

# Bound Reports

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WELLINGTON AT KINGS RIDGE  
DECLARATIONS OF RESTRICTIONS AND COVENANTS

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COMMUNITY DECLARATION OF RESTRICTION  
COVENANTS  
KINGS RIDGE AT CLERMONT

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COMMUNITY DECLARATION OF RESTRICTIVE COVENANTS

KINGS RIDGE AT CLERMONT

THIS COMMUNITY DECLARATION OF RESTRICTIVE COVENANTS is made by Lennar Homes, Inc., joined by Kings Ridge Recreation Corporation, Kings Ridge Golf Corporation and Kings Ridge Community Association, Inc., a Florida not-for-profit corporation.

W I T N E S S E T H:

WHEREAS, Declarant is the owner of certain property in Lake County, Florida, more particularly described in Exhibit "A-1" and the Club Owner is the owner of certain property in Lake County, Florida, more particularly described in Exhibit "A-2" and the Golf Owner is the Owner of certain property in Lake County, Florida, more particularly described in Exhibit "A-3" (collectively, "Properties") attached hereto and made a part hereof; and

WHEREAS, Declarant, Club Owner and Golf Owner are desirous of subjecting the Properties to the covenants, conditions and restrictions hereinafter set forth; and

WHEREAS, Each and every covenant, condition and restriction hereinafter set forth is for the benefit of, and binding upon, the Properties, and each present and future owner of interests therein, their heirs, successors and assigns;

NOW, THEREFORE, Declarant, Club Owner and Golf Owner hereby declare that the Properties are and shall be held, transferred, sold, conveyed, used and occupied subject to the covenants, conditions and restrictions hereinafter set forth.

ARTICLE I  
DEFINITIONS

Section 1. "A.C.C." The Architectural Control Committee established pursuant to Article XV hereof.

Section 2. "Annexation Notice". The notice by which additional lands are subjected to the provisions of this Community Declaration

as more particularly described in Article III hereof.

Section 3. "Articles". The Articles of Incorporation of the Community Association filed with the Florida Secretary of State in the form attached hereto as Exhibit "B".

Section 4. "Assessments". Assessments means a sum or sums of money payable to the Community Association, to the Developer, or other owner of Common Area, or to Recreation Facilities and other properties serving the Parcels by the Owners of one or more Parcels as authorized in the governing documents, which if not paid by the Owner can result in a lien against the Parcel.

Section 5. "Board". The Board of Directors of the Community Association.

Section 6. "By-Laws". The By-Laws of the Community Association in the form attached hereto as Exhibit "C".

Section 7. "Club Charges". The Charges related to The Club to be paid by the Club Members pursuant to the provisions of this Community Declaration, including the Club Facilities Fee and Club Operating Costs.

Section 8. "Club Covenants". The covenants controlling the operations of The Club attached hereto as Exhibit "D".

Section 9. "Club Facilities". The real property and facilities provided to the Club Members pursuant to the provisions of this Community Declaration, also known as "The Club".

Section 10. "Club Facilities Fee". The fee to be paid to the Club Owner by each Club Member pursuant to the provisions of Article VI, Section 6 hereof. The Club Facilities Fee is an amenity fee as defined in F.S. 617.301(1).

Section 11. "Club Member". Each Owner who elects, in its contract to purchase a Homesite, to be a member of The Club and bound by the provisions hereof relating thereto.

Section 12. "Club Operating Costs". All costs (as such term is used in its broadest sense) of owning (excluding the Club Owners' debt service) operating, managing, maintaining and insuring The Club, including, but not limited to, trash collection, utility charges, maintenance, reserves, repairs, refurbishments, management fees, payroll and payroll costs, working capital, ad valorem or other taxes (excluding income taxes of the Club Owner), assessments, costs, expenses, levies and charges of any nature which may be levied, imposed or assessed against or in connection with The Club.

Section 13. "Club Operating Entity". The entity operating and managing The Club, at any time.

Section 14. "Club Owner". Kings Ridge Recreation Corporation, its successors and assigns. The Club Owner is an affiliate of Declarant.

Section 15. "Common Area". All real property, interests therein and improvements thereon, and personal property within, the Properties, as they exist from time to time, and all additions thereto, which is, or is to be, designated as Common Area by Declarant and/or which is owned or leased by the Community Association or dedicated for the use or maintenance by the Community Association or its members, including, regardless of whether title has been conveyed to the Community Association:

(a) Real Property the use of which is dedicated to the Community Association or its members by a recorded plat; or

(b) Real property committed by this Declaration to be leased or conveyed to the Community Association.

The Common Area may include, without limitation, open space tracts, lakes, water management tracts, fountains, irrigation pumps and lines, parks, sidewalks, streets, service roads, site walls, commonly used utility facilities, project signage, commonly used parking areas, easements, commonly used lighting, entranceways and features, and gatehouse. The Common Area does not include Homesites, Neighborhood Common Area, Club Facilities, Golf Course Facilities or facilities owned and/or operated by Community Development Districts or dedicated to the Public.

Section 16. "Community". The Real Property that is, or will be subject to this Community Declaration which is recorded in the County where the Property is located. The Community is known as Kings Ridge at Clermont. The Declarant may, when amending or modifying the description of the real property which is subject to the operation of this Community Declaration, also amend or modify the definition of the Community.

Section 17. "Community Association". The Kings Ridge Community Association, Inc., its successors and assigns. The Community Association is a Florida corporation responsible for the operation of the Community and in which the voting membership is made up of Owners or their agents or others or a combination thereof and in which membership is a mandatory condition of the ownership of a Parcel and which is authorized to impose Assessments that, if unpaid, may become a lien on the Parcel. The term "Community Association" does not include a Community Development District or other similar special taxing districts created pursuant to Statute.

Section 18. "Community Completion Date". The date upon which all Homesites in the Community, as ultimately planned and as fully developed, have been conveyed by Declarant to Owners.

Section 19. "Community Declaration". This Declaration. This Community Declaration shall be recorded and is in the nature of covenants running with the Land which subjects the Land comprising the Community to the jurisdiction and control of the Community Association in which the Owners of Parcels must be members.

Section 20. "Community Development Districts". One or more existing, or to be created, development, taxing or service districts which will, or may, provide various services and facilities to the Community which may include, without limitation, formation, construction, operation, inspection and maintenance of water management and drainage facilities and easements, lake maintenance easements, water and sewer facilities and easements, roads, community irrigation systems, landscaping, Neighborhood and Community entry features, gate facilities and entry systems and street lighting.

Section 21. "Community Development Facilities". The Facilities owned and/or operated by the Community Development Districts.

Section 22. "Community Services". Certain services, and related equipment, provided, or to be provided, from time to time, for the use and enjoyment of the Community Association and/or its members, which may include, without commitment or limitation, transportation, emergency alert system, and Community entry systems. Certain community services, such as access cards or transmitters and emergency alert system transmitter boxes, if any, may be available to owners for an additional charge.

Section 23. "Community Standards". Such standards of conduct, maintenance or other activity, if any, established by Declarant, the Community Association, the A.C.C., the Board or any committee thereof relating to, amongst other things, activities described in Article XV hereof.

Section 24. "Declarant". Lennar Homes, Inc., its specific designees, successors and assigns. Declarant is a Developer within the meaning of F.S. 617.301(5). The term "Declarant" shall include any person or entity which succeeds to the rights and liabilities of the person or entity that created the Community served by the Community Association, provided that such is evidenced in writing.

Section 25. "Exclusive Common Area". Those portions of the Common Area and or Community Services which have been restricted to use by less than all Owners.

Section 26. "Golf Course Charges". The charges related to The Club to be paid by the Golf Members pursuant to the provisions of the Golf Membership Agreements.

Section 27. "Golf Facilities". The real property and facilities provided to the Golf Members pursuant to the provisions of the Golf Membership Agreements.

Section 28. "Golf Members". Each Owner and/or others who applies for, and is accepted as a member of the Golf Club by the execution of a Golf Membership Agreement.

Section 29. "Golf Owner". Kings Ridge Golf Corporation, its successors and assigns. The Golf Owner is an affiliate of Declarant.

Section 30. "Governing Documents". This Community Declaration and all duly adopted and recorded amendments, supplements and recorded exhibits thereto together with the Articles and Bylaws of the Community Association and any duly adopted amendments thereto.

Section 31. "Home". A residential dwelling, and appurtenances thereto, constructed on a Homesite within the Properties.

Section 32. "Homesite". A parcel of real property conveyed by Declarant to an Owner upon which a Home has, or will, be constructed. Once improved, the term Homesite shall include all improvements thereon and appurtenances thereto. The term Homesite, as used herein shall be the same as the definition of "Parcel" as contained in F.S. 617.301(9) and: (i) may not be the same division of property as exists on the underlying Plat affecting the Properties; and (ii) may include other forms of property ownership, such as, condominiums.

Section 33. "Kings Ridge PUD". The development known as Kings Ridge PUD as filed with applicable governmental authorities.

Section 34. "Lender". The holder, insurer or guarantor of a first mortgage encumbering a Homesite.

Section 35. "Management Firm". The firm designated by the Declarant and/or Community Association as the Manager, if any.

Section 36. "Master Plan". The proposed Master Plan of Declarant for the development of the Community, as it exists as of the date of recording this Community Declaration and as it may be modified, expanded, or changed. The Master Plan is subject to change as set forth herein. References to the Master Plan are for the purpose of identifying the various Homesites, Common Areas and other property divisions which may be subjected by Declarant to the



provisions hereof and shall not be deemed to obligate the Declarant or others to do so, or, be deemed to be a representation as to the development of the Community or its amenities.

Section 37. "Member". A member of the Community Association which may include, but not be limited to, the Declarant and Owners and/or an Association representing Owners or a combination thereof.

Section 38. "Neighborhood". Any development of Homesites which is designated as a Neighborhood by Declarant.

Section 39. "Neighborhood Assessments". Assessments to which members of a Neighborhood Association are subject for Neighborhood Operating Costs pursuant to a Neighborhood Declaration.

Section 40. "Neighborhood Association". A property owners' association, homeowners' association, condominium association, or such other entity, its successors and assigns, responsible for administering any Neighborhood pursuant to a Neighborhood Declaration.

Section 41. "Neighborhood Declaration". The covenants, conditions, restrictions and other provisions, if any, imposed by a recorded declaration affecting a specific Neighborhood.

Section 42. "Neighborhood Operating Costs". The Operating Costs which members of a Neighborhood Association must pay as Neighborhood Assessments pursuant to a Neighborhood Declaration.

Section 43. "Operating Costs". All costs of ownership, operation and administration of the Community Association, Common Area, and Community Services and/or to be paid by the Community Association hereunder, including, but not necessarily limited to, funds expended by Declarant prior to conveyance and/or dedication of the Common Area and/or Community Services, utilities, taxes, insurance, bonds, security costs, salaries, management fees, professional fees, administrative costs, service costs, equipment, supplies, maintenance, repairs, replacements and refurbishments and any and all costs relating to the discharge of the obligations hereunder or as determined to be part of the Operating Costs by the Declarant, Community Association and/or as provided herein.

Section 44. "Owner". The record owner (whether one or more persons or entities) of fee simple title to any Homesite. The term "Owner" shall not include Declarant, Club Owner, Golf Owner or those persons or entities designated by Declarant, or those having an interest in a Homesite or a portion of the Properties merely as security for the performance of an obligation.

Section 45. "Plat". The Plat(s) of the Properties as filed in

the Public Records of Lake County, Florida, as the same may be amended by Declarant, from time to time.

Section 46. "Properties". That certain real property described in Exhibit "A-1", "A-2" and "A-3" affixed hereto and made a part hereof, subject to additions thereto as may hereafter be brought within the provisions and applicability of this Community Declaration.

Section 47. "Public Records". The Public Records of Lake County, Florida.

Section 48. "Rules and Regulations". The Rules and Regulations affecting the Properties as adopted from time to time. The initial Rules and Regulations are attached hereto as Exhibit "E".

Section 49. "Special Assessments". Those Assessments more particularly described as Special Assessments in Article XIII hereof,

Section 50. "Surface Water or Stormwater Management System" means a system which is designed and constructed or implemented to control discharges which are necessitated by rainfall events, incorporating methods to collect, convey, store, absorb, inhibit, treat, use or reuse water to prevent or reduce flooding, overdrainage, environmental degradation, and water pollution or otherwise the quantity and quality of discharges from the system, as permitted pursuant to Chapters 40C-4, 40C-40 or 40C-41, F.A.C.

Section 51. "Voting Interest". The voting rights distributed to the Members of the Community Association pursuant to the Governing Documents.

Section 52. "Withdrawal Notice". The notice by which portions of the Properties are withdrawn from the provisions of this Community Declaration as more particularly described in Article III hereof.

## ARTICLE II TERM, AMENDMENT

Section 1. Term. The covenants and restrictions of this Community Declaration shall run with and bind the Properties for a term of Fifty (50) years from the date this Community Declaration is recorded in the Public Records. Thereafter, this Community Declaration shall be automatically extended for successive periods of ten (10) years unless otherwise terminated as provided herein.

Section 2. Amendment. The Declarant shall have the right, at any time until the Community Completion Date, to amend this

Community Declaration as it, in its sole discretion, deems appropriate. After the Community Completion Date, except as provided to the contrary herein or as otherwise consented to by Declarant, this Community Declaration may be amended at any time, and from time to time, upon the recordation of an instrument executed by the Community Association upon vote of: (i) seventy-five percent (75%) of the Board; and (ii) the Owners who are entitled to vote seventy-five percent (75%) of all votes of each class of voting membership in the Community Association and who are entitled to vote on the matter as set forth in the Articles and By-Laws. Until the Community Completion Date, the Declarant's written consent to any amendment must first be obtained. No amendment, whether before or after the Community Completion Date, shall affect the rights of Declarant or Club Owner or Golf Owner without the prior written consent of the Declarant or Club Owner or Golf Owner, which may be withheld in Declarant's or Club Owner's or Golf Owner's sole discretion. No amendment shall alter the subordination provisions of this Community Declaration without the prior approval of any mortgagee enjoying the benefit of such provisions.

Notwithstanding anything contained herein to the contrary, if the prior written approval of any governmental entity or agency having jurisdiction is required by applicable law or governmental regulation for any amendment to this Community Declaration, then the prior written consent of such entity or agency must also be obtained. Specifically, and without limitation, any amendment to the Community 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.

### ARTICLE III ANNEXATION, WITHDRAWAL, VACATING AND DISSOLUTION

Section 1. Annexation by Declarant. Until the Community Completion Date, additional lands may be annexed to the Properties by Declarant. Except for applicable governmental approvals, if any, no consent to such annexation shall be required from any other party, including, but not limited to, the Community Association, any Neighborhood Association, Owners or any mortgagees of any Homesite. Such annexed lands shall be brought within the provisions and applicability of this Community Declaration by the recording the Annexation Notice in the Public Records. The Annexation Notice shall refer to this Community Declaration and shall, unless specifically otherwise provided, incorporate by reference all the covenants, conditions and restrictions of this Community Declaration, thereby subjecting the annexed lands to the covenants, conditions and restrictions contained in this Community

Declaration as fully as though the annexed lands were described herein as a portion of the Properties. The Annexation Notice may contain additions to, or modifications of, the covenants, conditions and restrictions contained in this Community Declaration as deemed appropriate by Declarant and/or as may be necessary to reflect the different character, if any, of the annexed lands.

Section 2. Annexation by Members. After the Community Completion Date, additional lands may be annexed with the consent of the Board and membership of the Community Association obtained as set forth in Article II, Section 2, hereof, and compliance with applicable governmental requirements.

Section 3. Withdrawal. Until the Community Completion Date, any portions of the Properties (or any additions thereto) may be withdrawn by Declarant from the provisions and applicability of this Community Declaration, by recording the Withdrawal Notice in the Public Records. The right of Declarant to withdraw portions of the Properties shall not apply to any Homesite which has been conveyed to an Owner unless that right is specifically reserved in the instrument of conveyance or the prior written consent of the Owner is obtained. Except for applicable government approvals, the withdrawal of any portion of the Properties shall not require the consent or joinder of any other party, including, but not limited to, the Community Association, any Neighborhood Association, Owners, or any mortgagee of any Homesite.

Section 4. Paramount Right. Notwithstanding anything to the contrary herein, prior to the Community Completion Date, the Declarant shall have the paramount right to dedicate, convey (by absolute conveyance, easement or otherwise), any portions of the Properties, for various public purposes, or to make any portions of the Properties part of the Common Area, or to create and implement one or more Community Development Districts which may include all or any portion of the Properties, provided however, that, notwithstanding anything else in this Community Declaration to the contrary, the streets within the Community shall remain private and shall not be dedicated, conveyed or otherwise made available for public purposes. Neither the Community Association, any Neighborhood Association or any Owner shall request the City of Clermont to take over or assume the maintenance of any streets within the Community.

Section 5. Vacating Recorded Plat. If required by applicable law or government regulation, Declarant will not vacate any portion of a Plat which provides for open space, unless it vacates the entire Plat of record.

Section 6. Dissolution. In the event of the dissolution of the Community Association, without reinstatement within thirty (30)

days, other than incident to a merger or consolidation, any Owner may petition the Circuit Court of the appropriate Judicial Circuit of the State of Florida for the appointment of a receiver to manage the affairs of the dissolved Community Association and to manage the Common Area and Community Services in the place and instead of the Community Association, and to make such provisions as may be necessary for the continued management of the affairs of the dissolved Community Association and the Common Area and Community Services.

Section 7. Owner. In the event of dissolution of the Community Association or a termination of this Community Declaration, except by Declarant, the Properties and each Homesite shall continue to be subject to the provisions of this Community Declaration, including Assessments and Club Charges specified in this Community Declaration. Each Owner shall continue to be personally obligated to the successors or assigns of the Community Association, as the case may be, for Assessments to the extent that Assessments are required to enable the successors or assigns of the Community Association to properly maintain, operate and preserve the Common Area and Community Services. Each Club Member shall continue to be personally obligated to the Club Owner, or its successors and assigns, for Club Charges, including, but not limited to, Club Facilities Fees and Club Operating Costs, in order to properly maintain, operate and preserve the Club Facilities. Each Golf Member shall continue to be personally obligated to the Golf Owner, or its successors and assigns, for Golf Charges as required by the Golf Membership Agreements. The provisions of this Article shall only apply with regard to the maintenance, operation and preservation of those portions of the Properties which had been Common Area and/or Club Facilities and/or Golf Facilities and continues to be so used for the common use and enjoyment of the Owners or Club Members, as applicable.

Section 8. Annexation Into City of Clermont. The Declarant will annex the property into the City of Clermont. In the event that some Homesites are sold prior to such annexation, by acceptance of a deed to a Homesite, each Owner acknowledges and approves of such annexation and agrees to execute any and all documents required in connection therewith.

#### ARTICLE IV BINDING EFFECT AND MEMBERSHIP

Section 1. Agreement. Each Owner by acceptance of title to a Homesite and any person claiming by, through or under such Owner, agrees to be subject to this Community Declaration and the provisions hereof. The provisions of this Community Declaration are covenants running with the land.

Section 2. Transfer. The transfer of the fee title to a Homesite, whether voluntary or by operation of law, terminating the Owner's title to that Homesite shall terminate the Owner's rights to the use and enjoyment of the Common Area and/or Community Services and, unless agreed to the contrary by Club Owner, the Club Facilities, as it pertains to that Homesite. An Owner's rights and privileges pursuant to this Community Declaration are not separately assignable. Each Owner is entitled to the benefits of, and is burdened with the duties and responsibilities according to the provisions of this Community Declaration. All parties acquiring any right, title and interest in and to any Homesite shall be fully bound by the provisions of this Community Declaration. In no event shall any Owner acquire any rights that are greater than the rights granted to, and limitations placed upon its predecessor in title pursuant to the provisions of this Community Declaration.

