- (f) New business;
- (g) Adjournment.

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Such order may be waived in whole or in part by direction of the presiding officer.

- 4.13 Minutes of Meetings. The minutes of all meetings of the Board of Directors shall be kept in a book available for inspection by Members, or their authorized representatives, and Board members at any reasonable time. Each Director's vote or abstention from voting on each matter voted upon shall be recorded in the minutes.
- 4.14 Executive Committee; Other Committees. The Board of Directors may, by resolution duly adopted, appoint an Executive Committee to consist of three (3) or more Members of the Board of Directors. Such Executive Committee shall have and may exercise all of the powers of the Board of Directors in management of the business and affairs of the Association during the period between the meetings of the Board of Directors insofar as may be permitted by law, except that the Executive Committee shall not have the power (a) to determine the level of assessments required for the affairs of the Association, (b) to adopt or amend any rules and regulations covering the details of the operation and use of The Properties, or (c) to exercise any of the powers set forth in paragraphs (f) and (o) of Section 5 below.

The Board may by resolution also create other committees and appoint persons to such committees and invest in such committees such powers and responsibilities as the Board shall deem advisable. In the event the Board does not appoint an Architectural Review Committee as provided in the Declaration, then the Board itself shall perform such functions.

- 4.15 Members' Rights As To Board and Committee Meetings. A meeting of the Board of Directors or of any committee (including the Architectural Review Board) shall be deemed to occur whenever a quorum of the Board or committee gathers to conduct Association business. All such meetings shall be open to all Members, except where attorney-client privilege applies. Written notice of any meeting of the Board or a committee shall be given by (a) posting same in a conspicuous place within The Properties at least forty-eight (48) hours in advance of the meeting, (b) mailing same to each Member at least fourteen (14) days prior to the meeting or (c) publishing same in a newsletter or other

publication, either with specific reference to the meeting or by way of a schedule of regular meetings.

An assessment shall not be levied at any meeting unless the notice of the meeting includes a statement that assessments will be considered and the nature of the assessments.

5. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may take all acts, through the proper officers of the Association, in executing such powers, except such acts which by law, the Declaration, the Articles or these By-Laws may not be delegated to the Board of Directors by the Members. Such powers and duties of the Board of Directors shall include, without limitation (except as limited elsewhere herein), the following:
- (a) Operating and maintaining the Common Areas and the Surface Water Management System.
 - (b) Determining the expenses required for the operation of the Common Areas and the Association.
 - (c) Employing and dismissing the personnel necessary for the maintenance and operation of the Common Areas and the Association.
 - (d) Adopting and amending rules and regulations concerning the details of the operation and use of The Properties.
 - (e) Maintaining bank accounts on behalf of the Association and designating the signatories required therefor.
 - (f) Purchasing, leasing or otherwise acquiring Lots or other property in the name of the Association, or its designee.
 - (g) Purchasing Lots at foreclosure or other judicial sales, in the name of the Association or its designee.
 - (h) Selling, leasing, mortgaging or otherwise dealing with Lots acquired, and subleasing Lots leased, by the Association, or its designee.
 - (i) Organizing corporations and appointing persons to act as designees of the Association in acquiring title to or leasing Lots or other property.
 - (j) Obtaining and reviewing insurance for The Properties and the Association.

- (k) Making repairs, additions and improvements to, or alterations of, The Properties, and repairs to and restoration of The Properties in accordance with the provisions of the Declaration after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings or otherwise.
- (l) Enforcing obligations of the Members, allocating profits and expenses and taking such other actions as shall be deemed necessary and proper for the sound management of The Properties and the Association.
- (m) Levying fines against appropriate Owners for violations of the Declaration or of the rules and regulations established by the Association to govern the conduct of such Owners and others.
- (n) Purchasing or leasing Lots for use by resident superintendents and other similar persons.
- (o) Borrowing money when required in connection with the operation, care, upkeep and maintenance of the Common Areas or the acquisition of property, and granting mortgages on and/or security interests in Association owned property; provided, however, that the consent of the Owners of at least two-thirds (2/3rds) of the Lots represented at a meeting at which a quorum has been attained in accordance with the provisions of these By-Laws shall be required for the borrowing of any sum which would cause the total outstanding indebtedness of the Association to exceed \$10,000.00. If any sum borrowed pursuant to the authority contained in this subparagraph (o) is not repaid by the Association, an Owner who pays to the creditor such portion thereof as his interest in his Common Areas bears to the interest of all the Unit Members in the Common Areas shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or shall have the right to file against, or which will affect, such Member's Lot; provided always, however, the Association shall take no action authorized in this paragraph without the prior written consent of the Developer as long as the Developer owns any Lot.
- (p) Contracting with a duly licensed manager for the management and maintenance of The Properties and the Association and authorizing a management agent (who may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of assessments, preparation of records, enforcement of rules and maintenance, repair, and replacement of the Common Areas, Lots and Units with such funds as shall be made available by the Association for such purposes. The

Association and its officers shall, however, retain at all times the powers and duties granted by the Declaration, the Articles and these By-Laws including, but not limited to, the making of assessments, promulgation of rules and execution of contracts on behalf of the Association.