Section 3. Membership. Upon acceptance of title to a Homesite and as more fully provided in the Articles and By-Laws, each Owner becomes a Class A member of the Community Association. Membership rights are governed by the provisions of the Articles and By-Laws. Membership shall be an appurtenance to, and may not be separated from, the ownership of a Homesite. The Declarant is the Class B member of the Community Association.

Section 4. Voting Rights. Voting rights in the Community Association are governed by the provisions of the Articles and By-Laws.

Section 5. Restrictions. Neither the Community Association, or any Neighborhood Association, or any Owner, or group of Owners, may record any legal documents which, in any way, affect or restrict the rights of Declarant or Club Owner or Golf Owner, without the consent of the entity affected, which consent may be granted or denied in its sole discretion, or conflict with the provisions of this Community Declaration.

#### ARTICLE V OPERATION OF COMMON AREA/COMMUNITY DEVELOPMENT FACILITIES

Section 1. Prior to Conveyance. Prior to the conveyance or dedication of portions of the lands owned by Declarant as Common Area and/or Community Services to the Community Association, those lands shall be owned, operated and administered by the Declarant, or its nominees, at the sole cost of the Community Association, for all purposes and uses reasonably intended, as Declarant in its sole discretion, deems appropriate. During such period, the Declarant shall own, operate and administer such lands without interference from the Community Association, any Neighborhood Association, Owner or mortgagee of a Homesite or Home or any other person or entity

whatsoever.

Section 2. Operation after Conveyance. After the conveyance or dedication of all or a portion of the Common Area and/or Community Services to the Community Association, the portion of the Common Area and/or Community Services so dedicated shall be owned, operated and administered by the Community Association for the use and benefit of the owners of all property interests in the Properties, including, but not limited to, Community Association, Neighborhood Associations, Declarant, Club Owner, Golf Owner, Owners and any mortgagees of any interest. Once conveyed or dedicated to the Community Association, title to the Common Area may not, subject to the Community Association's right to grant easements, etc., be conveyed, abandoned, alienated, encumbered or transferred, without: (i) if prior to the Community Completion Date, the consent of Declarant being first had and obtained; and (ii) after the Community Completion Date, the consent being obtained from the Board and Owners in the manner provided in Article II, Section 2, hereof; and (iii) in either event, the consent of the Club Owner and Golf Owner being first had and obtained.

Section 3. Construction of Common Area Facilities. Declarant and/or the Community Development Districts have constructed, or will construct, certain facilities and improvements as part of the Common Area and/or Community Development Facilities, together with equipment and personalty contained therein, and such other improvements and personalty as Declarant determines, in its sole discretion. Declarant and/or the Community Development Districts shall be the sole judge of the composition of such facilities and improvements. Prior to the Community Completion Date, Declarant and/or the Community Development Districts shall have the absolute right to, from time to time, in its sole discretion, construct additional Common Areas and/or Community Development Facilities and improvements within the Community and to remove, add to, modify and change the boundaries, facilities and improvements now or then part of the Common Area and/or Community Development Facilities. Declarant is not obligated to, nor has it represented that it would, modify or add to the facilities, improvements or Common Area as they are contemplated as of the date hereof.

Declarant is the sole judge of all matters concerning the Common Area and/or Community Services, including the plans, specifications, design, location, completion schedule, materials, size and contents of the facilities, improvements, or changes or modifications to any of them.

Section 4. Delegation. Once conveyed or dedicated to the Community Association, the Common Area and facilities and improvements located thereon, and Community Services, shall,

subject to the provisions of this Community Declaration, at all times be under the complete supervision, operation, control and management of the Community Association. The Community Association may delegate all or a portion of such supervision, operation, control and management to such parties or entities as it deems appropriate.

Section 5. Use. The Common Area and Community Services shall be used and enjoyed by the Owners on a non-exclusive basis in common with other persons, entities and corporations, who may, but are not required to be, members of the Community Association, entitled to use those portions of the Common Area and Community Services. Prior to the Community Completion Date, the Declarant, and thereafter, the Community Association, has the right, at any and all times, and from time to time, to further additionally provide and make the Common Area and Community Services available to other individuals, persons, firms, or corporations, as it deems appropriate. The granting of such rights shall not invalidate this Community Declaration, reduce or abate any Owner's obligations pursuant to this Community Declaration, or give any Owner the right to avoid any of the covenants, agreements or obligations to be performed hereunder.

Section 6. Surface Water or Stormwater Management System. The Community 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 systems 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 Community 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.

Section 7. Rules. Prior to the Community Completion Date, the Declarant, and, if earlier delegated by Declarant or thereafter the Community Association, shall have the right to adopt rules and regulations governing the use of the Common Area and Community Services. The Rules and Regulations attached hereto are adopted as the initial rules and regulations governing, amongst other things, the use of the Common Area and Community Services.

Section 8. Districts. In the event that any portions of the Properties are acquired by, or dedicated to, a Community Development District, those portions of the Properties shall be subject to the jurisdiction and control of the Community Development Districts.



Section 9. Government Obligation. To the extent that either the Community Association, Community Development Districts or Neighborhood Association has accepted the responsibility for maintenance of any portion of the Properties, it is specifically understood that same shall not constitute a dedication to the general public or the City of Clermont and that no obligation is imposed on the City of Clermont nor shall any request be entertained by the City of Clermont to maintain or improve any private streets or roads.

Section 10. Exceptions. The Rules and Regulations shall not apply to Declarant, Club Owner and/or Golf Owner, or their respective designees, or to any property owned by any of them or their designees, and shall not be applied in a manner which would prohibit or restrict the development of the Community, Properties and the development, construction and sale of any Homesite or Homes by Declarant or its designees.

Section 11. Additional Exceptions. The Rules and Regulations shall not apply to the Club Owner and Golf Owner, or their respective designees, or to any property owned by Club Owner or Golf Owner, and shall not be applied in a manner which would prohibit or restrict the development of the Club Facilities or Golf Facilities or affect the interests of the Club Owner or Golf Owner. Specifically and without limitation, the Club Owner and Golf Owner, and/or their respective successors and assigns, shall have the right to: (i) develop and construct the Club Facilities and Golf Facilities and related improvements within the Properties, and make any additions, alterations, improvements, or changes thereto; (ii) maintain, or allow others to maintain, customary and usual sales, general office and construction operations on the Club Facilities and Golf Facilities; (iii) place, erect or construct portable, temporary or accessory buildings or structures upon the Club Facilities or Golf Facilities for sales, construction, storage or other purposes; (iv) temporarily deposit, dump or accumulate materials, trash, refuse and rubbish in connection with the development or construction of any of the Club Facilities or Golf Facilities; (v) post, display, inscribe or affix to the exterior of the Club Facilities and Golf Facilities, signs and other materials used in developing, constructing, selling or promoting the sale of the Properties, Club Memberships, Golf Memberships, Homesites and Homes or otherwise; (vi) excavate fill from any lakes or waterways within and/or contiguous to the Properties by dredge or dragline, store fill on the Properties and remove and/or sell excess fill; and (vii) grow or store plants and trees within, or contiguous to, the Properties and use and/or sell excess plants and trees; and (viii) undertake all activities which, in the sole opinion of Club Owner and Golf Owner are necessary for the development and sale of the Club Facilities and Golf Facilities or any lands or improvements therein.

Section 12. Default. No default by any Owner in the performance of the covenants and promises contained in this Community Declaration or by any person using the Properties, Common Area and/or Club Facilities, or any other act of omission by any of them, shall be construed or considered: (a) as a breach by Declarant, or the Club Owner or Golf Owner, or the Community Association or a Neighborhood Association, a non-defaulting Owner or other person or entity of any of their promises or covenants in this Community Declaration; or (b) as an actual, implied or construction dispossession of another Owner from the Common Area and/or Community Services and/or Club Facilities and/or Golf Facilities; or (c) as an excuse, justification, waiver or indulgence of the covenants and promises contained in this Community Declaration.

Section 13. Over-all Systems. This Community Declaration allows for the providing of Common Area maintenance, Community Services and other matters relating to the Community as a whole. Each Owner shall, if requested by the Declarant and/or Club Owner and/or Golf Owner and/or Community Association and/or Neighborhood Association, enter into agreements relating to any of the same.

Section 14. Open Space Tracts. Maintenance of the Open Space Tracts, as designated on the Plat, shall be the perpetual responsibility of the Community Association. Use and maintenance of the Open Space Tracts shall be in accordance with applicable governmental regulations.

Section 15. Conveyance. On or before sixty (60) days after the Community Completion Date, or earlier as determined by Declarant in its sole discretion, all or portions of the Common Area and Community Services may be conveyed by written instrument recorded in the Public Records, or by Quit Claim Deed from Declarant to the Community Association. The conveyance shall be subject to easements, restrictions, reservations, conditions, limitations and declarations of record, real estate taxes for the year of conveyance, zoning, land use regulations and survey matters. The Community Association shall be deemed to have assumed and agreed to pay all continuing obligations and service and similar contracts relating to the ownership, operation, maintenance and administration of the conveyed portions of Common Area and Community Services and other obligations relating to the Common Area and Community Services imposed herein. The Community Association shall, and does hereby, indemnify and hold Declarant, Club Owner and Golf Owner harmless on account thereof. The Community Association shall be obligated to accept such conveyance(s) without setoff, condition, or qualification of any nature. The Common Area, personal property and equipment, and appurtenances thereto shall be dedicated or conveyed in "as is, where is" condition WITHOUT ANY REPRESENTATION OR WARRANTY,

EXPRESSED OR IMPLIED, IN FACT OR BY LAW, AS TO THE CONDITION, FITNESS OR MERCHANTABILITY OF THE COMMON AREA, PERSONALTY AND EQUIPMENT BEING CONVEYED. The Community Association shall pay all costs associated with the conveyance(s).

Section 16. Designation of Operating Entity. The Declarant shall have the right, but not the obligation, in its sole discretion, to: (i) designate the Community Association or Community Development Districts to operate, at the expense of the Community Association or Community Development Districts, portions of the Properties prior to dedication or conveyance; and (ii) relinquish and/or assign to the Community Association or Community Development Districts some or all of the rights reserved to, and obligations imposed on, Declarant herein. The Community Association shall be obligated to accept such designation, relinquishment, and assignments and fulfill the obligations relating thereto.

Section 17. Disputes as to Use. If there is any dispute as to whether the use of any portion of the Properties complies with this Community Declaration, or the allocation of Operating Costs relating thereto, such dispute shall, prior to the Community Completion Date, be decided by Declarant, and thereafter by the Community Association. A determination rendered by such party with respect to such dispute shall be final and binding on all persons concerned.

Section 18. Other Property. The Declarant and/or Community Association may enter into easement agreements or other use or possessory agreements whereby the Owners and/or Community Association and/or others may obtain the use, possession of, or other rights regarding certain property not within the Properties, on an exclusive or non-exclusive basis, for certain specified purposes. The Community Association shall agree to maintain and pay the taxes, insurance, administration, upkeep, repair, replacement or maintenance of such property, the expenses of which shall be Operating Costs. Any such agreement by the Community Association prior to the Community Completion Date, shall require the consent of Declarant.

Section 19. Indemnification. The Community Association and Owners each covenants and agrees, jointly and severally, to indemnify, defend and hold harmless Declarant and Club Owner and Golf Owner, their respective officers, directors, shareholders, and any related persons or corporations, and their employees, professionals and agents from and against any and all claims, suits, actions, causes of action or damages arising from any personal injury, loss of life, or damage to property, sustained on or about the Common Area, Community Services, Club Facilities or other property serving the Community Association and Golf

Facilities, and improvements thereon, or resulting from or arising out of activities or operations of the Community Association, Neighborhood Association or Owners, and from and against all costs, expenses, court costs, counsel fees (including, but not limited to, all trial and appellate levels and whether or not suit be instituted), expenses and liabilities incurred or arising from any such claim, the investigation thereof, or the defense of any action or proceedings brought thereon, and from and against any orders, judgments or decrees which may be entered relating thereto. The costs and expense of fulfilling this covenant of indemnification shall be Operating Costs, or Neighborhood Operating Costs, as the case may be, to the extent such matters are not covered by insurance maintained by the Community Association or Neighborhood Association, as the case may be.

#### ARTICLE VI THE CLUB

Section 1. The Club Facilities. The Club Owner proposes to construct certain Club Facilities within the Properties, as may be designated on the Plat thereof, or otherwise, which is, and subject to the provisions hereof, will remain the property of the Club Owner. By virtue of, and subject to the provisions of this Community Declaration, each Club Member shall have the right to utilize the Club Facilities on a non-exclusive basis in common with such other persons, entities and corporations entitled to utilize the Club Facilities. If a Club Membership is owned by a corporation, trust or other legal entity, or is owned by more than one family, then the Club Member shall designate the persons entitled to utilize the Club Facilities. Such designation shall not exceed the number of occupants for which the Home was designed (i.e. two persons per bedroom). The Club Owner, has the right, at any and all times, and from time to time, to further additionally provide and make the Club Facilities available to other individuals, persons, firms or corporations, as it deems appropriate. The granting of such rights shall not invalidate this Community Declaration, reduce or abate any Club Members obligations pursuant to this Community Declaration, or give any Club Members the right to avoid any of the covenants, agreements or obligations to be performed hereunder.

Section 2. Club Membership. Membership in the Club is elected, on a voluntary basis, at the time of the initial purchase of the Homesite. If the initial purchaser of the Homesite elects to be a Club Member, then such election and Club Membership is, thereafter, irrevocable and the rights and obligations associated therewith shall run with the Homesite as provided in this Community Declaration. In the event that the Owner does not elect to be a Club Member, such owner and all future Owners of the Homesite shall not have the right to become Club Members in the future or use the

Club Facilities except under such terms and conditions, if any, promulgated by the Club Owner from time to time.

Section 3. Construction of Club Facilities. The Club Owner has constructed, or will construct, the Club Facilities at its sole cost and expense. The Club Facilities are contemplated to consist of a multi-function social facility and related amenities together with such equipment and personalty as the Club Owner determines in its sole discretion. The Club Owner shall be the sole judge as to the plans, design, location, completion, schedule, materials, size, and contents of the Club Facilities.

The Club Owner has the absolute right to, from time to time, alter or change the Club Facilities, including construction of additional facilities or the removal or modification thereof.

Section 4. Phasing. The Club Facilities are initially contemplated to consist of three (3) phases, to-wit:

(a) Phase I. Phase I is contemplated to consist of a multi-purpose clubhouse building and associated amenities, an outdoor heated pool, a tennis court, garden area, sales facility and administrative offices (The sales facility and administrative offices may be utilized by Declarant, without charge, for so long as the Declarant owns any portion of the Properties.):

(b) Phase II. Phase II is contemplated to consist of a recreation/spa facility, a tennis court and pavilion and four bocci courts;

(c) Phase III. Phase III is contemplated to consist of a Performing Arts Pavilion, two tennis courts and four shuffle board courts.

Phase I shall be completed prior to the conveyance of 1,200 Homesites by Declarant whose Owners shall have become Club Members; Phase II shall be completed prior to the conveyance of 2,400 Homesites by Declarant whose Owners shall have become Club Members; Phase III shall be completed prior to the conveyance of 5,000 Homesites whose Owners shall have become Club Members. The Club Owner shall have no obligation to construct any Phase unless the required number of Owners of Homesites have become Club Members.

Section 5. Operations. The Club Owner may, at its sole option, delegate the right and duty to operate, manage and maintain The Club to the Community Association as herein provided. Until such time as the operation, management and maintenance of the Club is delegated as aforesaid, The Club shall be under the complete supervision and control of the Club Owner. The Club Owner has the right to own, operate, manage, maintain, insure, etc. the Club

Facilities as it determines in its sole discretion. The Club Owner may hire a Management Firm to perform its functions at a reasonable charge therefore. The Management Firm may, or may not, be an affiliate of The Club Owner and/or Declarant. If The Club Owner delegates the right and duty to operate, manage, maintain, insure, etc. The Club to the Community Association, such right shall be subject to the Community Association's continuous and diligent performance pursuant to The Club Covenants.

Section 6. Charges. In consideration of the construction of the Club Facilities and providing for use thereof by the Club Members, each Club Member by electing to be a Club Member and acceptance of title to a Homesite shall be deemed to have specifically covenanted and agreed to pay all Club Charges and fees which are set forth herein:

(a) Each Club Member shall pay, without setoff or deduction, to the Club Owner, or its designee, as a Club Facilities Fee the sum of, Thirty (\$30.00) Dollars per month. The monthly Club Facilities Fee shall increase by Three (\$3.00) Dollars, every three (3) years. The first increase shall be three (3) years from the completion of Phase I of the Club Facilities as described above. Further, the Club Facilities Fee shall increase an additional Ten (\$10.00) Dollars per month upon the substantial completion of Phase II of the Club Facilities and an additional Ten (\$10.00) Dollars per month upon substantial completion of Phase III of the Club Facilities. Provided, however, the Club Owner shall have the unequivocal right to increase or decrease such Club Facilities Fees upon recordation in the Public Records of a supplemental statement to that effect, which shall affect all Club Members admitted after such date as if such statement were set forth herein, ab initio. No such supplemental statement shall increase the obligations of any Club Member admitted prior to the date of recording.

(b) In addition to the Club Facilities Fee in (i) above, each Club Member agrees and covenants to pay and discharge, in a timely fashion when due, its pro rata portion, as hereinafter set forth, of the Club Operating Costs.

(c) The Club Operating Entity shall have the right to establish and impose charges, for which one or more Club Members (but less than all Club Members) are subject, such as, costs of special services provided to a Club Member relating to special use of The Club.

(d) The Club Members shall collectively bear all expenses associated with The Club so that the Club Owner shall receive the Club Facilities Fee without deduction of expenses or charges in respect of The Club.

(e) In addition to the Club Charges, each Club Member shall pay all applicable sales, use or similar taxes now or thereafter imposed thereon, if any.

(f) Faithful payment of the sums due, and performance of the other obligations hereunder, at the times stated, shall be of the essence. Should the Club Charges, or any other sums due hereunder, herein provided at any time remain due and unpaid for a period of five (5) days after same shall become due, or should a Club Member or Community Association not perform its obligations hereunder, the Club Member or Community Association, as the case may be, shall be in default hereunder.

(g) Subject to the foregoing, for all Club Members purchasing a Homesite prior to completion of Phase I of the Club Facilities, the Club Charges shall commence upon the substantial completion (as evidenced by a Certificate of Occupancy for the Clubhouse) of Phase I of the Club Facilities. After the completion of the Club Facilities, Club Charges shall commence on the date of conveyance of the Homesite.

(h) Club Charges shall be payable, in advance, on the first day of each payment period.