- (q) At its discretion, authorizing Owners or other persons to use portions of the Common Areas for private parties and gatherings and imposing reasonable charges for such private use.
- (r) Exercising (i) all powers specifically set forth in the Declaration, the Articles and these By-Laws (ii) all powers incidental thereto, and (iii) all other powers of a Florida corporation not for profit.
- (s) Contracting with and creating or joining in the creation of special taxing districts, joint councils and the like.
- (t) Fulfilling all of the duties of a member of the Master Association.

6. Officers.

- 6.1 Executive Officers. The executive officers of the Association shall be a President, a Vice-President, a Treasurer and a Secretary (none of whom other than the President need be Directors), all of whom shall be elected by the Board of Directors and who may be peremptorily removed at any meeting by concurrence of a majority of all of the Directors. A person may hold more than one office, except that the President may not also be the Secretary. No person shall sign an instrument or perform an act in the capacity of more than one office. The Board of Directors from time to time shall elect such other officers and designate their powers and duties as the Board shall deem necessary or appropriate to manage the affairs of the Association.
- 6.2 President. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties that are usually vested in the office of president of an association.
- 6.3 Vice-President. The Vice-President shall exercise the powers and perform the duties of the President in the absence or disability of the President. He also shall assist the President and exercise such other powers and perform such other duties as are incident to the office of the vice president of an association and as may be required by the Directors or the President.
- 6.4 Secretary. The Secretary shall keep the minutes of all proceedings of the Directors and the Members. He shall attend to the giving of all notices to the Members and Directors and other notices required by law. He shall have

custody of the seal of the Association and shall affix it to instruments requiring the seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of the secretary of an association and as may be required by the Directors or the President.

- 6.5 Treasurer. The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. He shall keep books of account for the Association in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the Board of Directors for examination at reasonable times. He shall submit a treasurer's report to the Board of Directors at reasonable intervals and shall perform all other duties incident to the office of treasurer and as may be required by the Directors or the President. All monies and other valuable effects shall be kept for the benefit of the Association in such depositories as may be designated by a majority of the Board of Directors.
- 6.6 Manager. Any of the foregoing functions of the Secretary or Treasurer may also be performed by a duly licensed manager engaged by the Association, provided that (i) the Secretary or Treasurer, as appropriate, shall oversee the performance of such functions and (ii) no manager may execute any documents as, or in the name of, the Secretary or Treasurer.
7. Compensation. Neither Directors nor officers shall receive compensation for their services as such, but this provision shall not preclude the Board of Directors from employing a Director or officer as an employee of the Association, nor preclude contracting with a Director or officer for the management of The Properties or for any other service to be supplied by such Director or officer. Directors and officers shall be compensated for all actual and proper out of pocket expenses relating to the proper discharge of their respective duties.
8. Resignations. Any Director or officer may resign his post at any time by written resignation, delivered to the President or Secretary, which shall take effect upon its receipt unless a later date is specified in the resignation, in which event the resignation shall be effective from such date unless withdrawn. The acceptance of a resignation shall not be required to make it effective. The conveyance of all Lots owned by any Director or officer (other than appointees of the Developer or officers or directors who were not Owners) shall constitute a written resignation of such person.
9. Fiscal Management. The provisions for fiscal management of the Association set forth in the Declaration and Articles shall be supplemented by the following provisions:
- 9.1 Budget. The Board of Directors shall from time to time, and at least annually, prepare a budget for the Association (which shall detail all accounts and items

of expense the Board finds to be appropriate), determine the amount of assessments payable by the Owners to meet the expenses of the Association and allocate and assess such expenses among the Owners in accordance with the provisions of the Declaration. In addition to annual operating expenses, the budget may include reserve accounts for capital expenditures and deferred maintenance.

- 9.2 Assessments. Assessments against Lots for their share of the items of the budget shall be made for the applicable fiscal year annually at least twenty (20) days preceding the year for which the assessments are made. Such assessments shall be due in equal installments, payable in advance on the first day of each month (or each quarter at the election of the Board) of the year for which the assessments are made. If annual assessments are not made as required, assessments shall be presumed to have been made in the amount of the last prior assessments, and monthly (or quarterly) installments on such assessments shall be due upon each installment payment date until changed by amended assessments. In the event the annual assessments prove to be insufficient, the budget and assessments may be amended at any time by the Board of Directors. Unpaid assessments for the remaining portion of the fiscal year for which amended assessments are made shall be payable in as many equal installments as there are full months (or quarters) of the fiscal year left as of the date of such amended assessments, each such monthly (or quarterly) installment to be paid on the first day of the month (or quarter), commencing the first day of the next ensuing month (or quarter). If only a partial month (or quarter) remains, the amended assessments shall be paid with the next regular installment in the following year, unless otherwise directed by the Board in its resolution.
- 9.3 Assessments for Emergencies. Assessments for expenses for emergencies that cannot be paid from the annual assessments shall be levied in accordance with the Declaration and shall be due only after ten (10) days' notice is given to the Members concerned, and shall be paid in such manner as the Board of Directors of the Association may require in the notice of such Assessments.
- 9.4 Depository. The depository of the Association shall be such bank or banks in the State of Florida as shall be designated from time to time by the Directors and in which the monies of the Association shall be deposited. Withdrawal of monies from those accounts shall be made only by checks signed by such person or persons as are authorized by the Directors. All sums collected by the Association from assessments or otherwise may be commingled in a single fund or divided into more than one fund, as determined by a majority of the Board of Directors. In addition, a separate reserve account may be established for the Association in such a depository for monies specifically designated as reserves for capital expenditures and/or deferred maintenance.

- 9.5 Acceleration of Installments Upon Default. If a Member shall be in default in the payment of an installment of his assessments, the Board of Directors may accelerate the next twelve (12) months' of the assessments as provided in the Declaration.
- 9.6 Fidelity Bonds. Fidelity bonds may be obtained by the Association for all persons handling or responsible for Association funds in such amounts as shall be determined by a majority of the Board. The premiums on such bonds shall be paid by the Association as a common expense.
- 9.7 Accounting Records and Reports. The Association shall maintain accounting records in the State according to accounting practices normally used by similar associations. The records shall be open to inspection by Members or their authorized representatives at reasonable times as provided by law.
- The Association shall provide to each Member a copy of the Association's annual budget or notice of the availability thereof. Also, within sixty (60) days after the end of each fiscal year the Association shall provide to each Member a financial statement for the Association or a notice of the availability thereof.
- 9.8 Application of Payment. All payments made by a Member shall be applied as provided in these By-Laws and in the Declaration or as otherwise determined by the Board.
10. Roster of Members. Each Owner shall file with the Association a copy of the deed or other document showing his ownership. The Association shall maintain such information. The Association may rely upon the accuracy of such information for all purposes until notified in writing of changes therein as provided above. Only Members of record on the date notice of any meeting requiring their vote is given shall be entitled to notice of and to vote at such meeting, unless prior to such meeting other Members shall produce adequate evidence, as provided above, of their interest and shall waive in writing notice of such meeting.
11. Parliamentary Rules. Roberts' Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Declaration, the Articles or these By-Laws and subject to waiver in the discretion of the presiding officer if he determines that technical compliance with such Rules would interfere with the efficient conduct of a meeting or the will of its attendees.
12. Amendments. Except as in the Declaration provided otherwise, these By-Laws may be amended in the following manner:
- 12.1 Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of a meeting at which a proposed amendment is to be considered.

- 12.2 Adoption. A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board of Directors or by not less than one-third (1/3) of the Members of the Association. Directors and Members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, provided that such approval is delivered to the Secretary at or prior to the meeting. The approval must be:
- (a) by not less than a majority of the votes of all Members of the Association (as opposed to only those represented at a meeting at which a quorum has been attained) and by the Board of Directors; or
 - (b) by the Developer, acting alone.
- 12.3 Proviso. No amendment may be adopted which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to the Developer or mortgagees of Lots without the consent of said Developer and mortgagees in each instance. No amendment shall be made that is in conflict with the Articles or Declaration. No amendment to this Section shall be valid.
13. Compliance with Chapter 617, Florida Statutes. The Association shall at all times comply with the provisions of Chapter 617, Florida Statutes applicable to the Association. At the time of the adoption of these By-Laws, such statutes provide, among other things, for matters pertaining to keeping of records (including minutes and financial records), the rights of members to inspect such records, financial reporting, special meetings, notices of meetings and the right to attend and make recordings of meetings.
14. Rules and Regulations; Fines. Attached to the Declaration as Schedule "A" are rules and regulations concerning the use of portions of The Properties. The Board of Directors may, from time to time, modify, amend or add to such rules and regulations, except that subsequent to the date control of the Board is turned over by the Developer to Members other than the Developer, Owners of a majority of the Lots may overrule the Board with respect to any such modifications, amendments or additions. At no time may any rule or regulation be adopted which would prejudice the rights reserved to the Developer.
- The Association shall have the authority to levy fines as provided in the Declaration, which shall be in addition to all other available remedies.
15. Construction. Wherever the context so permits, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be deemed to include all genders.

16. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define or limit the scope of these By-Laws or the intent of any provision hereof.

The foregoing was adopted as the By-Laws of SAWMILL LAKES MAINTENANCE ASSOCIATION, INC., a corporation not for profit under the laws of the State of Florida, on the ____ day of _____, 199__.

Approved: **P. U. D. OFF. REC.**
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Michael T. Dick, President

Joe DoBosh, Secretary

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EXHIBIT "C"

P. U. D. OFF. REC.
BOOK J PAGE 73

The initial portions of the Common Areas shall be:

EXHIBIT "D"

P. U. D. OFF. REC.
BOOK J PAGE 74

The initial portion of The Properties shall be:

SCHEDULE A TO
DECLARATION OF COVENANTS AND RESTRICTIONS
FOR SAWMILL LAKES

P. U. D. OFF. REC.
BOOK J PAGE 75

1. The Common Areas and facilities, if any, shall not be obstructed nor used for any purpose other than the purposes intended therefor. No carts, bicycles, carriages, chairs, tables or any other similar objects shall be stored thereon, except by the Association.
2. The personal property of Owners must be stored in their respective Homes or in outside storage areas (if any are approved by the Architectural Review Committee).
3. No garbage cans, supplies, milk bottles or other articles shall be placed on the exterior portions of any Home or Lot and no linens, cloths, clothing, curtains, rugs, mops, or laundry of any kind, or other articles, shall be hung from or on the Home, the Lot or any of the windows, doors, fences, balconies, patios or other portions of the Home or Lot, except as provided in the Declaration with respect to refuse containers.
4. Employees of the Association are not to be used by Owners for personal services. The Board of Directors shall be solely responsible for directing and supervising employees of the Association.
5. No motor vehicle which cannot operate on its own power or which has a flat tire(s) or does not have a current license plate and registration shall remain on The Properties for more than twenty-four (24) hours, and no repair of such vehicles shall be made thereon, except for emergencies or in a garage. No portion of the Common Areas may be used for parking purposes, except those portions specifically designed and intended therefor, if any.

Areas designated for guest parking, if any, shall be used only for this purpose and neither Owners nor occupants of Homes shall be permitted to use these areas.

Vehicles which are in violation of these rules and regulations shall be subject to being towed by the Association as provided in the Declaration, subject to applicable laws and ordinances. In this regard, usual and customary activities (for example, lawn cutting) which, by their nature, generate noise shall be permitted, but only after 8:00 a.m. and before sunset.

No Owner shall make or permit any disturbing noises in the Home or on the Lot by himself or his family, servants, employees, agents, visitors or licensees, nor permit any conduct by such persons that will interfere with the rights, comforts or conveniences of other Owners. No Owner shall play or permit to be played any musical instrument, nor operate or permit to be operated a phonograph, television, radio or sound amplifier or any other sound equipment in his Home or on his Lot in such a manner as to disturb or annoy other residents (applying reasonable standards). No Owner shall conduct, nor permit to be conducted, vocal or instrumental instruction at any time which disturbs other residents.

6. No electronic equipment shall be permitted in or on any Home or Lot which interferes with the television or radio reception of another Home.
7. No awning, canopy, shutter, enclosure or other projection shall be attached to or placed upon the outside walls or roof of the Home or on the Lot, except as approved by the Architectural Review Committee, which may be withheld in its sole discretion.
8. No Owner may alter in any way any portion of the Common Areas, including, but not limited to, landscaping, without obtaining the prior written consent of the Architectural Review Committee.
9. No vegetable gardens shall be permitted except in fully enclosed patio areas.
10. No commercial use shall be permitted in The Properties even if such use would be permitted under applicable zoning ordinances.
11. No flammable, combustible or explosive fluids, chemicals or substances shall be kept in any Home, on a Lot or on the Common Areas, except as to gas cylinders permitted under the Declaration.
12. An Owner who plans to be absent during the hurricane season must prepare his Home and Lot prior to his departure by designating a responsible firm or individual to care for his Home and Lot should the Home suffer hurricane damage, and furnishing the Association with the name(s) of such firm or individual. Such firm or individual shall be subject to the approval of the Association.
13. All persons using any pool on the Common Areas shall do so at their own risk. All children under twelve (12) years of age must be accompanied by a responsible adult. Bathers are required to wear footwear and cover over their bathing suits in any enclosed recreation facilities. Bathers with shoulder-length hair must wear bathing caps while in the pool, and glasses and other breakable objects may not be utilized in the pool or on the pool deck, if any. Pets are not permitted in any pool or pool area under any circumstances.
14. Children will be the direct responsibility of their parents or legal guardians, including full supervision of them while within The Properties and including full compliance by them with these Rules and Regulations and all other rules and regulations of the Association. Loud noises will not be tolerated. All children under twelve (12) years of age must be accompanied by a responsible adult when entering and/or utilizing recreation facilities (if any).
15. Pets and other animals shall neither be kept nor maintained in or about The Properties except in accordance the Declaration and with the following:

No pet shall be permitted outside of its Owner's Home unless attended by an adult or child of more than ten (10) years of age and on a leash of reasonable length. Said pets shall only be walked or taken upon those portions of the Common Areas designated by the Association from time to time for such purposes. In no event shall said pets ever be allowed to be walked or taken on or about any recreational facilities (if any) contained within the Common Areas.