Section 7. Collection. If requested by the Club Owner, the Community Association or each Neighborhood Association shall collect the Club Charges at the same time it collects Assessments or Neighborhood Assessments, as the case may be, from the Club Members. Upon collection, the Community Association or Neighborhood Association, as the case may be, shall be deemed to hold the same, in trust, for the Club Owner and for the payments as required. Upon collection, the Community Association or Neighborhood Associations, as the case may be, shall forthwith forward Club Facilities Fee and/or the Club Operating Costs to the Club Operating Entity, together with a record of which Club Members did, and did not, pay. During the period when the Community Association is operating the Club pursuant to the Club Covenants, then the Community Association is granted the conditional license to retain those portions of the Club Charges, other than the Club Facilities Fee, for the strict purpose of paying the expenses associated with The Club. The Community Association and/or Neighborhood Association, as the case may be, shall diligently enforce collection of all delinquencies including enforcement of all liens in the name of the Club Owner and/or Club Operating Entity. Notwithstanding anything in this Community Declaration to the contrary, in the event that the Community Association or Neighborhood Associations, as the case may be, collects funds from the Club Members (whether or not those funds are designated as payment of Club Charges or Assessments or Neighborhood Assessments) those funds shall be first allocated to the payment of Club

Facilities Fees and then to the payment of Club Operating Costs and then to the payment of Assessments for Community Association purposes and then to the payment of Neighborhood Assessments for Neighborhood Association purposes.

Section 8. Allocation of Costs.

(a) For the period until the adoption of the first annual budget, the Club Charges shall be established by, allocated as set forth in, the initial budget for The Club ("budget").

(b) Commencing on the first day of the period covered by the budget and until the adoption of the next annual budget, and until there are one thousand one hundred (1,100) Club Members, the costs shall be allocated so that each Club Member shall pay its pro-rata portion of the costs based upon a fraction, the numerator of which is one (1) and the denominator of which is one thousand one hundred (1,100). After there are one thousand one hundred (1,100) Club Members, the next annual budgets shall be based upon the average estimated numbers of Club Members during that year, as estimated by the Club Owner. Provided, however, in the event the Club Owner determines that after the Community Completion Date, there will be less than one thousand one hundred (1,100) Club Members and the allocation of Club Operating Costs shall be based upon the number of Club Members in the Community.

(c) In the event the estimate of Club Operating Costs for the year is, after the actual costs for that period is known, more or less than the actual costs, then the difference shall, at the election of the Club Owner: (i) be added or subtracted, as the case may be, to the calculation for the next ensuing year; or (ii) be immediately collected from the Club Members.

The Club Operating Entity shall have the unequivocal right to collect Club Operating Costs retroactively on January 1st of any year, which costs shall relate back to the date that the collection could have been made.

(d) Each Club Member agrees that so long as it does not pay more than the required amount it shall have no grounds upon which to object to either the method of payment or non-payment by other Club Members or others of any sums due.

Section 9. Allocation. Except as hereinafter specified to the contrary, Club Operating Costs shall be allocated equally to each Club Member.

Section 10. Special Costs Allocation. Except as hereinafter specified to the contrary, special costs may be collected from the Club Members benefiting from, or subject to, the special service or



cost as specified by the Club Operating Entity.

Section 11. Initial Budgets. The budget prepared by Club Owner is adopted as the Club Budget for the period of operation until adoption of the first annual Club Budget. Thereafter, annual budgets shall be prepared and adopted by the Club Operating Entity. All budgets shall be subject to approval by the Club Owner.

Section 12. Establishment of Club Costs. Club Charges shall be established in accordance with the following procedures:

(a) Club Charges, which shall include the Club Facilities Fee in the amounts set forth in Section 6 above, shall be established by the adoption of a projected operating budget. Written notice of the amount and date of commencement thereof shall be given to each Club Member not less than ten (10) days in advance of the due date of the first installment thereof. Club Charges shall, unless otherwise specified by the Club Owner, be payable, in advance, at such time as the Community Association collects Community Assessments from the Club Members.

(b) The Club Operating Entity may establish, from time to time, by resolution, rule or regulation, or by delegation to an officer or agent, including Management Firm, the power and authority to establish specific fees, dues or charges to be paid by Club Members for any special services provided to, or for the benefit of a Club Member, for any special or personal use of the Club Facilities, or to reimburse the expenses incurred in connection with that service or use. The sums established shall be payable by the Club Member utilizing the service or facility as determined by the Club Operating Entity.

(c) The budget may, at the election of the Club Owner, establish and maintain a reserve fund for the periodic maintenance, repair and replacement of improvements to the Club Facilities.

(d) The Club Operating Entity may, but is not obligated to, establish a working capital fund for the operation of the Club Facilities. If so, each Club Member shall pay an amount equal to the sums determined to be due from that Club Member either (i) for the Club Members which join The Club prior to substantial completion of Phase I, at the time of the first payment of Club Charges; and (ii) thereafter, at the time of conveyance of each Homesite. Each Club Member's share of the working capital fund shall be transferred to the Club Operating Entity at that time. The purpose of this fund is to assure that the Club Operating Entity will have cash available to meet its obligations, unforeseen expenditures, or to acquire additional property, equipment or services deemed necessary or desirable. Amounts paid into the fund are not to be considered as advance payment of Club Charges.

(e) The Club Operating Entity shall prepare and maintain a ledger noting charges due from, and payments by, each Club Member. The ledger shall be kept in the office of the Club Operating Entity, or its designee, and the portion pertaining to a Club Member shall be open to inspection by that Club Member. Upon demand and payment of a reasonable charge therefor, there shall be furnished to a Club Member a certificate in writing setting forth whether the Club Charges have been paid and/or the amount which is due as of any date. As to parties other than Club Members who, without knowledge of error, rely on the certificate, the certificate shall be conclusive evidence of the amount of any charges therein stated.

(f) Each Club Member waives its rights (if any) to an accounting related to Club Charges and/or Club Operating Costs. Provided, however, that the Club Owner shall make public, within sixty (60) days following the end of each fiscal year, a complete financial report of the actual, total receipts of the mandatory Club Fees received by it and an itemized listing of the expenditures made by it from such fees for that year. Such report shall be made public by mailing it to each Club Member, by publishing it in a publication regularly distributed within the Community or by posting it in prominent locations in the Community.

Section 13. Covenant. Each Club Member, by electing to be a member of The Club and acceptance of title to a Homesite, shall be deemed to have covenanted and agreed to pay all Club Charges, including the Club Facilities Fee, its pro-rata portion of Club Operating Costs, and charges incurred in connection with the enforcement of any of the terms and conditions hereof, including reasonable costs and attorney's and paralegal fees at all levels, including appeals, collections and bankruptcy.

Each Club Member shall pay all taxes and obligations relating to its Homesite which, if not paid, could become a lien against the Homesite superior to the lien for Club Charges created by this Community Declaration.

Section 14. Creation of the Lien and Personal Obligation. Each Club Member, by electing to be a member of The Club and acceptance of a deed or instrument of conveyance for the acquisition of title to a Homesite, shall be deemed to have covenanted and agreed that the Club Charges, and/or other charges and fees set forth herein, together with interest, late fees, costs and reasonable attorneys' (and paralegals') fees (at all levels of proceedings, collection and bankruptcy), shall be a charge and continuing lien in favor of the Club Owner encumbering the Homesite and all personal property located thereon owned by the Club Member. The lien is effective from and after recording a Claim of Lien in the Public Records, stating the description of the Homesite, name of the Club Member,

and the amounts due as of that date. The Claim of Lien shall also cover any additional amounts which accrue thereafter until satisfied. Each charge, fee, together with interest, late fees, costs and reasonable attorneys' fees, etc. shall be the personal obligation of the Club Member who was the Owner of the Homesite at the time when the charge or fee became due, as well as the its heirs, devisees, personal representatives, successors or assigns. Such lien may also be enforced by the Club Operating Entity, however, the claim of the Club Owner for Club Facilities Fees is, subject to the provisions of Section 15 below, paramount to all other claims. Further, the lien created by this Section is superior to the lien of the Community Association and/or any Neighborhood Association for Assessments and/or Neighborhood Assessments, as the case may be.

Section 15. Subordination of the Lien to Mortgages. The lien for such fees and charges shall be subordinate to bona fide first mortgages on any Homesite, if the mortgage is recorded in the public records prior to the Claim of Lien. The lien shall not be affected by any sale or transfer of a Homesite, except in the event of a sale or transfer of a Homesite pursuant to a foreclosure of a bona fide first mortgage, in which event, the acquirer of title, its successors and assigns, shall not be liable for such fees and charges encumbering the Homesite or chargeable to the former owner of the Homesite which became due prior to such sale or transfer. However, any such unpaid fees or charges for which such acquirer of title is not liable may be reallocated and assessed to all Club Members (including such acquirer of title) as a part of the Club Charges. Any sale or transfer pursuant to a foreclosure shall not relieve the successor Club Member from liability for, nor the Homesite from, the lien of, any fees or charges made thereafter. Nothing herein contained shall be construed as releasing the party liable for any delinquent fees or charges from the payment thereof, or the enforcement of collection by means other than foreclosure.

Section 16. Acceleration. In the event of a default in the payment of any such fees or charges, the Club Owner and/or Club Operating Entity, may accelerate the fees or charges then due for up to the next ensuing twelve (12) month period.

Section 17. Non-payment. If any Club Charges are not paid within fifteen (15) days after the due date, a late fee of \$25.00, per month, together with interest in an amount equal to the maximum rate allowable by law, per annum, beginning from the due date until paid in full, may be levied. The Club Owner and/or Club Operating Entity, may, at any time thereafter, bring an action at law against the Club Member personally obligated to pay the same, and/or foreclose the lien against the Homesite, or both. There shall be added to the fees and charges, all costs expended in preserving the priority of the lien and all costs and expenses of collection,

including attorneys' (and paralegals) fees, at all levels of proceedings, including appeals, collection and bankruptcy. No Club Member may waive or otherwise escape liability for fees and charges provided for herein by non-use of, or the waiver of the right to use The Club or abandonment of a Homesite.

Section 18. Suspension. Should a Club Member not pay sums required hereunder, or otherwise default, for a period of forty-five (45) days, the Club Operating Entity may, without reducing or terminating that Club Members' obligations hereunder, suspend that Club Members' rights to use the Club Facilities until all fees and charges are paid current and/or the default is cured.

Section 19. Exemption. Notwithstanding anything to the contrary herein, except as specifically provided herein, neither Declarant or Club Owner or any Homesite or property owned by Declarant or Club Owner or Golf Owner shall be responsible for any portion of such fees and charges.

Section 20. Rights to Pay and Receive Reimbursement. Club Owner and/or Community Association and/or Neighborhood Association shall have the right, but not the obligation, and in its sole option, to pay any Club Charges which are in default and which may or have become a lien or charge against any Homesite. If so paid, the party paying the same shall be subrogated to the enforcement rights with regard to the amounts due. Further, Club Owner and/or Community Association and/or Neighborhood Association shall have the right, but not the obligation, at its sole option, to loan funds and pay insurance premiums, taxes or other items of costs on behalf of the Club Member to protect its lien. The party advancing the funds shall be entitled to immediate reimbursement, on demand, from the Club Member for such amounts so paid, plus interest thereon at the W.S.J. Prime Rate plus 4%, plus any costs of collection including, but not limited to, reasonable attorneys' (and paralegals') fees at all levels including appeals, collections and bankruptcy.

Section 21. Declarant. The Declarant and Community Association, Neighborhood Association and Golf Owner are not the Club Owner and shall not be responsible for the activities of the Club Owner and, conversely, the Club Owner shall not be responsible for the activities of the Declarant, Community Association, Neighborhood Association and Golf Owner.

Section 22. Club Covenants. The Community Association and each Neighborhood Association and each Club Member, where applicable, shall be bound by and comply with the Club Covenants which are incorporated herein by reference.

Section 23. Rules. The Club Operating Entity shall have the

right to adopt rules and regulations governing the use of the Club Facilities. Each Club Member, and each person claiming use rights by, through or under each Club Member, shall comply with the provisions of all Rules and Regulations promulgated concerning the use of The Club.

Section 24. Right to Acquire. Although the Club arrangement is not a lease of recreation facilities, the Club Owner grants to the Club Members the rights to acquire the Club Facilities pursuant to the provisions of F.S. 617.31 as it exists as of the date hereof.

Section 25. Ratification. Each Club Member, by electing to be a Club Member and acceptance of title to a Homesite, and the Community Association and each Neighborhood Association, ratifies and confirms the provisions hereof relating to The Club and agrees as follows:

(a) It is in the best interest of each of them, the Community as a whole, and property values therein, to provide for The Club to be located within the Community;

(b) The terms hereof relating to The Club and the Club Charges imposed hereby, including the Club Facilities Fee, are not unconscionable and are fair and reasonable given the nature of the Club Facilities provided and the cost thereof;

(c) There were significant other housing opportunities available to the Club Members in the general location of the Community, both with and without Club Facilities;

(d) The decision to become a Club Member was voluntary.

(e) Full disclosure of the nature of the Club Facilities and obligations associated therewith was made to each Club Member prior to that Club Member executing a contract to purchase a Homesite and Club Member did, or was afforded the opportunity to, consult with an attorney;

(f) The fact that the Club Owner, is, or may be, affiliated with the Declarant, or that the members of the Board may be appointed, and/or employed, by Declarant is acknowledged and any conflict arising therefrom waived;

(g) That Declarant, Community Association or Club Owner, have fully discharged all duties to each Club Member concerning The Club including, but not limited to and without acknowledging or imposing same, any fiduciary duties imposed by law; and

(h) That the provisions of this Community Declaration does not grant any ownership rights in the Club Facilities in favor of

the Community Association or Club Members but, rather, grants a non-exclusive license and membership to use the Club Facilities subject to full compliance with all obligations imposed on each of them relating thereto.

Section 26. Default. Should the Community Association fail or refuse or otherwise be excused from performance of its obligations hereunder or under the Club Covenants, then:

(a) Each Club Member acknowledges and agrees that the Club Owner shall have the right to terminate the right of the Community Association to operate and/or manage and/or maintain The Club and may re-assume such operation and/or management and/or maintenance and/or may delegate same to others;

(b) Each Club Member shall make payments of all Club Charges directly to the Club Owner or as directed by the Club Owner.

#### ARTICLE VII THE GOLF CLUB

Section 1. The Golf Facilities. The Golf Owner proposes to construct certain privately owned Golf Facilities within the Properties, as may be designated on the Plat thereof, or otherwise, which is, and subject to the provisions hereof, will remain the property of the Golf Owner. The Golf Facilities are not part of the Common Area and no rights of use or otherwise are covered. The Golf Facilities will, or may be, made available to certain owners within the Community on a "first come, first served" basis. Memberships may be offered and, if so, will be governed by the terms of the memberships granted and policies adopted by the Golf Owner. Each Golf Member shall have the right to utilize the Golf Facilities on a non-exclusive basis in common with such other persons, entities and corporations entitled to utilize the Golf Facilities pursuant to the terms of its membership or play policies. The Golf Owner, has the right, at any and all times, and from time to time, to provide and make the Golf Facilities available to other individuals, persons, firms or corporations, as it deems appropriate, including persons who may not be Owners or members of the Community Association and operate the Golf Facilities on a private, semi-private, or public course basis. The Golf Owner may, in its sole discretion, establish conditions for use of the Golf Facilities and determine eligibility for use thereof and require the payment of membership fees or contributions, due or other charges.

Section 2. Golf Membership. The Golf Owner makes no representations as to the availability of memberships or the capacity of the Golf Course to accommodate all Owners in the Community.

Section 3. Construction of Golf Facilities. The Golf Owner has constructed, or will construct, the Golf Facilities, consisting of up to 18 holes of golf, together with related amenities and Clubhouse at its sole cost and expense. The Golf Course may be constructed in phases. The Golf Owner shall be the sole judge as to the plans, design, location, completion, schedule, materials, size, and contents of the Golf Facilities.

The Golf Owner has the absolute right to, from time to time, alter or change the Golf Facilities, including construction of additional facilities or the removal or modification thereof.

Section 4. Operations. The Golf Owner may, at its sole option, delegate the right and duty to operate, manage and maintain the Golf Facilities. Until such time as the operation, management and maintenance of the Golf is delegated as aforesaid, the Golf Facilities shall be under the complete supervision and control of the Golf Owner. The Golf Owner has the right to own, operate, manage, maintain, insure, etc. the Golf Facilities as it determines in its sole discretion. The Golf Owner may hire a management firm to perform its functions at a reasonable charge therefore. The management firm may, or may not, be an affiliate of The Golf Owner and/or Declarant.

Section 5. Charges. All Golf Charges and fees shall be as determined by the Golf Memberships or policies and procedures determined by the Golf Owner in its sole discretion.

Section 6. Declarant. The Declarant, Community Association, Neighborhood Association and Club Owner is not the Golf Owner and shall not be responsible for the activities of the Golf Owner and, conversely, the Golf Owner shall not be responsible for the activities of the Declarant, Community Association, Neighborhood Association and Club Owner.

Section 7. Rules. The Golf Operating Entity shall have the right to adopt rules and regulations governing the use of the Golf Facilities. Each Golf Member, and each person claiming use rights by, through or under each Golf Member, shall comply with the provisions of all Rules and Regulations promulgated concerning the use of the Golf Facilities. No person, firm or corporation shall interfere with the Golf Facilities or play thereon or use thereof.

Section 8. Ratification. Each Golf Member, by electing to be a Golf Member, ratifies and confirms the provisions hereof relating to the Golf Facilities and agrees as follows:

(a) It is in the best interest of each of them, the Community as a whole, and property values therein, to provide for the Golf Facilities to be located within the Community;

(b) The terms hereof relating to the Golf Facilities and the Golf Charges imposed are not unconscionable and are fair and reasonable given the nature of the Golf Facilities provided and the cost thereof;

(c) There were significant other housing opportunities available to the Golf Members in the general location of the Community, both with and without Golf Facilities;

(d) The decision to become a Golf Member was voluntary;

(e) Full disclosure of the nature of the Golf Facilities and obligations associated therewith was made to each Golf Member prior to that Golf Member executing a contract to purchase a Homesite and Golf Member did, or was afforded the opportunity to, consult with an attorney;

(f) The fact that the Golf Owner, is, or may be, affiliated with the Declarant, or that the members of the Board may be appointed, and/or employed, by Declarant is acknowledged and any conflict arising therefrom waived;

(g) That Declarant, Community Association or Golf Owner, have fully discharged all duties to each Golf Member concerning the Golf Facilities including, but not limited to and without acknowledging or imposing same, any fiduciary duties imposed by law; and

(h) That the provisions of this Community Declaration does not grant any ownership rights in the Golf Facilities in favor of the Community Association or Golf Members but, rather, grants certain rights to possibly use the Golf Facilities subject to full compliance with all obligations imposed on each of them relating thereto.

#### ARTICLE VIII MAINTENANCE OBLIGATIONS

Section 1. Common Area. Except as otherwise specifically provided in this Community Declaration to the contrary, the Community Association shall at all times maintain, repair, replace and insure the Common Area, including all improvements placed thereon.

Section 2. Community Services. Except as otherwise specifically provided in this Community Declaration to the contrary, the Community Association shall, at all times make arrangements to provide Community Services to the Community.

Section 3. Homesites. Except as otherwise provided in this Community Declaration, each Homesite and all improvements thereon



and appurtenances thereto, shall be maintained in first class condition by the Owner thereof, in accordance with the requirements of this Community Declaration, Community Standards, and the Rules and Regulations promulgated from time to time.

Section 4. Adjoining Areas. Each Owner shall also maintain those drainage areas, swales, lake maintenance easements, drives and pavement and landscape areas which adjoin its Homesite.

Section 5. Negligence. Notwithstanding anything to the contrary contained in this Community Declaration, the expense of any maintenance, repair or construction of any portion of the Common Area, Community Service, Club Facility or Golf Facility necessitated by the negligent or willful acts of an Owner, or persons utilizing the Common Area, Community Service, Club Facility or Golf Facility by, through or under Owner, shall be borne solely by such Owner and the Homesite owned by that Owner shall be subject to a Special Assessment for that expense.

Section 6. Right of Entry. The Declarant, Club Owner, Golf Owner, Community Association and Neighborhood Association are granted a perpetual and irrevocable easement over, across and through the Properties for the purposes herein expressed, including the right to inspect (including inspection to ascertain compliance with the provisions of this Community Declaration or Neighborhood Declaration) or to perform any maintenance, alteration or repair which it is entitled to perform.

Section 7. Additional Maintenance. The Community Association shall, if designated by Declarant by notice to the Community Association, maintain vegetation, landscaping, sprinkler system, community identification/features and/or other area or elements designated by Declarant upon areas which are not within the Properties but abut, or are proximate to, same and are owned by, or dedicated to, others including, but not limited to, a utility, governmental or quasi-governmental entity or Community Development Districts, so as to enhance the appearance of the Properties. These areas may include (for example and not limitation) swale areas or median areas within the right of way of public streets, roads, drainage areas, community identification or features, community signage or other identification and/or areas within canal rights of ways or other abutting waterways.

Section 8. Restrictions. The Properties may be subject to governmental and other restrictions or requirements. There may be various rights granted to and responsibilities imposed upon the Community Association or Neighborhood Associations and/or Owners, arising from those restrictions or requirements arising out of restrictions, reservations, easements and limitations of record otherwise affecting the Properties. The Community Association,

Neighborhood Associations, and Owners shall comply with, and discharge their respective duties relating thereto.

ARTICLE IX  
USE RESTRICTIONS

Section 1. Owners. Each Owner and the members of its family, invitees, servants, occupants and guests and other persons or entities shall observe, and comply with, all provisions of this Community Declaration, Neighborhood Declaration and Rules and Regulations which now or may hereafter be promulgated, from time to time, for the use, care, safety and cleanliness of the Properties, for the preservation of good order therein, and for the comfort, quiet and convenience of all users of the Properties. The Rules and Regulations as promulgated, from time to time, shall be effective from the date of adoption. Neither the Declarant nor Club Owner nor Golf Owner nor Community Association nor Neighborhood Association shall be bound by the Rules and Regulations or liable to any Owner due to any violation of the Rules and Regulations as promulgated, from time to time. The Rules and Regulations promulgated from time to time shall be specifically enforceable by injunction or otherwise, and shall have the effect of covenants as if set forth herein verbatim.

Section 2. Age of Residents. Subject to all ordinances, as they may be amended from time to time, each Home must be occupied by at least one (1) person over the age of fifty-five (55) years of age. Persons under the age of fifty-five (55) years and more than eighteen (18) years of age may occupy and reside in a Home as long as at least one of the occupants is over the age of fifty-five (55) years. No person under the age of eighteen (18) may be a permanent occupant of any Home, except that persons under the age of eighteen (18) may be permitted to visit and temporarily reside for periods not to exceed thirty (30) days total in any calendar year. Notwithstanding the above, if a Home is transferred by inheritance, the requirement of the Home being occupied by a person over the age of fifty-five (55) years is waived as to occupancy by the heirs for so long as no permanent occupant is under the age of eighteen (18) years and at least eighty (80%) percent of the Homes in the Community are occupied by at least one person who is over the age of fifty-five (55) years. Subject to the terms of this Community Declaration, the Articles and By-Laws, the Community Association shall have the authority to make any additional capital improvements upon the Common Area necessary to provide facilities or services specifically designed to meet the requirements of the Fair Housing Amendments Act of 1988.

ARTICLE X  
NEIGHBORHOODS

Section 1. Neighborhoods. Every Homesite shall be located within a Neighborhood. Each Neighborhood shall be as designated by Declarant, in its sole discretion, by the filing of a Neighborhood Declaration or by annexation thereto.

Section 2. Neighborhood Associations. Declarant, or its designees, may record instruments subjecting a portion of the Properties to a Neighborhood Declaration. Thereupon, such portion of the Properties shall then be subject to both this Community Declaration and such Neighborhood Declaration. The Neighborhood Declaration shall also create a Neighborhood Association, with such rights, powers, duties or privileges set forth therein. Each Owner in that Neighborhood shall be a member of the Neighborhood Association under such terms and conditions as may be provided therein. Each Owner shall comply with the applicable provisions of the Neighborhood Declaration and a violation thereof shall, at the election of either Declarant or the Community Association also constitute a violation hereof. In the event of a conflict between the provisions of this Community Declaration and a Neighborhood Declaration, the provisions of this Community Declaration shall govern. In the event that a Neighborhood Declaration contains provisions or imposes conditions concerning the same subject matter as contained herein, the strictest of such conditions or provisions shall govern.

Section 3. Neighborhood Common Areas.

(a) The Neighborhood Operating Costs shall be borne by the Owners of Homesites located in the Neighborhood as set forth in a Neighborhood Declaration.

(b) A Neighborhood Association shall have the right, with Declarant's prior written consent, to contract with the Community Association, or any other Neighborhood Association, to provide for the operation and maintenance of its Neighborhood Common Areas.

Section 4. Rights of Declarant Regarding Neighborhood Associations. Declarant hereby reserves, until the Community Completion Date, the right and the power, but neither the duty nor the obligation, without the consent of any other person or entity being required:

(a) To amend the specific provisions of this Community Declaration insofar as they apply to one or more Neighborhoods, without amending those provisions with respect to all such Neighborhoods.

(b) No Neighborhood Declaration may be amended, modified or terminated without the prior written consent of Declarant which may be granted or withheld in its sole discretion.

(c) To require that specific provisions be included in Neighborhood Declarations, including, without limitation, any provisions required to render such Neighborhood Declarations consistent with this Community Declaration.

(d) To delegate in whole or in part, exclusively or non-exclusively, and on a permanent or temporary basis, any obligation of maintenance or repair created under this Community Declaration to a Neighborhood Association whose members benefit from the performance of such obligation.

(e) To require that the fiscal year of any Neighborhood Association be the same as that of the Community Association.

(f) To review and approve the budget of any Neighborhood Association prior to its adoption by the Neighborhood Association.

(g) To approve or deny approval of the merger of any two or more Neighborhood Associations.

(h) To enforce, in its own name, or otherwise, the provisions of this Community Declaration with respect to any violation hereof by a Neighborhood Association or any Owner with respect to any Neighborhood Declaration.

#### Section 5. Certain Rights.

(a) Enforcement. If any Neighborhood Association fails to comply with this Community Declaration or a Neighborhood Declaration, Declarant and/or the Community Association shall have the right and power, but neither the duty nor the obligation, to enforce the provisions of this Community Declaration or the Neighborhood Declaration. In addition the Declarant and/or Community Association shall have the right, but not the obligation, to perform the Neighborhood Associations duties and responsibilities, or to seek judicial relief or remedy to require compliance with same, and to obtain payment of the cost of such performance or enforcement.

(b) Entry Rights. The Declarant and/or the Community Association shall have the right, for itself, its designee, or any agent or employee, to enter upon any property administered by a Neighborhood Association to carry out the provisions of this Community Declaration or the applicable Neighborhood Declaration, and the same shall not constitute a trespass.

(c) Special Assessments. The Community Association shall have the right, in addition to any other Assessment rights, to specially assess the members of a Neighborhood Association for expenses incurred by the Community Association in relating to such Neighborhood Association, as determined by the Community Association, in its sole discretion.

(d) Collection of Assessments. The Declarant, Club Owner and Community Association shall have the option of requiring the Neighborhood Associations to collect the Club Charges and/or Assessments and remitting same monthly, quarterly or semi-annually, at the option of the Club Owner or Community Association, or having the Community Association act as collection agent for all Neighborhood Associations as to all Neighborhood Assessments. If the Community Association elects to collect the Neighborhood Assessments it will remit the Neighborhood Assessments so collected to the respective payees pursuant to such procedures as may be adopted by the Community Association and pursuant to the following:

(i) In the event that the Club Charges and Assessments payable to the Community Association and a Neighborhood Association are received in a lump sum and such sum is less than sufficient to pay the three (3) entities, the amount collected, regardless of payment designation, shall be applied first to the Club Charges, then to Assessments, then to Neighborhood Assessments (each entity to be paid in full before the next listed one is paid).

(ii) If Neighborhood Assessments are being collected by the Community Association, each Neighborhood Associations shall notify the Community Association, by written notice given at least thirty (30) days in advance, of any changes in the amount of the Neighborhood Assessments due to it or the frequency at which such Neighborhood Assessments are to be collected.

(iii) If acting as collection agent, the Community Association shall have the power, but not the obligation, to record liens or take any other actions with regard to delinquencies in Neighborhood Assessments in accordance with the applicable provisions of the Neighborhood Declaration. All costs and expenses of exercising such rights shall nevertheless be paid by the applicable Neighborhood Association (which shall be entitled to receive payment of such costs and expenses which are ultimately recovered).

(iv) The Community Association may change, from time to time, by sixty (60) days prior written notice to a Neighborhood Association, the procedures set forth in this Article, in whole or in part.

ARTICLE XI  
INSURANCE

The Community Association shall maintain, unless it is reasonably determined that such insurance is unavailable or cost prohibitive, the following insurance coverages:

Section 1. Flood Insurance. If the Common Area is located within an area which has special flood hazards and for which flood insurance has been made available under the National Flood Insurance Program (NFIP), coverage, in appropriate amounts, available under NFIP for all buildings and other insurable property within any portion of the Common Area located within a designated flood hazard area.

Section 2. Liability Insurance. Commercial general liability insurance coverage, providing coverage and limits deemed appropriate. Such policies must provide that they may not be canceled or substantially modified by any party, without at least thirty (30) days' prior written notice to the Declarant (until the Community Completion Date), Club Owner, Golf Owner and Community Association.

Section 3. Other Insurance. Such other insurance coverages as it deems appropriate from time to time. All coverages obtained by the Community Association shall cover all activities of the Community Association and all Common Area, Community Services, and equipment owned or maintained by the Community Association, whether or not the Community Association owns title thereto.

Section 4. Homes. Each Owner shall maintain adequate insurance to provide sufficient proceeds to rebuild its Home in the event of casualty. Proof of such insurance shall be provided to the Community Association upon request.

Section 5. Fidelity Bonds. If available, a blanket fidelity bond for all officers, directors, trustees and employees of the Community Association, and all other persons handling or responsible for funds of, or administered by, the Community Association. In the event the Community Association delegates some or all of the responsibility for the handling of the funds to a Management Firm or Neighborhood Association, such bonds are required for its officers, employees and agents, handling or responsible for funds of, or administered on behalf of the Community Association. The amount of the fidelity bond shall be based upon reasonable business judgment. The fidelity bonds required herein must meet the following requirements:

(a) The bonds shall name the Community Association as an obligee and if the Community Association is administering funds of

any Neighborhood Association, the bonds shall also name the Neighborhood Association as an obligee.

(b) The bonds shall contain waivers, by the issuers of the bonds, of all defenses based upon the exclusion of persons serving without compensation from the definition of "employee" or similar terms or expressions.

(c) The premiums on the bonds, except for premiums on fidelity bonds maintained by a Management Firm or Neighborhood Association, or its officers, employees and agents, shall be paid by the Community Association.

(d) The bonds shall provide that they may not be canceled or substantially modified (including cancellation for non-payment of premium) without at least thirty (30) days' prior written notice to the Declarant (until the Community Completion Date), Club Owner, Golf Owner and Community Association.

Section 6. Community Association as Agent. The Community Association is irrevocably appointed agent for each Owner of any interest relating to the Common Area and Community Services to adjust all claims arising under insurance policies purchased by the Community Association and to execute and deliver releases upon the payment of claims.

Section 7. Responsibility. In the event of damage to the Common Area and/or Community Services, or any portion thereof, the Community Association shall be responsible for reconstruction or replacement after casualty. In the event of damage to a Home, or any portion thereof, the Owner shall be responsible for prompt reconstruction after casualty. In the event of damage to the Club Facilities, the responsibility for reconstruction shall be as provided in the Club Covenants. In the event of damage to the Golf Facilities, the responsibility, if any, for reconstruction shall be that of the Golf Owner.

Section 8. Nature of Reconstruction. Any reconstruction of improvements hereunder shall be substantially in accordance with the plans and specifications of the original improvement, or as the improvement was last constructed, subject to modification to conform with the then current governmental regulation(s) and, prior to the Community Completion Date, as deemed appropriate by Declarant, in its sole discretion.

Section 9. Additional Insured. The Declarant, Club Owner, Golf Owner and their respective lender(s) shall be named as additional insured on all policies obtained by the Community Association, as their interests may appear.

Section 10. Cost of Payment of Premiums. The costs of all insurance maintained by the Community Association hereunder, and any other fees or expenses incurred which may be necessary or incidental to carry out the provisions hereof are part of the Operating Costs.

ARTICLE XII  
PROPERTY RIGHTS

Section 1. Owners' Easement of Enjoyment. Every Owner, and its immediate family, tenants, guests and invitees, and every owner of an interest in the Properties shall have a non-exclusive right and easement of enjoyment in and to those portions of the Common Areas which it is entitled to use for their intended purpose, subject to the following provisions:

(a) The right of Declarant to restrict the use of certain portions of the Common Area to the Owners of certain Homesites as Exclusive Common Area.

(b) Easements, restrictions, reservations, conditions, limitations and declarations of record, now or hereafter existing, and the provisions of this Community Declaration, as amended.

(c) The right to suspend the voting right and right to use all (except ingress and egress and necessary utilities) or a portion of the Common Area or Community Services by an Owner, its immediate family, etc. for any period during which any Assessment against that Owner remains unpaid and, for a period not to exceed sixty (60) days, for any infraction of Rules and Regulations governing the use of the Common Area or Community Services.

(d) The right of Declarant and/or Community Association to modify the Common Area and/or Community Services as set forth in this Community Declaration. The right of the Club Owner and Golf Owner to modify the Club Facilities and Golf Facilities as set forth in this Community Declaration.

(e) The rights of Declarant and/or Community Association and/or Club Owner and/or Golf Owner regarding the Properties, as reserved in this Community Declaration, including the right to utilize the same and to grant use rights, etc. to others.

(f) Rules and Regulations adopted governing use and enjoyment of the Common Area and/or Community Services.

(h) The rights of the Club Owner to suspend or terminate all rights of the Community Association and/or Club Members rights should the Community Association and/or the Club Members not comply with its/their obligation(s) with respect to The Club.



(i) The rights of the Declarant and/or Community Association to protect all or portions of the Common Area and Community Services against foreclosure or being involuntarily subject to the public domain.

Section 2. Ingress and Egress. An easement for ingress and egress is hereby created for pedestrian traffic over, and through and across sidewalks, paths, walks, driveways, passageways and lanes as the same, from time to time, may exist upon, or be designed as a part of, the Properties, and for vehicular traffic over, through and across such portions of the Properties as, from time to time, may be paved and intended for such purposes. The use of the ingress and egress easements shall be subject to such restrictions as to usage and Rules and Regulations as promulgated, from time to time, by the Declarant and/or Community Association, provided, however, that notwithstanding anything to the contrary, each Owner shall have an easement for ingress and egress from its Homesite, to a public right of way. Declarant shall have the obligation to cause the construction of a paved roadway to provide such access. Specific and/or additional easements may also be created, from time to time, by Declarant and/or Community Association, in accordance with the provisions hereof. The Club Owner and Golf Owner shall also have the right to create easements, etc. over, through and across the Club Facilities and Golf Facilities respectively as it deems appropriate in its sole discretion and each person utilizing the Club Facilities and/or Golf Facilities shall likewise have an easement for ingress and egress as is necessary to utilize the Club Facilities and/or Golf Facilities.

Section 3. Of Record. The Properties are subject to easements, reservations, restrictions, conditions, declarations and limitations of record, now or hereafter created. In the event Declarant or Club Owner or Golf Owner or Community Association, or their nominees, or an entity affiliated with either of them, files, or joins in, additional matters of record, including, but not limited to, platting or replatting, relating to all or a portion of the Community which effect the Properties, then the Properties shall be subject to the terms thereof as if they were recorded prior to the recording of this Community Declaration.

Section 4. Development Easement. In addition to the rights reserved elsewhere herein, Declarant reserves an easement for itself or its nominees and creates an easement in favor of the Club Owner and Golf Owner and such other parties over, upon, across, and under the Properties as may be required in connection with the development of the Community, the Club Facilities, the Golf Facilities and other lands designated by Declarant and to promote or otherwise facilitate the development, construction and sale and/or leasing of Homesites and Homes, the Club Facilities, the

Golf Facilities and other lands designated by Declarant.

Section 5. Delegation of Use. Every Owner shall be deemed to have delegated its right of enjoyment to the Common Area and Community Services to occupants or lessees of that Owner's Home subject to the provisions of this Community Declaration and the Rules and Regulations, as may be promulgated, from time to time. A copy of the lease or occupancy agreement shall be provided to the Community Association. Any such delegation or lease shall not relieve any Owner from its responsibilities and obligations provided herein.

Section 6. Easement for Encroachments. In the event that any improvement upon Common Area or Club Facilities or Golf Facilities or Homesite, as originally constructed, shall encroach upon any other property or improvements thereon, for any reason, then an easement appurtenant to the encroachment shall exist for so long as the encroachment shall naturally exist.

Section 7. Permits, Licenses and Easements. Prior to the Community Completion Date, the Declarant, and thereafter the Community Association, shall, subject to the continued right of ingress and egress, in addition to the specific rights reserved to Declarant herein, have the right to grant, modify, amend and terminate permits, licenses and easements over, upon, across, under and through the Properties (including Homesites and/or Homes) for cable t.v., security systems, utilities, roads, and other purposes reasonably necessary or useful as it determines, in its sole discretion. To the extent legally required, each Owner and the Community Association and each Neighborhood Association shall be deemed to have granted to Declarant and, thereafter, the Community Association an irrevocable power of attorney, coupled with an interest, for the purposes herein expressed. The Club Owner and Golf Owner shall also have the right to create such grants, easements, etc. over, on in connection with, the Club Facilities and Golf Facilities.

Section 8. Support Maintenance and Public Services Easement. An easement is hereby created for the existence, maintenance and replacement of supporting structures in favor of the entity required to maintain the same. An easement is hereby created for maintenance purposes (including access to perform such maintenance) over and across the Properties (including Homesites, Homes and Club Facilities and Golf Facilities) for the reasonable and necessary maintenance of Common Area, Community Services, Club Facilities, Golf Facilities, utilities, cables, wires and other similar facilities. An easement is hereby created for the purpose of providing public services, such as police and fire services.

Section 9. Drainage. A nonexclusive easement shall exist in

favor of Declarant, Club Owner, Golf Owner, the Community Association, Neighborhood Association, and their designees, and the Water Management District or Community Development District having jurisdiction over the Properties over, across and upon the Properties for drainage and water management purposes. An easement for ingress, egress and access shall exist for such parties to enter upon and over any portion of the Properties, including Homesites, in order to construct, maintain or repair, as necessary, any water management areas and facilities thereon and appurtenances thereto. No structure, landscaping, or other material shall be placed or be permitted to remain which may damage or interfere with the drainage of the Properties and/or installation or maintenance of utilities or which may obstruct or retard the flow of water through the Properties and/or water management areas and facilities or otherwise interfere with any drainage and/or easement provided for in this Article or the use rights set forth elsewhere in this Community Declaration.

Section 10. Recreational Facilities. A non-exclusive easement shall exist in favor of the Club Owner and Golf Owner and its respective designees, invitees, etc. over and upon the Properties necessary for ingress, egress, access to, construction, maintenance or repair of the Club Facilities and Golf Facilities.