16. Every Owner and occupant shall comply with these rules and regulations as set forth herein, any and all rules and regulations which from time to time may be adopted, and the provisions of the Declaration, By-Laws and Articles of Incorporation of the Association, as amended from time to time. Failure of an Owner or occupant to so comply shall be grounds for action which may include, without limitation, an action to recover sums due for damages, injunctive relief, or any combination thereof. The Association shall have the right to suspend use of recreation facilities, if any, in the event of failure to so comply. In addition to all other remedies, a fine or fines may be imposed upon an Owner for failure of an Owner, his tenants, family, guests, invitees or employees, to comply with any covenant, restriction, rule or regulation herein or in the Declaration, or Articles of Incorporation or By-Laws, as provided in the Declaration.

17. These rules and regulations shall not apply to the Developer, nor its affiliates, agents, employees or contractors nor to property while owned by either the Developer or its affiliates. Further, no Builder shall be deemed in violation hereof by reason of the conduct of any usual and customary constructing, marketing or sales activities. All of these rules and regulations shall apply, however, to all other Owners and occupants even if not specifically so stated in portions hereof. The Board of Directors shall be permitted (but not required) to grant relief to one or more Owners from specific rules and regulations upon written request therefor and good cause shown in the sole opinion of, and conditions on time limitations imposed by, the Board.

EXHIBIT "D"

**LIST OF SECTIONS OF DECLARATION
AND RESTRICTIONS FOR**

SAWMILL LAKES UNIT ONE

**WITHIN THAT PORTION OF
THE PUD 96-7 NAMED
SAWMILL LAKES PUD**

<u>SECTION</u>	<u>TITLE</u>
1. ARTICLE IV, SECTION 1	MEMBERS EASEMENTS
2. ARTICLE IV, SECTION 3	MAINTENANCE
3. ARTICLE IV, SECTION 6	OWNERSHIP
4. ARTICLE V, SECTION 1	CREATION OF LIEN AND PERSONAL OBLIGATION FOR ASSESSMENTS
5. ARTICLE IX, SECTION 2	ENFORCEMENT
6. EXHIBIT "B" SECTION 5 (L) & (M)	BYLAWS

ARTICLE IV (Continued)

Section 1. Members Easements. Except for Limited Common Areas as herein specified, each Member, and each Member's Permittee, shall have a non-exclusive permanent and perpetual easement over and upon the Common Areas for the intended use and enjoyment thereof in common with all other such Members, Member's Permittees, their tenants, agents and invitees, in such manner as may be regulated by the Association.

Without limiting the generality of the foregoing, such rights of use and enjoyment are hereby made subject to the following:

(a) The right and duty of the Association to levy assessments against each Lot for the purpose of maintaining the Common Areas and facilities in compliance with the provisions of this Declaration and with the restrictions on the plats of portions of The Properties from time to time recorded.

(b) The right of the Association to adopt at any time and from time to time and enforce rules and regulations governing the use of The Properties, including the right to fine Members as hereinafter provided and the right to regulate access over Common Area roadways. Any rule and/or regulation so adopted by the Association shall apply until rescinded or modified as if originally set forth at length in this Declaration.

(c) The right to the use and enjoyment of the Common Areas thereon shall extend to all Members' Permittees, subject to regulation from time to time by the Association in its lawfully adopted and published rules and regulations.

(d) The right of the Developer to permit such persons as Developer shall designate to use the Common Areas.

(e) The right of Developer and the Association to have, grant and use general ("blanket") and specific easements over, under and through the Common Areas.

(f) The right of the Association, by a 2/3rds affirmative vote of the entire membership, to dedicate or convey portions of the Common Areas to any other association having similar functions, or any local government or public or quasi-public agency, community development district or similar entity under such terms as the Association deems appropriate and to create or contract with the other association, government, community development and special taxing districts for lighting, roads, recreational or other services, patrol, or communications and other similar purposes deemed appropriate by the Association (to which such dedication or contract all Owners, by the acceptance of the deeds, to their Lots, shall be deemed to have consented, no consent of any other party, except the Developer, being necessary). Notwithstanding the foregoing, the Board of Directors may, acting alone, prove and effectuate a conveyance of any portion of the Common Areas to the Developer if necessary to effectuate plans for the development of The Properties or changes therein.