Section 11. Lake and Canal Maintenance Easement. There is a lake and canal maintenance easement around the lakes and canal(s), as shown on the Plat, which is part of the Common Area. Said easement is contiguous to the rear yard of those Homesites bordering on the lakes and canals. It is the responsibility of each Owner whose Homesite borders on the lakes or canals to maintain that portion of the lake and canal maintenance easement contiguous to the lot lines of said Homesite.

Section 12. Easement for Golf Balls; Limitation of Liability. An easement is hereby created for errant golf balls over and across that part of the Properties adjacent to any golf course for golfers at reasonable times and in a reasonable manner to retrieve errant golf balls; provided, however, no such right shall be exercised on any part of the Properties that is separated from the golf course by landscaping, or a fence or wall, or any other improvement in such a manner as to prevent or impede access from the golf course. The Declarant, Community Association, Neighborhood Association, Club Owner or Golf Owner shall not be responsible or liable in any way for any disputes between an owner and any person using the golf course. All Owners, by acceptance of delivery of a deed to a Homesite assume all risks associated with errant golf balls, and agree and covenant not to make any claim or institute any action whatsoever against Declarant, Community Association, the Club Owner or the irrelative assigns arising or resulting from any errant golf balls or any damages that may be caused thereby.

Section 13. Duration. All easements created herein or pursuant to the provisions hereof shall be perpetual unless stated to the contrary.

ARTICLE XIII  
ASSESSMENTS

Section 1. Types of Assessments. In addition to the obligations of Owners set forth elsewhere in this Community Declaration, there are several types of Assessments for which Owners are liable, as follows:

(a) Assessments for all Operating Costs.

(b) The Community Association may levy additional Assessments for any reasonable purpose, including, without limitation, expenditures for capital improvements for or on Common Area or for reconstructing or replacing such improvements and/or providing or replacing equipment necessary for Community Services. Until the Community Completion Date, Assessments for capital improvements shall require the prior written consent of the Declarant. Assessments pursuant to this paragraph shall be payable in such manner and at such times as determined by the Community Association, and may be payable in installments extending beyond the fiscal year in which the Assessment is approved.

(c) Assessments for which one or more Owners (but less than all Owners) with the Properties are subject, such as, costs of special services provided to a Homesite or Owner or cost relating to enforcement of the provisions of this Community Declaration or the architectural provisions hereof as it relates to a particular Owner or Homesite.

Section 2. Designation. The designation of Assessment type shall be made by the Community Association. Prior to the Community Completion Date, any such designation must be approved by Declarant. Such designation may be made on the budgets prepared by the Community Association. The designation shall be binding upon all Owners.

Section 3. Allocation of Operating Costs.

(a) For the period until the adoption of the first annual budget, the allocation of Operating Costs shall be as set forth in the initial budget.

(b) Commencing on the first day of the period covered by the annual budget, and until the adoption of the next annual budget, the Operating Costs shall be allocated so that each Owner shall pay its pro-rata portion of Operating Costs based upon a fraction, the

numerator of which is one (1) and the denominator is one thousand one hundred (1,100) provided, however that the Declarant reserves the right to have the denominator be the number of Homesites in the Community conveyed to Owners as of the immediately preceding October 31st. If such election is made, the Declarant shall notify the Community Association and the Community Association and Owners shall be bound thereby.

(c) For a period beginning with the recording of this Community Declaration and ending one (1) year from the date thereof, unless extended by Declarant, in its sole discretion, the Declarant shall pay the portion of Operating Costs incurred which exceeds the amounts assessed against Owners.

(d) In the event the Operating Costs estimate for the year is, after the actual Operating Costs for that period is known, more or less than the actual costs, then the difference shall, at the election of the Community Association: (i) be added or subtracted, as the case may be, to the calculation for the next ensuing year; or (ii) be immediately collected from the Owners.

The Community Association shall have the unequivocal right to assess retroactively on January 1st of any year. Such Assessment shall relate back to the date that the Assessment could have been made.

(e) Each Owner agrees that so long as it does not pay more than the required amount it shall have no grounds upon which to object to either the method of payment or non-payment by other Owners of any sums due.

Section 4. General Assessments Allocation. Except as hereinafter specified to the contrary, Assessments shall be allocated equally to each Owner.

Section 5. Special Assessment Allocation. Except as hereinafter specified to the contrary, Special Assessments shall be made against the Owners benefiting from, or subject to, the special service or cost as specified by the Community Association.

Section 6. Commencement of First Assessment. Assessments shall commence, as to each Owner, on the day of the conveyance of title of a Homesite to an Owner. The Assessments in effect at that time shall be adjusted according to the number of months remaining in the Assessment period after such date.

Section 7. Initial Budgets. The initial budget prepared by Declarant is adopted as the Community Association budget for the period of operation until adoption of the first annual Community Association Budget. Thereafter, annual budgets shall be prepared

and adopted by the Community Association. The Community Association shall prepare an annual budget and provide it to its Members pursuant to the provisions of F.S. 617.303(6).

Section 8. Establishment of Assessments. Assessments shall be established in accordance with the following procedures:

(a) Assessments shall be established by the adoption of a projected annual operating budget. Written notice of the amount and date of commencement thereof shall be given to each Owner not less than ten (10) days in advance of the due date of the first installment thereof. Assessments shall be payable monthly or at such other less frequent times as determined by the Community Association, not to exceed quarterly.

(b) Special Assessments against the Owners and all other fees, dues and charges, may be established by the Community Association, from time to time, as shall be payable at such time or time(s) as determined.

(c) The Community Association may establish, from time to time, by resolution, rule or regulation, or by delegation to an officer or agent, including Management Firm, the power and authority to establish specific fees, dues or charges to be paid by Owners for any special services provided to, or for the benefit of an Owner or Homesite, for any special or personal use of the Common Area and/or Community Services, or to reimburse the Community Association for the expenses incurred in connection with that service or use. The sums established shall be payable by the Owner utilizing the service or facility as determined by the Community Association.

(d) The budget may, at the election of the Declarant, or Community Association, establish and maintain a reserve fund for the periodic maintenance, repair and replacement of improvements to the Common Area and/or Community Services.

(e) The Community Association may, but is not obligated to, establish a working capital fund for the operation of the Community Association. If so, there shall be collected from each Owner at the time of conveyance of each Homesite, an amount equal to the sums determined to be due from that Owner. Each Owner's share of the working capital fund shall be transferred to the Community Association, at that time. The purpose of this fund is to assure that the Community Association will have cash available to meet its obligations, unforeseen expenditures, or to acquire additional property, equipment or services deemed necessary or desirable. Amounts paid into the fund are not to be considered as advance payment of Assessments.

(f) The Community Association shall prepare and maintain a ledger noting Assessments due from each Owner. The ledger shall be kept in the office of the Community Association, or its designees, and shall be open to inspection by any Owner. Upon demand, there shall be furnished to an Owner a certificate in writing setting forth whether the Assessments have been paid and/or the amount which is due as of any date. As to parties other than Owners who, without knowledge of error, rely on the certificate, the certificate shall be conclusive evidence of the amount of any Assessment therein stated.

(g) Each Owner waives its rights, if any, to an accounting related to Operating Costs or Assessments.

(h) The Community Association shall prepare such financial reports as required by F.S. 617.302(7).

Section 9. Payment of Assessments. Each Owner, by acceptance of title to a Homesite, shall be deemed to have covenanted and agreed to pay the following dues, fees, charges and Assessments:

- (a) Assessments for Operating Costs;
- (b) Assessments for capital improvements, emergencies, and/or non-recurring expenses;
- (c) Assessments of any kind for the creation of reasonable reserves;
- (d) Special Assessments and charges for special services;
- (e) Assessments and charges incurred in connection with the provisions of this Community Declaration and the enforcement of any of the terms and conditions hereof, including reasonable attorney fees and costs;

Each Owner shall pay all taxes and obligations relating to its Homesite which, if not paid, could become a lien against the Homesite which is superior to the lien for Assessments created by this Community Declaration.

Section 10. Creation of the Lien and Personal Obligation. Each Owner, by acceptance of a deed or instrument of conveyance for the acquisition of title to a Homesite, shall be deemed to have covenanted and agreed that the Assessments, and/or other charges and fees set forth herein, together with interest, late fees, costs and reasonable attorneys' (and paralegals') fees (at all levels of proceedings, collection and bankruptcy), shall be a charge and continuing lien in favor of the Community Association encumbering the Homesite and all personal property located thereon owned by the

Owner against whom each such Assessment is made. The lien is effective from and after recording a Claim of Lien in the Public Records, stating the description of the Homesite, name of the Owner, and the amounts due as of that date. The Claim of Lien shall also cover any additional amounts which accrue thereafter until satisfied. Each Assessment, charge, fee, together with interest, late fees, costs and reasonable attorneys' fees, etc. shall be the personal obligation of the person who was the Owner of the Homesite at the time when the Assessment became due, as well as the Owner's heirs, devisees, personal representatives, successors or assigns.

Section 11. Subordination of the Lien to Mortgages. The lien for Assessments shall be subordinate to bona fide first mortgages on any Homesite, if the mortgage is recorded in the Public Records prior to the Claim of Lien and to the lien of the Club Owner and Golf Owner set forth in this Community Declaration. The lien shall not be affected by any sale or transfer of a Homesite, except in the event of a sale or transfer of a Homesite pursuant to a foreclosure of a bona fide first mortgage, or the lien of the Club Owner and Golf Owner, in which event, the acquirer of title, its successors and assigns, shall not be liable for Assessments encumbering the Homesite or chargeable to the former owner of the Homesite which became due prior to such sale or transfer. However, any such unpaid Assessments for which such acquirer of title is not liable may be reallocated and assessed to all Owners (including such acquirer of title) as a part of the Operating Costs. Any sale or transfer pursuant to a foreclosure shall not relieve the Owner from liability for, nor the Homesite from the lien of, any Assessments made thereafter. Nothing herein contained shall be construed as releasing the party liable for any delinquent Assessments from the payment thereof, or the enforcement of collection by means other than foreclosure.

Section 12. Acceleration. In the event of a default in the payment of any Assessment, the Community Association may accelerate the Assessments then due for up to the next ensuing twelve (12) month period.

Section 13. Non-payment of Assessments. If any Assessment is not paid within fifteen (15) days after the due date, a late fee of \$25.00, per month, together with interest in an amount equal to 18% percent (not to exceed the maximum rate allowable by law), per annum, beginning from the due date until paid in full, may be levied. The Community Association may, at any time thereafter, bring an action at law against the Owner personally obligated to pay the same, and/or foreclose the lien against the Homesite, or both. The Community Association shall not be required to bring such an action if it believes that the best interests of the Community Association would not be served by doing so. There shall



be added to the Assessment all costs expended in preserving the priority of the lien and all costs and expenses of collection, including attorneys' (and paralegals) fees, at all levels of proceedings, including collection and bankruptcy. No Owner may waive or otherwise escape liability for Assessments provided for herein by non-use of, or the waiver of the right to use, the Common Area, Community Services, Club Facilities, Golf Facilities or abandonment of a Homesite.

Section 14. Exemption. Notwithstanding anything to the contrary herein, neither Declarant or Club Owner or Golf Owner or any Homesite or property owned by Declarant or Club Owner or Golf Owner or Neighborhood Association shall, unless specified to the contrary by Declarant in a separate written instrument, be responsible for any Assessments of any nature or any portion of the Operating Costs. Notwithstanding the foregoing, while Declarant is in control of the Community Association, it shall have the right, in its sole discretion, to elect whether or not to: (a) pay Assessments on Homesites it owns; or (b) pay any operating expenses incurred that exceed the Assessments received from other Owners and other income of the Community Association.

Section 15. Collection by Declarant. If for any reason the Community Association shall fail or be unable to levy or collect Assessments, then in that event, Declarant or Club Owner or Neighborhood Association, as the case may be, shall at all times have the right, but not the obligation: (i) to advance such sums as a loan to the Community Association to bear interest and to be repaid as hereinafter set forth; and/or (ii) to levy and collect such Assessments by using the remedies available as set forth above, which remedies, including, but not limited to, recovery of attorneys', and paralegals', fees at all levels including appeals, collections and bankruptcy, shall be deemed assigned to Declarant and/or Club Owner and/or Neighborhood Association, for such purposes. The entity advancing such sums shall be entitled to immediate reimbursement, on demand, from the Community Association for such amounts so paid, plus interest thereon at the W.S.J. Prime Rate plus 4%, plus any costs of collection including, but not limited to, reasonable attorneys' (and paralegals') fees at all levels including appeals, collections and bankruptcy.

Section 16. Rights to Pay Assessments. Community Association, Declarant, Club Owner and Neighborhood Association and any mortgagee of a Homesite shall have the right, but not the obligation, jointly and severally, and at their sole option, to pay any Assessments or other charges which are in default and which may or have become a lien or charge against any Homesite. If so paid, the party paying the same shall be subrogated to the enforcement rights of the Community Association with regard to the amounts due.

Section 17. Priority. Notwithstanding anything to the contrary herein or in any Neighborhood Declaration, the lien of the Club Owner shall have priority over the liens of the Community Association and Neighborhood Association. The lien of the Community Association shall have priority over the lien of any Neighborhood Association.

ARTICLE XIV  
INFORMATION TO LENDERS AND OWNERS

Section 1. Availability. There shall be available for inspection, upon request, during normal business hours or under other reasonable circumstances to Owners and Lender current copies of this Community Declaration, the Articles and By-Laws, Community Standards and Rules and Regulations.

Section 2. Copying. Any Owner and/or Lender shall be entitled, upon written request and at its cost, to a copy of the documents referred to above.

Section 3. Notice. Upon written request by a Lender (identifying the name and address of the Lender and the Owner and address), the Lender will be entitled to timely written notice of:

(a) Any condemnation loss or casualty loss which affects a material portion of a Homesite;

(b) Any delinquency in the payment of Assessments or charges hereunder owed by an Owner of a Homesite subject to a mortgage held by the Lender, which remains uncured for a period of sixty (60) days;

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

(d) Any proposed action (if any) which would require the consent of a specific Lender.

ARTICLE XV  
ARCHITECTURAL CONTROL

Section 1. Architectural Review and Approval. It is the intent of this Community Declaration to create a general plan and scheme of development of the Properties of high quality. Accordingly, the A.C.C. shall have the right to approve or disapprove all architectural, landscaping and location of any proposed improvements within the Properties by Owners other than Declarant or Club Owner or Golf Owner or their respective nominees. The A.C.C. shall have the right to evaluate all plans and specifications as to harmony of exterior design, landscaping, and

location of any proposed improvements, relationship to surrounding structures and topography and as to conformity with such other reasonable requirements as shall be adopted by A.C.C. The A.C.C. may, in the sole discretion of each, impose standards for construction and development which may be greater or more stringent than standards prescribed in applicable building, zoning, or other local governmental codes. Prior to the Community Completion Date, any additional standards or modification of existing standards shall require the consent of Declarant, which may be granted or denied in its sole discretion.

Section 2. Master Plan. The Declarant has established an overall Master Plan. However, notwithstanding the above, or any other document, brochures or plans, the Declarant reserves the right to modify the Plat, Master Plan or any site plan, at any time, as it deems desirable, in its sole discretion and in accordance with applicable laws and ordinances.

Section 3. Community Standards. Each Neighborhood Association, Owner and its contractors and employees shall observe, and comply with, the Community Standards which now or may hereafter be promulgated, from time to time. The Community Standards as promulgated, from time to time, shall be effective from the date of adoption. The Community Standards as promulgated from time to time shall be specifically enforceable by injunction or otherwise, and shall have the effect of covenants as if set forth herein verbatim.

Section 4. Architectural Control Committee. The A.C.C. shall be a permanent committee of the Community Association and shall administer and perform the architectural and landscape review and control functions relating to the Community. The A.C.C. shall consist of a minimum of three (3) members who shall initially be named by the Declarant and who shall hold office at the pleasure of the Declarant. Until the Community Completion Date, the Declarant shall have the right to change the number of members on the A.C.C., and to appoint, remove and replace all members of the A.C.C.. The Declarant shall determine which members of the A.C.C. shall serve as its chairman and co-chairman. In the event of the failure, refusal or inability to act of any of the members appointed by the Declarant, the Declarant shall have the right to replace any member within thirty (30) days of such occurrence. If the Declarant fails to replace that member, the remaining members of the A.C.C. shall fill the vacancy by appointment. At the Community Completion Date, or at such earlier date as Declarant, in its sole discretion may elect, the Declarant shall assign such rights to the Community Association.

Section 5. Membership. There is no requirement that any member of the A.C.C. be a member of either the Community Association or an Owner.

Section 6. Quorum. A majority of the A.C.C. shall constitute a quorum to transact business at any meeting. The action of a majority present at a meeting at which a quorum is present shall constitute the action of the A.C.C.. In lieu of a meeting, the A.C.C. may act in writing.

Section 7. Power and Duties of the A.C.C. No material improvements or change in color (which term shall include landscaping) which is visible from the exterior of a Home shall be constructed, erected, removed, planted or maintained, nor shall any material addition to or any change, replacement or alteration of the improvements constructed by Declarant or its designees which is visible from the exterior of a Home be made until the plans and specifications showing the nature, kind, shape, height, materials, floor plans, color scheme and the location of same shall have been submitted to and approved in writing by the A.C.C.

Section 8. Procedure. Each Owner or Neighborhood Association, as the case may be, shall, in attempting to receive the approval of the A.C.C. follow the following procedures:

(a) Each applicant shall first obtain the approval of the Neighborhood Association according to the provisions of the applicable Neighborhood Declaration.

(b) Thereafter, each applicant shall submit an application to the A.C.C. with respect to any proposed improvement or material change in an improvement, together with the required application(s) and other fee(s) as established by the A.C.C. The applications shall include such information as may be required by the application form adopted by the A.C.C. The A.C.C. may also require submission of samples of building materials and colors proposed to be used. At the time of such submissions, the applicant shall, if requested, submit to the A.C.C., such site plans, plans and specifications for the proposed improvement, prepared and stamped by a registered Florida architect or residential designer, and landscaping and irrigation plans, prepared by a registered landscape architect or designer showing all existing trees and major vegetation stands and a surface water drainage plan showing existing and proposed design grades, contours relating to the pre-determined ground floor finish elevation, pool plans and specifications, and a time schedule for completion, all as reasonably specified by the A.C.C.

(c) In the event the information submitted to the A.C.C. is, in the A.C.C.'s opinion, incomplete or insufficient in any manner, the A.C.C. may request and require the submission of additional or supplemental information. The Owner shall, within fifteen (15) days thereafter, comply with the request.

(d) No later than sixty (60) business days after receipt of all information required by the A.C.C. for final review, the A.C.C. shall approve or deny the application in writing. The A.C.C. shall have the right to refuse to approve any plans and specifications which are not suitable or desirable, in the A.C.C.'s sole discretion, for aesthetic or any other reasons or to impose qualifications and conditions thereon. In approving or disapproving such plans and specifications, the A.C.C. shall consider the suitability of the proposed improvements, the materials of which the improvements are to be built, the site upon which the improvements are proposed to be erected, the harmony thereof with the surrounding area and the effect thereof on adjacent or neighboring property. In the event the A.C.C. fails to respond within said sixty (60) day period, the plans and specifications shall be deemed approved by the A.C.C.

(e) Construction of all improvements shall be completed within the time period set forth in the application and approved by the A.C.C.