ARTICLE IV (Continued)

Section 3. Maintenance. The Association shall at all times maintain in good repair and manage, operate and insure, and shall replace as often as necessary, the Common Areas and, to the extent not otherwise provided for, the paving, drainage structures, landscaping, improvements and other structures (except public utilities and Community Systems, to the extent same have not been made Common Areas) situated on the Common Areas, if any, all such work to be done as ordered by the Board of Directors of the Association. Without limiting the generality of the foregoing, the Association shall assume all of Developer's and its affiliates' responsibility to St. Johns County and its governmental and quasi-governmental subdivisions, the St. Johns River Water Management District and similar entities of any kind with respect to the Common Areas and shall indemnify and hold the Developer and its affiliates harmless with respect thereto.

Without limiting the generality of the foregoing, the Association shall be responsible for the maintenance, operation and repair of the Surface Water or Stormwater Management System. Maintenance of the Surface Water or Stormwater Management System(s) shall mean the exercise of practices which allow the System(s) to provide drainage, water storage, conveyance or other surface water or stormwater management capabilities as permitted by the St. Johns River Water Management District. The Association shall be responsible for such maintenance and operation. Any repair or reconstruction of the Surface Water or Stormwater Management System shall be as permitted, or if modified as approved, by the St. Johns River Water Management District. Accordingly, the Association shall operate, maintain and manage the Surface Water or Stormwater Management System(s) in a manner consistent with the St. Johns River Water Management District Permit requirements applicable to The Properties and applicable District rules, and shall assist in the enforcement of the restrictions and covenants contained therein. The aforesaid maintenance, operation and repair duties of the Association may be performed by way of the Association contracting for the performance thereof, provided that the Association shall remain ultimately responsible for same.

All work pursuant to this Section and all expenses incurred by the Association pursuant to this Declaration shall be paid for by the Association through assessments (either general or special) imposed in accordance herewith.

No Owner may waive or otherwise escape liability for assessments by non-use (whether voluntary or involuntary) of the Common Areas or abandonment of the right to use the Common Areas.

ARTICLE IV

Section 6. Ownership. The Common Areas are hereby dedicated non- exclusively to the joint and several use, in common, of the Developer and the Owners of all Lots that may from time to time constitute part of The Properties and all Member's Permittees and the Developer's tenants, guests and invitees, all as provided and regulated herein or otherwise by the Association. The Common Areas (or appropriate portions thereof) shall, upon the date when the last Lot within The Properties has been conveyed to a purchaser (or at any time and from time to time sooner at the sole election of the Developer), be conveyed by quit claim deed to the Association, which shall be deemed to have automatically accepted such conveyance. Beginning from the date this Declaration is recorded, the Association shall be responsible for the maintenance, insurance and administration of such Common Areas (whether or not then conveyed or to be conveyed to the Association), all of which shall be performed in a continuous and satisfactory manner without cost to the general taxpayers of St. Johns County.

Without limiting the generality of the definition of Common Areas herein, in the event that a Common Area is not owned or to be owned by the Association but, rather, constitutes an easement in favor of the Association, then the foregoing shall apply only to the extent necessary to permit and require the Association to maintain the area within such easement or to perform such other functions as the easement may require or permit. By way of example, in the event that the Association has an easement, or is required by applicable plat or governmental requirement or regulation, to provide weed or water quality control within a water body, then the area to be so maintained shall be deemed a Common Area of the Association but only for the purpose of complying with such requirement.

It is intended that any and all real estate taxes assessed against that portion of the Common Areas owned or to be owned by the Association shall be (or have been, because the purchase prices of the Lots and Homes have already taken into account their proportionate shares of the values of the Common Area), proportionally assessed against and payable as part of the taxes of the applicable Lots within The Properties. However, in the event that, notwithstanding the foregoing, any such taxes are assessed directly against the Common Areas, the Association shall be responsible for the payment (subject to protest or appeal before or after payment) of the same, including taxes on any improvement and any personal property located thereon, which taxes accrue from and after the date these covenants are recorded, and such taxes shall be prorated between Developer and the Association as of the date of such recordation.