(f) In the event that the A.C.C. disapproves any plans and specifications, the applicant may request a rehearing by the A.C.C. to re-review the disapproved plans and specifications. The meeting shall take place no later than thirty (30) days after written request for such meeting is received by the A.C.C., unless applicant waives this time requirement in writing. The A.C.C. shall make a final written decision no later than thirty (30) days after such meeting. In the event the A.C.C. fails to provide such written decision within said thirty (30) days, the plans and specifications shall be deemed approved.

(g) Upon continued disapproval, and unless the members of the Board and A.C.C. are the same, the applicant may appeal the decision of the A.C.C. to the Board within thirty (30) days of the A.C.C.'s written review and disapproval. Review by the Board shall take place no later than thirty (30) days subsequent to the receipt by the Board of the Owner's request therefor. If the Board fails to hold such a meeting within thirty (30) days after receipt of request for such meeting, then the plans and specifications shall be deemed approved. The Board shall make a final decision no later than thirty (30) days after such meeting. In the event the Board fails to provide such written decision within said thirty (30) days after such meeting, such plans and specifications shall be deemed approved. The decision of the A.C.C., or if appealed, the Board, shall be final and binding upon the applicant, its heirs, legal representatives, successors and assigns.

Section 9. Alterations. Any and all alterations, deletions, additions and changes of any type or nature whatsoever to then existing improvements or the plans or specifications previously

approved by the A.C.C. shall be subject to the approval of the A.C.C. in the same manner as required for approval of original plans and specifications.

Section 10. Variances. The Community Association or A.C.C. shall have the power to grant variances from any requirements set forth in this Community Declaration or from the Community Standards, on a case by case basis, provided that the variance sought is reasonable and results from a hardship upon the applicant. The granting of a variance shall not nullify or otherwise affect the right to require strict compliance with the requirements set forth herein or in the Community Standards on any other occasion.

Section 11. Permits. The Owner is solely responsible to obtain all required building and other permits from all governmental authorities having jurisdiction. An approval by the A.C.C. does not constitute a representation by the A.C.C. that such permits can be obtained or that such improvements comply with applicable codes.

Section 12. Construction by Owners. The following provisions govern construction activities by Owners after consent of the A.C.C. has been obtained:

(a) Each Owner shall deliver to the A.C.C. copies of all construction and building permits as and when received by the Owner. Each construction site in the Community shall be maintained in a neat and orderly condition throughout construction. Construction activities shall be performed on a diligent, workmanlike and continuous basis. Roadways, easements, swales, common areas and other such areas in the Community shall be kept clear of construction vehicles, construction materials and debris at all times. No construction office or trailer shall be kept in the Community and no construction materials shall be stored in the Community, subject, however, to such conditions and requirements as may be promulgated by the A.C.C. All refuse and debris shall be removed or deposited in a dumpster on a daily basis. No materials shall be deposited or permitted to be deposited in any canal or waterway or Common Area or other Homesites in the Community or be placed anywhere outside of the Homesite upon which the construction is taking place. No hazardous waste or toxic materials shall be stored, handled and used, including, without limitation, gasoline and petroleum products, except in compliance with all applicable federal, state and local statutes, regulations and ordinances, and shall not be deposited in any manner on, in or within the Properties or adjacent property or waterways. All construction activities shall comply with such additional rules and regulations relating to the construction as promulgated by the A.C.C. from time to time.

(b) A list, (name, address, telephone number and identity of contact person), of all contractors, subcontractors, materialmen and suppliers (collectively, "contractors") and changes to the list as they occur relating to construction shall be provided to the A.C.C. Each builder and all of its employees and contractors and their employees shall utilize those roadways and entrances into the Community as are designated by the ACC for construction activities. The A.C.C. shall have the right to require that each builder's and contractor's employees check in at the designated construction entrances and to refuse entrance to persons and parties whose names are not registered with the A.C.C.

(c) Each Neighborhood Association and Owner is responsible for insuring compliance with all terms and conditions of these provisions and of the Community Standards by all of its employees and contractors. In the event of any violation of any such terms or conditions by any employee or contractor, or, in the opinion of the A.C.C., the continued refusal of any employee or contractor to comply with such terms and conditions, after five days notice and right to cure, the A.C.C. shall have, in addition to the other rights hereunder, the right to prohibit the violating employee or contractor from performing any further services in the Community.

(d) The A.C.C. may, from time to time, adopt standards governing the performance or conduct of owners, contractors and their respective employees within the Community. Each Neighborhood Association, Owner and contractor shall comply with such standards and cause its respective employees to also comply with same. The A.C.C. may also promulgate requirements to be inserted in all contracts relating to construction within the Community and each Owner shall include the same therein.

Section 13. Inspection. There is specifically reserved to the Community Association and A.C.C. and to any agent or member of either of them, the right of entry and inspection upon any portion of the Properties for the purpose of determination whether there exists any violation of the terms of any approval or the terms of this Community Declaration or the Community Standards.

Section 14. Violation. If any improvement shall be constructed or altered without prior written approval, or in a manner which fails to conform with the approval granted, the Owner shall, upon demand of the Community Association or A.C.C., cause such improvement to be removed, or restored until approval is obtained or in order to comply with the plans and specifications originally approved. The Owner shall be liable for the payment of all costs of removal or restoration, including all costs and attorneys' fees incurred by the Community Association or A.C.C. The costs shall be deemed a Special Assessment and enforceable pursuant to the provisions of this Community Declaration. The A.C.C. and/or

Community Association is specifically empowered to enforce the Architectural Control provisions of this Community Declaration and the Community Standards, by any legal or equitable remedy.

Section 15. Court Costs. In the event that it becomes necessary to resort to litigation to determine the propriety of any constructed improvement or to cause the removal of any unapproved improvement, the Community Association and/or A.C.C. shall be entitled to recover court costs, expenses and attorneys' (and paralegals') fees in connection therewith.

Section 16. Certificate. In the event that any Owner fails to comply with the provisions contained herein, the Community Standards, or other rules and regulations promulgated by the A.C.C., the Community Association and/or A.C.C. may, in addition to all other remedies contained herein, record a Certificate of Non-Compliance against the Homesite stating that the improvements on the Homesite fail to meet the requirements of this Community Declaration and that the Homesite is subject to further enforcement remedies.

Section 17. Fines. In the event of a violation of the provisions contained herein, the Community Standards, or other rules and regulations promulgated by the A.C.C., the Community Association shall also have the right to levy a fine of up to \$25.00 per day until the violation is cured. The fine shall be a Special Assessment and enforceable pursuant to the provisions of this Community Declaration.

Section 18. Certificate of Approval. Prior to the occupancy of any improvement constructed or erected on any Homesite by other than Declarant, or its designees, the Owner thereof shall obtain a certificate of approval from the A.C.C., certifying that the construction of the improvement has been completed substantially in accordance with the approved plans and specifications. The A.C.C. may, from time to time, delegate to a member or members of the A.C.C., the responsibility for issuing the certificate of approval.

Section 19. Community Standards. The Community Association may, from time to time, adopt, publish or modify the Community Standards. The Community Standards shall not require any Owner to alter the improvements previously constructed.

Until the Community Completion Date, the prior consent of Declarant concerning the adoption of, and any changes to, the Community Standards must first be had and obtained, which may be granted in its sole discretion.

Section 20. Exemption. Notwithstanding anything to the contrary contained herein, or in the Community Standards, any improvements



of any nature made or to be made by the Declarant or Club Owner, Golf Owner, or their nominees, including, without limitation, improvements made or to be made to the Common Area, Club Facilities or any Homesite, shall not be subject to the review of the A.C.C., Community Association, or the provisions of the Community Standards.

Section 21. Exculpation. Neither the Declarant, the Community Association, the directors or officers of the Community Association, the A.C.C., the members of the A.C.C., nor any person acting on behalf of any of them, shall be liable for any cost or damages incurred by any Owner or any other party whatsoever, due to any mistakes in judgment, negligence or any action of the Declarant, the Community Association, A.C.C. or their members, officers, or directors, in connection with the provision of this Article. Each Owner agrees, individually and on behalf of its heirs, successors and assigns by acquiring title to a Homesite, and each Neighborhood Association agrees that it shall not bring any action or suit against the Declarant, the Community Association or their respective directors or officers, the A.C.C. or the members of the A.C.C., or their respective agents, in order to recover any damages caused by the actions of the Declarant, Community Association, or A.C.C. or their respective members, officers, or directors in connection with the provisions of this Article. The Community Association does hereby indemnify, defend and hold the Declarant, and the A.C.C. and each of their members, officers, or directors harmless from all costs, expenses, and liabilities, including attorneys' fees, of all nature resulting by virtue of the acts of the Owners, Community Association, Neighborhood Association or their members, officers and directors. Neither the Declarant, the Community Association or its directors or officers, the A.C.C. or its members, nor any person acting on behalf of any of them, shall be responsible for any defects in any plans or specifications or the failure of same to comply with applicable laws or code nor for any defects in any improvements constructed pursuant thereto. Each party submitting plans and specifications for approval shall be solely responsible for the sufficiency thereof and for the quality of construction performed pursuant thereto.

#### ARTICLE XVI DEFAULT

Section 1. Right to Cure. Should any Owner do any of the following:

(a) Fail to perform its responsibilities as set forth herein or otherwise breach the provisions of the Community Declaration; or

(b) Cause any damage to any improvement or Common Area or Community Services or Club Facilities or Golf Facilities; or

(c) Impede the Declarant, Club Owner, Golf Owner or Community Association from exercising its rights or performing its responsibilities hereunder; or

(d) Undertake unauthorized improvements or modifications to a Homesite or to the Common Area, Community Service or Club Facilities or Golf Facilities; or

(e) Impede the Declarant or Club Owner, Golf Owner from proceeding with or completing the development of the Community or Club Facilities or Golf Facilities, as the case may be.

Then, the Declarant and/or the Community Association and or Club Owner and/or Golf Owner, where applicable, after reasonable prior written notice, shall have the right, through its agents and employees, to cure the breach, including, where applicable, but not limited to, the entering upon the Homesite and/or Home and causing the default to be remedied and/or the required repairs or maintenance to be performed, or as the case may be, remove unauthorized improvements or modifications. The cost thereof, plus reasonable overhead costs and attorneys' fees incurred shall be assessed against the Owner as a Special Assessment or Special Charge, as the case may be.

Section 2. Non-Monetary Defaults. In the event of a violation by any Owner, other than the nonpayment of any Assessment or other monies, of any of the provisions of this Community Declaration, the Declarant or Community Association (or if applicable to The Club, the Club Operating Entity) shall notify the Owner of the violation, by written notice. If such violation is not cured as soon as practicable and in any event within seven (7) days after such written notice, the party entitled to enforce same may, at its option:

(a) Commence an action to enforce the performance on the part of the Owner or to enjoin the violation or breach or for equitable relief as may be necessary under the circumstances, including injunctive relief; and/or

(b) Commence an action to recover damages; and/or

(c) Take any and all action reasonably necessary to correct the violation or breach.

(d) Take such other actions pursuant to, and as authorized by, F.S. 617.305 including, but not limited to, suspending the rights of an Owner and/or its tenants, guests or invitees or both to use Common Areas and levy reasonable fines, not to exceed \$50.00 per violation, against any Owner, tenant, guest or invitee.

All expenses incurred in connection with the violation or breach, or the commencement of any action against any Owner, including reasonable attorneys' and paralegals' fees at all levels including appeals, bankruptcy and collections, shall be assessed against the Owner, as a Special Assessment and/or Special Charge, or otherwise, and shall be immediately due and payable without further notice.

Section 3. No Waiver. The failure to enforce any right, provision, covenant or condition in this Community Declaration, shall not constitute a waiver of the right to enforce such right, provision, covenant or condition in the future.

Section 4. Rights Cumulative. All rights, remedies, and privileges granted to the Declarant and/or Club Owner and/or Golf Owner and/or Community Association and/or A.C.C. and/or Owner pursuant to any terms, provisions, covenants or conditions of this Community Declaration, or Community Standards, shall be deemed to be cumulative, and the exercise of any one or more shall neither be deemed to constitute an election of remedies, nor shall it preclude any of them from pursuing such additional remedies, rights or privileges as may be granted or as it might have by law.

Section 5. Enforcement By or Against Other Persons. In addition to the foregoing, this Community Declaration or Community Standards may be enforced by Declarant and/or, where applicable, Club Owner and/or Golf Owner and/or Community Association by any procedure at law or in equity against any person violating or attempting to violate any provision herein, to restrain such violation, to require compliance with the provisions contained herein, to recover damages, or to enforce any lien created herein. The expense of any litigation to enforce this Community Declaration or Community Standards shall be borne by the person against whom enforcement is sought, provided such proceeding results in a finding that such person was in violation of this Community Declaration or the Community Standards.

Section 6. Fines. In addition to the fines established herein, and all other remedies provided for in this Community Declaration, if and to the extent permitted by law, the Community Association shall have the right to impose additional fines on an Owner for failure of an Owner, or persons claiming by, through or under the Owner, to comply with any provisions of this Community Declaration or Community Standards, provided, however, that the Community Association grant reasonable notice and opportunity to be heard. The decisions of the Community Association shall be final. Fines shall be in such reasonable and uniform amounts as the Community Association shall determine and shall be considered a Special Assessment against that Owner and Homesite.

Section 7. Enforcement - Water Management. The St. Johns River Water Management District shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in this Community Declaration which relate to the maintenance, operation and repair of the Surface Water or Stormwater Management System.

ARTICLE XVII  
RIGHTS OF DECLARANT AND OTHERS

Section 1. Sales And Administrative Office. For so long as the Declarant, or its nominee(s), owns any property in the Properties or affected by this Community Declaration or maintains a sales and administrative office, the Declarant, or its nominee(s), shall have the right to take such action reasonably necessary to transact any business necessary to administer its interests, consummate the development of the Community and sales of Homesites and/or Homes and/or other properties owned by Declarant. This right shall include, but not be limited to, the right to maintain models, sales and administrative offices and parking associated therewith, have signs on any portion of the Properties, including Common Area and Club Facilities and Golf Facilities, employees in the models and offices, use of the Common Area and Club Facilities and Golf Facilities and to show Homesites. The sales and administrative office and signs and all items pertaining to development, sales and administration remain the property of the Declarant, or its nominees.

Section 2. Recreation and Golf Office. For so long as the Club Owner or Golf Owner, or their respective nominees, owns any property in the Properties or affected by this Community Declaration each of them shall have the right to take such action reasonably necessary to transact any business necessary to administer its/their interests, including the marketing and administration of the Club Facilities and/or the Golf Facilities. This right shall include, but not be limited to, the right to maintain administrative offices and parking associated therewith, have signs on any portion of the Properties, including Common Area and Club Facilities and Golf Facilities. The administrative office and signs and all items pertaining thereto shall remain the property of the Club Owner or Golf Owner, as the case may be.

Section 3. Specific Rights. In addition to the rights provided in Sections 1 and 2 above, the Declarant, Club Owner and Golf Owner shall, as the case may be, without limitation, have the right to: (i) develop the Properties, improve Homesites, and construct Homes and the Club Facilities and Golf Facilities and other improvements within the Properties, and make any additions, alterations, improvements, or changes thereto; (ii) maintain customary and usual sales, general office and construction operations on the

Properties; (iii) place, erect or construct portable, temporary or accessory buildings or structures upon the Properties for sales, construction, storage or other purposes; (iv) temporarily deposit, dump or accumulate materials, trash, refuse and rubbish in connection with the development or construction on any of the Properties, Homesites or Homes, Club Facilities or Golf Facilities; (v) post, display, inscribe or affix to the exterior of a Homesite, Home, Club Facilities or Golf Facilities or upon the Properties, signs and other materials used in developing, constructing, selling or promoting the sale of the Properties, Homesite and Homes or the use of the Club Facilities and/or Golf Facilities; (vi) excavate fill from any lakes or waterways within and/or contiguous to the Properties by dredge or dragline, store fill on the Properties and remove and/or sell excess fill; and (vii) grow or store plants and trees within, or contiguous to, the Properties and use and/or sell excess plants and trees; and (viii) undertake all activities which, in the sole opinion of Declarant, Club Owner and Golf Owner, as the case may be, are necessary for the development and sale of the Properties or any lands therein or improvements thereon.

Section 4. Modification. The development and marketing of the Community will continue as deemed appropriate in Declarant's sole discretion, and nothing in this Community Declaration or Community Standards, or otherwise, shall be construed to limit, restrict, or impose conditions upon such development and marketing. It may be necessary or convenient for the development of the Community to, as an example and not a limitation, amend this Community Declaration to comply with all laws or governmental quasi-governmental regulations, amend the Plat and/or Master Plan, replat, modify the boundary lines of the Common Area, grant easements, dedications, agreements, licenses, restrictions, reservations, covenants, rights-of-way, and to take such other actions which Declarant, its nominees, or its agents, affiliates, or assignees may deem necessary or appropriate. The Community Association, Owners and each Neighborhood Association shall, at the request of the Declarant, execute and deliver any and all documents and instruments which Declarant deems necessary or convenient, in its sole and absolute discretion, to accomplish the same. In the event that the Community Association, or Owners, or Neighborhood Association fails to execute such documents the Declarant is appointed as attorney-in-fact for each of them, coupled with an interest to execute the same in their place and stead.

Section 5. Promotional Events. Prior to the Community Completion Date, Declarant and its nominees shall have the right, without charge, at any time, to hold marketing and promotional events within the Properties and/or on the Common Area or Club Facilities and Golf Facilities, without any charge for use. Declarant or its nominees, agents, affiliates, or assignees shall have the right, without charge, to market the Community and

Homesites and Homes in advertisements and other media by making reference to the Community, including, but not limited to, pictures of drawings of the Community, Club Facilities, Golf Facilities, Common Area, Community Services, Homesites and Homes constructed in the Community.

Section 6. Use by Prospective Purchasers. Prior to the Community Completion Date, the Declarant and its nominees shall have the right, without charge, to use the Properties and Common Area, Community Services and Club Facilities and Golf Facilities for the purpose of entertaining prospective purchasers of Homesites, portions of the Properties or other properties.

Section 7. Franchise. The Declarant may grant franchises or concessions to commercial concerns on all or part of the Common Area and Community Services and shall be entitled to all income derived therefrom. The Club Owner and Golf Owner may grant franchises or concessions to commercial concerns on all or part of the Club Facilities and Golf Facilities and shall be entitled to all income derived therefrom.

Section 8. Easements. Until the Community Completion Date, Declarant reserves the exclusive right to grant, in its sole discretion, easements, permits and/or licenses for ingress and egress, drainage, utilities service, maintenance, security systems, cable t.v., and other purposes over, upon and across the Properties so long as any said easements do not materially and adversely interfere with the intended use of Homesites previously conveyed to Owners. Declarant shall have the sole right to any fees of any nature associated therewith, including, but not limited to, license or similar fees on account thereof. The Community Association, Neighborhood Association and Owners will, without charge, if requested by Declarant: (a) join in the creation of such easements, etc. and cooperate in the operation thereof; and (b) collect and remit fees associated therewith, if any, to the appropriate party. The Community Association and Neighborhood Association will not grant any easements, permits or licenses to any other entity providing the same services as those granted by Declarant, nor will it grant any such easement, permit or license prior to the Community Completion Date without the prior written consent of Declarant which may be granted or denied in its sole discretion.

Section 9. Right to Enforce. The Declarant has the right, but not the obligation, to enforce the provisions of this Community Declaration and the Community Standards and to recover all costs relating thereto, including attorneys' fees at all levels of proceeding. Such right shall include the right to perform the obligations of the Community Association or any Neighborhood Association and to recover all costs incurred in doing so. The Club Owner and Golf Owner shall also have such rights relating to

the Club Facilities and/or Golf Facilities and/or Club Charges and/or Golf Charges.

Section 10. Additional Development. In the event the Declarant does not subject all proposed real property in the Community to this Community Declaration, or after submission withdraws portions of the Properties from the operation of this Community Declaration, the Declarant or its nominees may, but is not delegated to, subject to governmental approvals, create other forms of residential property ownership or other improvements of any nature on the property not subjected to or withdrawn from the operation of this Community Declaration. The Declarant or Club Owner shall not be liable or responsible to any person or entity on account of its decision to do so or to provide, or fail to provide, the amenities and/or facilities which were originally planned to be included in such areas. If so designated by Declarant, owners or tenants of such other forms of housing or improvements upon their creation, may share in the use of all or some of the Common Area, Community Services and/or Club Facilities and other facilities and/or roadways, which remain subject to this Community Declaration. The expense of the operation of such facilities shall be allocated to the various users thereof, if at all, as determined by Declarant.

Section 11. Representations. The Declarant makes no representations concerning development both within the boundaries of the Properties, including, but not limited to, the number, design, boundaries, configuration and arrangements, prices of all Homesites or Homes or Club Facilities or Golf Facilities and buildings in all other proposed forms of ownership and/or other improvements on the Properties or in the Community or adjacent or near the Community, including, but not limited to, the size, location, configuration, elevations, design, building materials, height, view, airspace, number of dwellings, number of buildings, location of easements, parking and landscaped areas, services and amenities offered.

Section 12. CATV. Declarant reserves unto itself and its nominees, successors, assigns and licensees the right, but not the obligation, to enter into one or more contracts for the exclusive provision of one or more master cable and telecommunications receiving and distribution systems and electronic surveillance systems for all or any part of the Community. Declarant reserves unto itself and its nominees, successors, assigns and licensees a perpetual and exclusive right, privilege, easement and right-of-way across, over and upon the Properties for the installation, construction and maintenance of such systems together with a perpetual and exclusive right, privilege and easement of unlimited ingress and egress, access, over and upon the Properties for installing, constructing, inspecting, maintaining, altering, moving, improving and replacing facilities and equipment

constituting such systems. If, and to the extent, services provided by such systems are to serve all of the Homesites, then the cost of the services may, as determined by Declarant, be Operating Costs of the Community Association and shall be assessed as a part of the Assessments. If any services provided by the System are provided only to some, but not all, of the Homesites, then the cost of any such services shall be an expense for the benefit of the respective Homesite to be assessed as a Special Assessment, or a direct charge by the provider, as the case may be. Declarant has the right to receive, on a perpetual basis, a portion of the revenues derived from such systems as agreed, from time to time, between the provider of such system and Declarant, if any.

Section 13. Non-Liability. Neither Community Association or Declarant or Club Owner and Golf Owner shall in any way or manner be held liable or responsible for any violation of this Community Declaration by any other person or entity. Neither Declarant nor Club Owner nor Golf Owner nor Community Association make any representations whatsoever as to the security of the Properties, Club Facilities or Golf Facilities or Homesites or the effectiveness of any gate, access system or medical alert system. The Community Association and each Owner does hereby hold Declarant and Club Owner and Golf Owner and Community Association harmless from any loss or claim arising from the occurrence of any crime or other act. Neither the Community Association, nor Club Owner, nor Golf Owner, nor the Declarant, shall in any way be considered insurers or guarantors of security within the Properties, Club Facilities, Golf Facilities or Homesites or the effectiveness of any such system. All Owners specifically acknowledge that the Properties may have a perimeter boundary systems, such as fences, walls, hedges, or the like. Neither the Community Association, nor Club Owner, nor the Declarant, shall be held liable for any loss or damage by reason or failure to provide adequate security or ineffectiveness of measures undertaken. All Owners and occupants of any Homesites, tenants, guests and invitees of any Owner, as applicable, acknowledge that the Community Association, its Board and officers, Declarant, or Club Owner, or Golf Owner, their nominees or assigns, or any successor Declarant, and the A.C.C. and its members do not represent or warrant that any fire protection system, gate access system, burglar alarm system, medical alert system or other system designated by or installed according to guidelines established may not be compromised or circumvented, that any fire protection or burglar alarm systems, gate access system, medical alert system or other systems will prevent loss by fire, smoke, burglary, theft, hold-up, or otherwise, nor that fire protection or burglar alarm systems or other systems will in all cases provide the detection or protection for which the system is designed or intended.

Section 14. Reserved Rights. The Declarant and Club Owner and



Golf Owner shall have all rights and privileges reserved to it elsewhere in this Community Declaration.

Section 15. Duration of Rights. The rights of Declarant set forth in this Community Declaration shall, unless specifically provided to the contrary herein, extend for a period of time ending upon the earlier of: (i) when neither Declarant nor any affiliate of Declarant or a nominee of either has any further interest of any kind in the Properties and/or Community; or (ii) five (5) years after the Community Completion Date; or (iii) a relinquishment by Declarant in a statement in writing placed in the Public Records; or (iv) twenty-five (25) years after the date of the recording of this Community Declaration in the Public Records.

#### ARTICLE XVIII ASSIGNMENT OF POWERS

All or any part of the rights, exemptions and powers and reservations of the Declarant or Club Owner or Golf Owner, as the case may be, herein contained may be conveyed or assigned to other persons or entities by an instrument in writing duly executed, acknowledged, and recorded in the Public Records. Unless provided therein, the Assignment shall not make the Assignee a successor Developer.

#### ARTICLE XIX GENERAL PROVISIONS

Section 1. Authority of Community Association. Except when a vote of the membership of the Community Association is specifically required, all decisions, duties, and obligations of the Community Association hereunder may be made by the Board. The Community Association and Owners shall be bound thereby.

Section 2. Approval of Community Association Lawsuits by Members. No judicial or administrative proceeding shall be commenced or prosecuted by the Community Association unless approved by a vote of seventy-five (75%) percent of the Owners. This Section shall not, however, apply to:

(a) actions brought by the Community Association to enforce the provisions of this Community Declaration (including, without limitation, the foreclosure of liens or Community Standards);

(b) the imposition and collection of Assessments as provided in this Community Declaration;

(c) proceedings involving challenges to ad valorem taxation;  
or

(d) counterclaims brought by the Community Association in proceedings instituted against it.

This Section shall not be amended unless the prior written approval of Declarant is obtained, which may be granted or denied in its sole discretion.

Section 3. Severability. Invalidation of any of the provisions of this Community Declaration by judgment or court order shall in no way affect any other provision which shall remain in full force and effect.

Section 4. Notices. Any notice required to be sent to any person, firm, or entity under the provisions of this Community Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address at the time of such mailing.

IN WITNESS WHEREOF, the undersigned, being the Declarant hereunder, has hereunto set its hand and seal this \_\_\_ day of \_\_\_\_\_, 1995.

Witnesses:

Declarant:

Lennar Homes, Inc.

\_\_\_\_\_  
Print Name: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_

STATE OF FLORIDA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 1995, by \_\_\_\_\_, as \_\_\_\_\_ of Lennar Homes, Inc. He is personally known to me or has produced \_\_\_\_\_ as identification and did (did not) take an oath.

\_\_\_\_\_  
Notary Public  
Print Name: \_\_\_\_\_  
(Notary Seal)

Witnesses:

Joinder:

Kings Ridge Recreation Corporation

Print Name: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Print Name: \_\_\_\_\_

STATE OF FLORIDA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1995, by \_\_\_\_\_, as \_\_\_\_\_ of Kings Ridge Recreation Corporation. He is personally known to me or has produced \_\_\_\_\_ as identification and did (did not) take an oath.

\_\_\_\_\_  
Notary Public  
Print Name: \_\_\_\_\_  
(Notary Seal)

Witnesses:

Joinder:

Kings Ridge Community Association, Inc.

Print Name: \_\_\_\_\_

By \_\_\_\_\_

Print Name: \_\_\_\_\_

TITLE: \_\_\_\_\_

Print Name: \_\_\_\_\_

STATE OF FLORIDA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1995, by \_\_\_\_\_, as \_\_\_\_\_ of Kings Ridge Community Association, Inc. He is personally known to me or has produced \_\_\_\_\_ as identification and did (did not) take an oath.

\_\_\_\_\_  
Notary Public  
Print Name: \_\_\_\_\_  
(Notary Seal)

ARTICLES OF INCORPORATION  
OF  
KINGS RIDGE COMMUNITY ASSOCIATION, INC.

ARTICLES OF INCORPORATION

OF

KINGS RIDGE COMMUNITY ASSOCIATION, INC.  
(A CORPORATION NOT FOR PROFIT)

In compliance with the requirements on the Laws of the State of Florida, and for the purpose of forming a corporation not for profit, the undersigned does hereby acknowledge:

ARTICLE I  
NAME OF CORPORATION

The name of the corporation is KINGS RIDGE COMMUNITY ASSOCIATION, INC. ("Community Association").

ARTICLE II  
REGISTERED OFFICE - REGISTERED AGENT

The street address of the Registered Office of the Community Association is \_\_\_\_\_ The name of the Registered Agent of the Community Association is \_\_\_\_\_

ARTICLE III  
DEFINITIONS

The definitions contained in the Community Declaration of Restrictive Covenants ("Community Declaration") relating to the project known as Kings Ridge at Clermont, recorded, or to be recorded, in the Public Records of Lake County, Florida, are incorporated herein by reference and made a part hereof.

ARTICLE IV  
PURPOSE OF THE COMMUNITY ASSOCIATION

The Community Association is formed to: (a) provide for ownership, operation, maintenance and preservation of the Common Area, and improvements thereon; (b) provide Community Services; (c) perform the duties delegated to it in the Community Declaration; (d) administer the interests of the Community Association and its members, within the Properties; (e) promote the health, safety and welfare of the members of the Community Association.

ARTICLE V  
NOT FOR PROFIT

The Community Association is a not for profit Florida corporation and does not contemplate pecuniary gain to, or profit for, its

members.

ARTICLE VI  
POWERS OF THE COMMUNITY ASSOCIATION

The Community Association shall, subject to the limitations and reservations set forth in the Community Declaration, including, but not limited to, the Club Covenants, have all the powers, privileges and duties reasonably necessary to discharge its obligations, including, but not limited to, the following:

(a) To perform all the duties and obligations of the Community Association set forth in the Community Declaration and By-Laws, as herein provided.

(b) To enforce, by legal action or otherwise, the provisions of the Community Declaration and By-Laws and of all rules, regulations, covenants, restrictions and agreements governing or binding the Community Association and Properties.

(c) To fix, levy, collect and enforce payment, by any lawful means, of all charges or assessments pursuant to the terms of the Community Declaration, these Articles and By-Laws, including, but not limited to, the cost of maintenance and operation of the Surface Water or Stormwater Management System.

(d) To pay all expenses in connection with, and all office and other expenses incidental to, the conduct of the business of the Community Association, including, but not limited to, all licenses, taxes or governmental charges levied or imposed against the property of the Community Association and payments required pursuant to the Club Covenants and to maintain and repair the Surface Water or Stormwater Management System including structures and drainage easements.

(e) To acquire (by gift, purchase or otherwise), annex, own, hold, improve, build upon, operate, maintain, convey, grant rights and easements, sell, dedicate, lease, transfer or otherwise dispose of real or personal property (including the Common Area and/or Community Services) in connection with the functions of the Community Association.

(f) To borrow money, and to mortgage, pledge or hypothecate any or all of its real or personal property as security for money or debts incurred.

(g) To dedicate, grant, license, lease, concession, create easements upon, sell or transfer all or any part of, the Properties to any public agency, entity, authority, utility or other person or entity for such purposes and subject to such conditions as it

determines.

(h) To participate in mergers and consolidations with other non-profit corporations organized for the same purposes.

(i) To adopt, publish, promulgate or enforce rules, regulations, covenants, restrictions or agreements governing the Community Association, Properties, Common Area, Community Services, Homesites and Club Facilities as provided in the Club Covenants and to effectuate all of the purposes for which the Community Association is organized.

(j) To have and to exercise any and all powers, rights and privileges which a non-profit corporation, organized under the Laws of the State of Florida may now, or hereafter, have or exercise.

(k) To employ personnel and retain independent contractors to contract for management of the Community Association, Properties and Common Area, Community Services and Club Facilities as provided in the Club Covenants and to delegate in such contract all or any part of the powers and duties of the Community Association.

(l) To contract for services to be provided to, or for the benefit of, the Community Association, its members, Common Area, Community Services, and Properties and Club Facilities as provided in the Club Covenants such as, but not limited to, security services, maintenance, garbage pick-up and other utilities.

(m) To establish committees and delegate certain of its functions to those committees.

(n) To 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 Number \_\_\_\_\_ requirements and applicable District rules, and shall assist in the enforcement of the restrictions and covenants contained in the Community Declaration.

#### ARTICLE VII VOTING RIGHTS

The Community Association shall have two (2) classes of voting members:

CLASS A. The Owner of each Homesite shall be a Class A member. Each Class A member shall be entitled to one (1) vote for each Homesite owned. When more than one (1) person owns an interest in any Homesite, all persons shall be members. The vote associated with that Homesite shall be exercised as they determine, but in no event shall more than the one (1) vote be cast with

respect to any Homesite.

Each Class A member shall also be a member of a Neighborhood Association. The Neighborhood Association shall represent the interests of its members in the Community Association. Each Neighborhood Association shall elect three (3) Class A Voting Member ("Neighborhood Voting Member") who shall cast as many votes as there are Homesites owned by Owners other than Declarant in the Neighborhood. Each Neighborhood Association shall elect its Neighborhood Voting Members in the same manner, and subject to the same terms as to duration of office, removal and qualifications, as it elects its own directors. Each Neighborhood Voting Member shall be a director of the Neighborhood Association.

Each Neighborhood Association shall give written notice to the Community Association of the persons elected or designated as its Neighborhood Voting Members, at or before the first meeting of the Community Association which the Neighborhood Voting Member is to attend. The Community Association and all other Neighborhood Voting Members (and their constituents) shall be entitled to rely on such notices as constituting the authorization of the Neighborhood Association (and its members) to the designated Neighborhood Voting Members to cast all votes of the Neighborhood Association (and its members) and to bind same in all Community Association matters until such notice is changed, superseded or revoked.

When reference is made in this Community Declaration, or in the Articles or By-Laws or other documents to a majority or specific percentage of Owners, such reference shall be deemed to be a reference to a majority or specific percentage of the vote of Owners represented by their respective Neighborhood Voting Members 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 Owners themselves or their Homesites. To the extent lawful, the foregoing shall apply to, without limitation, the establishment of a quorum at any applicable meeting.

CLASS B. The Declarant is the Class B member. The Class B member shall be entitled to the total of: (a) one (1) vote; and (b) two (2) votes for each vote to which the Class A members are entitled to cast from time to time. The Class B membership shall cease on the happening of the earlier of the occurrence of one of the following events:

- (a) Six (6) months after the Community Completion Date.
- (b) Such earlier date as Declarant may determine.



ARTICLE VIII  
BOARD OF DIRECTORS

The affairs of the Community Association shall be managed by a Board consisting of three (3) persons. Board members appointed by Declarant or elected by Class B members need not be members of the Community Association. Board members elected by Class A members must be members of the Community Association.

The election, or appointment, as the case may be, of Directors shall be held at the annual meeting. Directors shall be elected, or appointed, as the case may be, for a term expiring on the date of the next annual meeting.

The Directors named in these Articles shall serve until the next election of Directors. Any vacancies in the first Board shall be filled by the Declarant. The names and addresses of the members of the first Board who shall hold office until their successors are elected and have qualified, or until removed, are as follows:

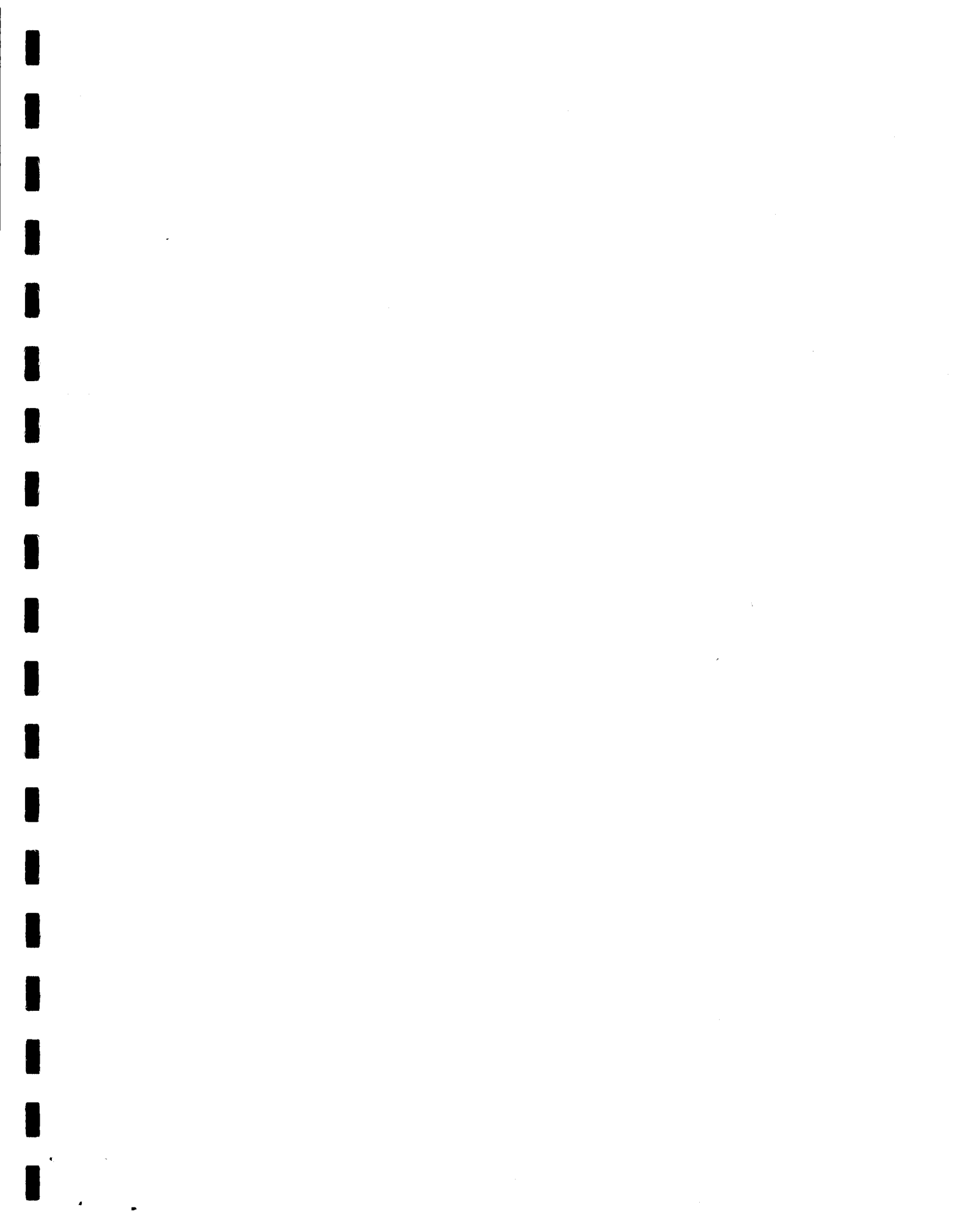
NAME	ADDRESS
_____	_____
_____	_____
_____	_____
_____	_____

As provided in F.S. 617.307:

(1) Members other than the Declarant are entitled to elect at least a majority of the Board of the Community Association, three (3) months after ninety (90%) percent of the Homesites in all phases of the Community that will ultimately be operated by the Community Association have been conveyed to Owners.