Developer and its affiliates shall have the right from time to time to enter upon the Common Areas and other portions of The Properties (including, without limitation, Lots and Homes) for the purpose of the installation, construction, reconstruction, repair, replacement, operation, expansion and/or alteration of any improvements or facilities on the Common Areas or elsewhere on The Properties that Developer and its affiliates or designee elect to effect, and to use, without charge, the Common Areas and other portions of The Properties for sales, displays and signs or for any other purpose during the period of construction and sale of any portion thereof or of other portions of adjacent or nearby communities. Without limiting the generality of the foregoing, the Developer and its affiliates and Builders shall have the specific right to maintain upon any portion of the Properties owned thereby sales, administrative, construction or other offices and appropriate exclusive and non-exclusive easements of access and use are expressly reserved unto the Developer and its affiliates, and its and their successors, assigns, employees and contractors, for this purpose. Any obligation (which shall not be deemed to be created hereby) to complete portions of the Common Areas shall, at all times, be subject and subordinate to these rights and easements and to the above-referenced activities. Accordingly, the Developer shall not be liable for delays in such completion to the extent resulting from the need to finish the above-referenced activities prior to such completion.

ARTICLE V

Section 1. Creation of the Lien and Personal Obligation for Assessments. Except as provided elsewhere herein, the Developer (and each party joining in any supplemental declaration), for all Lots within The Properties, hereby covenants and agrees, and each Owner of any Lot by acceptance of a deed therefor or other conveyance thereof, whether or not it shall be so expressed in such deed or other conveyance, shall be deemed to covenant and agree, to pay to the Association annual assessments and charges for the operation of, and for payment of expenses allocated or assessed to or through, the Association, the maintenance, management, operation and insurance of the Common Areas as provided elsewhere herein, including such reasonable reserves as the Association may deem necessary, capital improvement assessments, as provided in Section 4 hereof, special assessments as provided in Section 3 hereof, payments under "bulk" contracts for cable television, monitoring systems and the like and all other charges and assessments hereinafter referred to or lawfully imposed by or on the Association, all such assessments to be fixed, established and collected from time to time as herein provided. In addition, special assessments may be levied against particular Owners and Lots for fines, expenses incurred against particular Lots and/or Owners to the exclusion of others and other charges against specific Lots or Owners as contemplated in this Declaration. The annual, special and other assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with such interest thereon and costs of collection thereof as hereinafter provided, shall also be the personal obligation of the person who is the Owner of such property at the time when the assessment fell due and all subsequent Owners until paid, except as provided in Section 8 of this Article.

Except as provided herein with respect to special assessments which may be imposed on one or more Lots and Owners to the exclusion of others, all assessments imposed by the Association shall be imposed against all Lots subject to its jurisdiction equally.

Reference herein to assessments shall be understood to include reference to any and all of the charges described in this Article whether or not specifically mentioned.

ARTICLE VIII

ESTOPPEL CERTIFICATE

No Owner may sell or convey his interest in a Lot unless all sums due the Association are paid in full and an estoppel certificate in recordable form to such effect shall have been received by the Owner. If all such sums shall have been paid, the Association shall deliver such certificate within ten (10) days of a written request therefor. The Owner requesting the certificate may be required by the Association to pay to the Association a reasonable sum to cover the costs of examining records and preparing the certificate.

Owners shall be obligated to deliver the documents originally received from the Developer, containing this and any other declarations and documents, to any grantee of such Owner.

ARTICLE IX

ENFORCEMENT

Section 1. Compliance by Owners. Every Owner and Member's Permittee shall comply with the restrictions and covenants set forth herein and any and all rules and regulations which from time to time may be adopted by the Board of Directors of the Association.

Section 2. Enforcement. Failure of an Owner or his Member's Permittee to comply with such restrictions, covenants or rules and regulations shall be grounds for immediate action which may include, without limitation, an action to recover sums due for damages, injunctive relief, or any combination thereof. The Association shall have the right to suspend the rights of use of Common Areas (except for legal access) of defaulting Owners. The offending Owner shall be responsible for all costs of enforcement including attorneys' fees actually incurred and court costs.

Section 3. Fines. In addition to all other remedies, and to the maximum extent lawful, in the sole discretion of the Board of Directors of the Association, a fine or fines may be imposed upon an Owner for failure of an Owner or his Member's Permittees to comply with any covenant, restriction, rule or regulation, provided the following procedures are adhered to:

(a) Notice: The Association shall notify the Owner of the alleged infraction or infractions. Included in the notice shall be the date and time of a special meeting of the Enforcement Committee (as defined below) at which time the Owner shall present reasons why a fine(s) should not be imposed. At least fourteen (14) days' notice of such meeting shall be given.

(b) Enforcement Committee: The Board of Directors shall appoint an Enforcement Committee to perform the functions given it under this Section. The Enforcement Committee shall consist of at least three (3) Members who

BY-LAWS OF

SAWMILL LAKES MAINTENANCE ASSOCIATION, INC.

*A corporation not for profit organized
under the laws of the State of Florida*

1. Identity. These are the By-Laws of SAWMILL LAKES MAINTENANCE ASSOCIATION, INC. (the "Association"), a corporation not for profit incorporated under the laws of the State of Florida, and organized for the purpose of administering that certain DECLARATION OF COVENANTS AND RESTRICTIONS FOR SAWMILL LAKES (the "Declaration") as well as the properties made subject thereto ("The Properties").
 - 1.1 Principal Office. The principal office of the Association shall be as provided in its Articles of Incorporation, or at such other place as may be subsequently designated by the Board of Directors. All books and records of the Association shall be kept at its principal office or in the office of any manager engaged by the Association.
 - 1.2 Fiscal Year. The fiscal year of the Association shall be the calendar year.
 - 1.3 Seal. The seal of the Association shall bear the name of the corporation, the word "Florida", the words "Corporation Not for Profit", and the year of incorporation.
2. Definitions. For convenience, these By-Laws shall be referred to as the "By-Laws" and the Articles of Incorporation of the Association as the "Articles". The other terms used in these By-Laws shall have the same definitions and meanings as those set forth in the Declaration, unless herein provided to the contrary or unless the context otherwise requires.
3. Members.
 - 3.1 Annual Meeting. The annual Members' meeting shall be held on the date, at the place and at the time determined by the Board of Directors from time to time, provided that there shall be an annual meeting every calendar year and, to the extent possible, no later than twelve (12) months after the last preceding annual meeting. The purpose of the meeting shall be, except as provided herein to the contrary, to elect Directors and to transact any other business authorized to be transacted by the Members, or as stated in the notice of the meeting sent to Members in advance thereof. Unless changed by the Board of Directors, the

publication, either with specific reference to the meeting or by way of a schedule of regular meetings.

An assessment shall not be levied at any meeting unless the notice of the meeting includes a statement that assessments will be considered and the nature of the assessments.

5. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may take all acts, through the proper officers of the Association, in executing such powers, except such acts which by law, the Declaration, the Articles or these By-Laws may not be delegated to the Board of Directors by the Members. Such powers and duties of the Board of Directors shall include, without limitation (except as limited elsewhere herein), the following:
- (a) Operating and maintaining the Common Areas and the Surface Water Management System.
 - (b) Determining the expenses required for the operation of the Common Areas and the Association.
 - (c) Employing and dismissing the personnel necessary for the maintenance and operation of the Common Areas and the Association.
 - (d) Adopting and amending rules and regulations concerning the details of the operation and use of The Properties.
 - (e) Maintaining bank accounts on behalf of the Association and designating the signatories required therefor.
 - (f) Purchasing, leasing or otherwise acquiring Lots or other property in the name of the Association, or its designee.
 - (g) Purchasing Lots at foreclosure or other judicial sales, in the name of the Association or its designee.
 - (h) Selling, leasing, mortgaging or otherwise dealing with Lots acquired, and subleasing Lots leased, by the Association, or its designee.
 - (i) Organizing corporations and appointing persons to act as designees of the Association in acquiring title to or leasing Lots or other property.
 - (j) Obtaining and reviewing insurance for The Properties and the Association.

- (k) Making repairs, additions and improvements to, or alterations of, The Properties, and repairs to and restoration of The Properties in accordance with the provisions of the Declaration after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings or otherwise.
- (l) Enforcing obligations of the Members, allocating profits and expenses and taking such other actions as shall be deemed necessary and proper for the sound management of The Properties and the Association.
- (m) Levying fines against appropriate Owners for violations of the Declaration or of the rules and regulations established by the Association to govern the conduct of such Owners and others.
- (n) Purchasing or leasing Lots for use by resident superintendents and other similar persons.
- (o) Borrowing money when required in connection with the operation, care, upkeep and maintenance of the Common Areas or the acquisition of property, and granting mortgages on and/or security interests in Association owned property; provided, however, that the consent of the Owners of at least two-thirds (2/3rds) of the Lots represented at a meeting at which a quorum has been attained in accordance with the provisions of these By-Laws shall be required for the borrowing of any sum which would cause the total outstanding indebtedness of the Association to exceed \$10,000.00. If any sum borrowed pursuant to the authority contained in this subparagraph (o) is not repaid by the Association, an Owner who pays to the creditor such portion thereof as his interest in his Common Areas bears to the interest of all the Unit Members in the Common Areas shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or shall have the right to file against, or which will affect, such Member's Lot; provided always, however, the Association shall take no action authorized in this paragraph without the prior written consent of the Developer as long as the Developer owns any Lot.
- (p) Contracting with a duly licensed manager for the management and maintenance of The Properties and the Association and authorizing a management agent (who may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of assessments, preparation of records, enforcement of rules and maintenance, repair, and replacement of the Common Areas, Lots and Units with such funds as shall be made available by the Association for such purposes. The

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Paul "Bard" Munkel
CLERK OF CIRCUIT COURT