For purposes of this Section, the term "Members other than the Declarant" shall not include builders, contractors, or others who purchase a Homesite or Parcel for the purpose of constructing improvements thereon for resale.

(2) The Declarant is entitled to elect at least one Member of the Board of the Community Association as long as the Declarant holds for sale in the ordinary course of business at least 5 percent of the Homesites in all phases of the Community. After the Declarant relinquishes control of the Community Association, the Declarant may exercise the right to vote any developer-owned voting



interests in the same manner as any other Member, except for purposes of reacquiring control of the Community Association or selecting the majority of the members of the Board.

ARTICLE IX  
DISSOLUTION

In the event of the dissolution of the Community Association other than incident to a merger or consolidation, any member may petition the Circuit Court having jurisdiction of the Judicial Circuit of the State of Florida for the appointment of a receiver to manage its affairs of the dissolved Community Association and to manage the Common Area and Community Services, in the place and stead of the Community Association, and to make such provisions as may be necessary for the continued management of the affairs of the dissolved Community Association and its properties. In the event of termination, dissolution or final liquidation of the Community Association, the responsibility for the operation and maintenance of the Surface Water or Stormwater Management System must be transferred to and accepted by an entity which would comply with Section 40C-42.027, F.A.C., and be approved by the St. Johns River Water Management District prior to such termination, dissolution or liquidation.

ARTICLE X  
DURATION

The Community Association shall have perpetual existence.

ARTICLE XI  
AMENDMENTS

Amendments to these Articles shall be proposed and adopted in the following manner:

1. Proposal. Amendments to these Articles may be proposed by a vote of the majority of the Board. Until the Project Completion Date, amendments may also be proposed by the Class B member. Thereafter, amendments may also be proposed by twenty-five percent (25%) of the members of each Class entitled to vote on the Amendment.
2. Call for Meeting. Upon the adoption of a resolution proposing an amendment, the Community Association shall thereupon call a special meeting of the class of membership(s) entitled to vote on the amendment, unless it is to be considered at an annual meeting. It shall be the duty of the Secretary to give each member written notice stating the purpose of the meeting, place, day and hour of the meeting, and setting forth the proposed amendment or a summary

of the changes to be effected thereby. Notice shall be delivered not less than five (5) or more than sixty (60) days before the date of the meeting, either personally or by first class mail, addressed to the member at the address as it appears on the books of the Community Association.

3. Vote Necessary. In order for an amendment to become effective, it must be approved at a duly called meeting by an affirmative vote of: (i) until the sale of a Homesite in the Community to an Owner other than Declarant, by a majority of the Board; and (ii) thereafter, while Class B memberships exist, by a majority of the Class B members only; and (iii) thereafter, by sixty-six (66%) percent of the votes of both the Class A members and Board.

4. By Written Statement. Notwithstanding the provisions of 1 and 2 above, if an amendment may be adopted by the Board or members, if the required number of the Board or members eligible to vote sign a written statement manifesting their intention that an amendment be adopted, then the amendment shall thereupon be adopted.

5. Filing. Articles of Amendment containing the approved amendment shall be executed by Community Association by its President or Vice President and attested by its Secretary or Assistant Secretary. The Articles of Amendment shall set forth:

- (a) The name of the corporation.
- (b) The amendment(s) so adopted.
- (c) The date of the adoption of the amendment.

Articles of Amendment shall be filed, together with the appropriate filing fees, within ten (10) days from approval with the office of the Secretary of State of Florida for approval.

6. Limitations.

A. No amendment may be made to these Articles which shall in any manner reduce, amend, affect or modify the terms, conditions, provisions, rights and obligations set forth in the Community Declaration.

B. There shall be no amendment to these Articles which shall abridge, reduce, amend, effect or modify the rights of: (i) Declarant and/or Club Owner, including, without limitation, the right to designate and select the Directors as provided herein and the rights reserved, or granted, to Declarant and/or Club Owner in the Community Declaration, without the prior written consent thereto by Declarant and/or Club Owner, which may be granted or denied in its sole discretion; and (ii) any Mortgagee without the prior written consent of such Mortgagee; and (iii) the Club Owner, without the prior written consent of such Club Owner, which may be

granted or denied, in its sole discretion.

ARTICLE XII  
INCORPORATOR

The name and address of the Incorporator of this corporation is:  
Lennar Homes, Inc., \_\_\_\_\_

ARTICLE XIII  
OFFICERS

The Board shall elect a President, Secretary, Treasurer, and as many Vice-Presidents, Assistant Secretaries and Assistant Treasurers as the Board shall from time to time determine.

The names and addresses of the Officers who shall serve until their successors are elected by the Board are as follows:

President:

Vice President:

Secretary/Treasurer:

ARTICLE XIV  
INDEMNIFICATION OF OFFICERS AND DIRECTORS

The Community Association shall and does hereby indemnify and hold harmless every Director and every Officer, their heirs, executors and administrators, against all loss, cost and expenses reasonably incurred in connection with any action, suit or proceeding to which such Director or Officer may be made a party by reason of being or having been a Director or Officer of the Community Association, including reasonable counsel fees at all levels of proceeding. This indemnification shall not apply to matters wherein the Director or Officer shall be finally adjudged in such action, suit or proceeding to be liable for or guilty of gross negligence or willful misconduct. The foregoing rights shall be in addition to, and not exclusive of, all other rights to which such Director or Officers may be entitled.

ARTICLE XV  
TRANSACTIONS IN WHICH DIRECTORS OR OFFICERS ARE INTERESTED

No contract or transaction between the Community Association and one (1) or more of its Directors or Officers or Declarant or Club Owner, or between the Community Association and any other corporation, partnership, association, or other organization in

which one (1) or more of its Officers or Directors are officers, directors or employees or otherwise interested shall be invalid, void or voidable solely for this reason, or solely because the Officer or Director is present at, or participates in, meetings of the Board thereof which authorized the contract or transaction, or solely because said Officers' or Directors' votes are counted for such purpose. No Director or Officer of the Community Association shall incur liability by reason of the fact that said Director or Officer may be interested in any such contract or transaction.

Interested Directors shall disclose the general nature of their interest and may be counted in determining the presence of a quorum at a meeting of the Board which authorized the contract or transaction.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the Laws of the State of Florida, the undersigned, being the Incorporator of this Community Association, has executed these Articles of Incorporation this \_\_\_ day of \_\_\_\_\_, 1995.

\_\_\_\_\_  
Print Name: \_\_\_\_\_  
\_\_\_\_\_  
Print Name: \_\_\_\_\_

LENNAR HOMES, INC.  
By: \_\_\_\_\_  
its \_\_\_\_\_

STATE OF FLORIDA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 1995, by \_\_\_\_\_, as \_\_\_\_\_ of Lennar Homes, Inc., a Florida not-for-profit corporation, on behalf of the corporation. He/she is personally known to me or has produced \_\_\_\_\_ as identification and did (did not) take an oath.

\_\_\_\_\_  
Notary Public  
Print Name: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

\*\*\*\*\*  
I HEREBY ACCEPT THE DESIGNATION AS REGISTERED AGENT AS SET FORTH IN THESE ARTICLES OF INCORPORATION.

\_\_\_\_\_  
PRINT NAME: \_\_\_\_\_

BY-LAWS

OF

KINGS RIDGE COMMUNITY ASSOCIATION, INC.

BY-LAWS

OF

KINGS RIDGE COMMUNITY ASSOCIATION, INC.

ARTICLE I  
NAME AND LOCATION

The name of the corporation is KINGS RIDGE COMMUNITY ASSOCIATION, INC. ("Community Association"). The principal office of the corporation shall be located at \_\_\_\_\_.

ARTICLE II  
DEFINITIONS

The definitions contained in the Community Declaration of Restrictive Covenants ("Community Declaration") relating to the Community known as Kings Ridge at Clermont, recorded, or to be recorded, in the Public Records of Lake County, Florida, are incorporated herein by reference and made a part hereof.

ARTICLE III  
MEETING OF MEMBERS

Section 1. Annual Meetings. Except as set forth to the contrary, the annual meeting shall be held at least once each calendar year on a date, at a time and at a place to be determined by the Board. The election of Directors, if one is required to be held, must be held at, or in conjunction with, the annual meeting.

Section 2. Special Meetings. Special meetings may be called at any time by the President, the Board, or upon written request of at least twenty-five (25%) percent of the total Voting Interests of the Community Association. Business conducted at a special meeting is limited to the purposes described in the notice above.

Section 3. Notice of Meetings. Written notice of each meeting shall be given by, or at the direction of, the Secretary or person authorized to call the meeting. Notice of the annual meeting need not include a description of the purposes for which the meeting is called. Notice of a special meeting must include a description of the purposes for which the meeting is called. A copy of the notice shall be mailed to each Neighborhood Association as designated agent for each member entitled to vote, postage prepaid, not less than ten (10) days before the meeting (provided, however, in the case of an emergency, two (2) days' notice will be deemed sufficient). The notice shall be addressed to the Neighborhood Associations' address last appearing on the books of the Community Association. The notice shall specify the place, day and hour of



the meeting and, in the case of a special meeting, the purpose of the meeting. The Neighborhood Association shall be solely responsible to obtain the votes of its members so as to authorize the Neighborhood Voting Member(s) to cast the votes of the members in the Neighborhood.

Section 4. Quorum. Until Class B memberships terminate, a majority of the Class B members alone shall constitute a quorum. Thereafter, the presence, by person or proxy, at the meeting, of Neighborhood Voting Members entitled to cast fifty-one percent (51%) of the votes of the Community Association which are entitled to vote on the matters to be considered at that meeting, shall constitute a quorum for any action, except as otherwise provided in the Articles, the Community Declaration, or these By-Laws. If, however, a quorum shall not be present at any meeting, the members present shall have power to adjourn the meeting, from time to time, without notice other than announcement at the meeting, until a quorum is present. It is not necessary that the date, time, or place of an adjourned meeting be announced at the meeting before an adjournment is taken, although, if so announced, the announcement shall be effective. Any business that might have been transacted on the original date of the meeting may be transacted at an adjourned meeting. If a new record date for the adjourned meeting is or must be fixed under F.S. 617.0707, notice of the adjourned meeting must be given to persons who are entitled to vote and are members as of the new record date but were not members as of the previous record date.

Section 5. Proxies. At all meetings, each member entitled to vote may vote in person or by proxy. All proxies shall comply with the provisions of F.S. 617.306(6) and shall be in writing and filed with the Secretary at, or prior to, the meeting. Every proxy shall be revocable prior to the meeting for which it is given. As to Class A members, a proxy shall automatically cease upon conveyance by the member of the Homesite owned by the member.

Section 6. Recording. Any Owner may tape record or video tape meetings of the Board and/or Members. The Board may adopt reasonable rules governing the taping of meetings.

#### ARTICLE IV

#### BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of the Community Association shall be managed by a Board consisting of three (3) persons. Board members appointed by Declarant or elected by the Class B members need not be members of the Community Association. Board members elected by the Class A members must be members of the Community Association.

Section 2. Term of Office. The election of Directors after the first Board shall be held at the annual meeting, as provided in the Articles. Directors shall be elected for a term of one (1) year (except that the term of the first Board shall extend until their successors are elected as provided in the Articles).

Section 3. Removal. Any vacancy created by the resignation or removal of a Board member appointed by Declarant or elected by the Class B members may be replaced by Declarant. Any vacancy in the first Board may be filled by, and any member of the first Board may be removed by, Declarant. In the event of death, resignation or removal of a Director, a successor shall be selected by: (i) if appointed by Declarant or elected by the Class B members, by Declarant; or (ii) if elected by the Class A members, the replacement shall be appointed by the remaining Directors. In the event that there is a failure to fill vacancies on the Board sufficient to constitute a quorum, the provisions of F.S. 617.305 shall apply.

Section 4. Compensation. No Director shall receive compensation for any service rendered, as a Director, to the Community Association. However, any Director may be reimbursed for actual expenses incurred as a Director.

Section 5. Action Taken Without a Meeting. The Board shall have the right to take any action without a meeting by obtaining the written approval of the required number of Directors. Any action so approved shall have the same effect as though taken at a meeting of Directors.

#### ARTICLE V NOMINATION AND ELECTION OF DIRECTORS

The nomination and election of Directors shall be conducted as follows:

Section 1. Classes. Until the Community Completion Date, the Declarant shall have the unrestricted power to appoint all directors of the Community Association. Thereafter, until termination of the Class B memberships, the Class B members shall elect all Directors of the Community Association. After the termination of the Class B memberships, the Class A members shall elect all directors of the Community Association.

Section 2. Election. Election to the Board shall be by secret written ballot, unless unanimously waived by all members present. The person(s) receiving the largest numbers of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI  
MEETING OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board shall be held, unless waived, not less than every three (3) months. Meetings shall be held at such place and hour as may be fixed, from time to time, by resolution of the Board.

Section 2. Special Meetings. Special meetings of the Board shall be held when called by the President, or by any two (2) Directors. Each Director shall be given not less than two (2) days' notice except in the event of an emergency making such notice imprudent. Notice may be waived. Attendance shall be a waiver of notice. Telephone conference meetings are permitted.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting, at which a quorum is present, or in writing in lieu thereof, shall be action of the Board.

Section 4. Open Meetings. Meetings of the Board shall be open to all members. Notices of meetings of the Board shall be posted in a conspicuous place on Community Association Property (or on the Club Facilities) at least 48 hours in advance, except in an emergency. Notices of any meetings of the Board at which Assessments against Homesites are to be established shall specifically contain a statement that Assessments shall be considered and a statement of the nature of such Assessments.

ARTICLE VII  
POWERS AND DUTIES OF THE BOARD

Section 1. Powers. The Board shall, subject to the limitations and reservations set forth in the Community Declaration and Articles, have the powers reasonably necessary to manage, operate, maintain and discharge the duties of the Community Association, including, but not limited to, cause the Community Association to do the following:

(a) Exercise all powers, duties and authority vested in or delegated to the Community Association by law and in these By-Laws, the Articles, the Community Declaration and the Club Covenants, including, without limitation, adopt budgets, levy assessments and collect and remit the Club Charges;

(b) Adopt, publish, promulgate and enforce rules and regulations governing the use of the Properties and the Club Facilities as provided in the Club Covenants by the members, tenants and their guests and invitees, and to establish penalties



and/or fines for the infraction thereof;

(c) Suspend the voting rights and right of use of the Common Area, Community Services and Club Facilities as provided in the Club Covenants of a member during any period in which such member shall be in default in the payment of any Assessment or charge levied, or collected, by the Community Association;

(d) Declare the office of a member of the Board to be vacant in the event such member shall be absent from three (3) consecutive regular Board meetings;

(e) Employ, on behalf of the Community Association, managers, independent contractors, or such other employees as it deems necessary, to prescribe their duties and delegate to such manager, contractor, etc. any or all of the duties and functions of the Community Association and/or its officers;

(f) Acquire, sell, operate, lease, manage and otherwise trade and deal with property, real and personal, including the Common Area, Community Services and Club Facilities, as provided in the Club Covenants, and with any other matters involving the Community Association or its members, on behalf of the Community Association or the discharge of its duties, as may be necessary or convenient for the operation and management of the Community Association and in accomplishing the purposes set forth in the Community Declaration;

(g) Grant licenses, easements, permits, leases, or privileges to any individual or entity, including non-parcel owners, which affect Common Area, Community Services, the Properties or Club Facilities and to alter, add to, relocate or improve the Common Area, Community Services, Properties and/or Club Facilities as provided in the Club Covenants;

Section 2. Vote. The Board shall exercise all powers so granted except where the Community Declaration, Articles or these By-Laws specifically require a vote of the members.

Section 3. Limitations. For so long as the Class B memberships exist, actions of the Community Association, Board and/or A.C.C. and/or committee shall be subject to the approval of the Class B Member. If disapproved, the action shall have no force and effect. This right shall be exercisable only by the Class B Member, its successors, and assigns.

For so long as the Class B memberships exist, no action authorized by the Community Association, Board, A.C.C. or any committee shall become effective, nor shall any action, policy, or program be implemented until and unless:

(a) The Class B Member shall have been given written notice of all meetings and proposed actions approved at meetings of the Community Association and Neighborhood Association where Community Association business is to be considered, Board, A.C.C. or any committee by certified mail, return receipt requested, or by personal delivery at the address it has registered with the Secretary of the Community Association, as it may change from time to time.

(b) The Class B Member shall be given the opportunity at any such meeting to join in or to have its representatives or agents join in discussion from the floor of any proposed action, policy, or program to be implemented by the Community Association, Board, A.C.C. or any committee.

(c) The Class B Member shall have and is hereby granted a right to disapprove any such action, policy, or program proposed or authorized by the Community Association, Board, A.C.C. or any committee.

(d) This right may be exercised by the Class B Member, its representatives, or agents at any time within ten (10) days following the meeting held pursuant to the terms and provisions hereof. This right to disapprove may be used to veto proposed actions but shall not extend to the requiring of any action or counteraction on behalf of the Community Association, Board, A.C.C. or any committee.

#### ARTICLE VIII OBLIGATIONS OF ASSOCIATION

The Community Association, subject to the provisions of the Community Declaration, Articles, these By-Laws and Club Covenants shall discharge such duties as necessary to operate the Community Association and pursuant to the Community Declaration, including, but not limited to, the following:

(a) Maintain and make available all official records of the Community Association as required by the provisions of F.S. 617.303;

(b) Supervise all officers, agents and employees of the Community Association, and to see that their duties are properly performed;

(c) Fix and collect the amount of the annual and other Assessments and/or, where appropriate, Charges against, or due from, each Owner including, but not limited to, fines, lien enforcement, and other necessary legal proceedings, and pay, or cause to be paid, all obligations of the Community Association or

where the Community Association has agreed to do so, of the Owners;

(d) Issue, or to cause an appropriate officer or agent to issue, upon demand by any person, a certificate setting forth whether or not Assessments and/or Charges have been paid. A reasonable charge may be made by for the issuance of the certificate. If the certificate states that Assessments and/or Charges have been paid, such certificate shall, as against other than the Owner, be conclusive evidence of such payment;

(e) Procure and maintain adequate bonds, liability, hazard, property and/or casualty insurance, as required;

(f) Administer the reconstruction after casualty of improvements on the Common Area, Community Services and Club Facilities as provided in the Club Covenants, as required;

(g) Operate, maintain, repair and replace the Common Area, Community Services and Club Facilities as provided in the Club Covenants, as required;

(h) Enforce the provisions of the Community Declaration, Articles, these By-Laws, Rules and Regulations and, where appropriate, Club Covenants.

#### ARTICLE IX OFFICERS AND THEIR DUTIES

Section 1. Officers. The officers of this Community Association shall be a President, a Vice President, a Secretary, and a Treasurer.

Section 2. Election of Officers. Except as set forth below, the election of officers shall be by the Board and shall take place at the first meeting of the Board following each annual meeting of the Community Association.

Section 3. Term. The officers named in the Articles shall serve until their replacement by the Board. The officers of the Community Association shall hold office until their successors are appointed or elected unless such officer shall sooner resign, be removed, or otherwise disqualified to serve.

Section 4. Special Appointment. The Board may elect such other officers as the affairs of the Community Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed

from office, with or without cause, by the Board. Any officer may resign at any time by giving written notice to the Board. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein. Acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office shall be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the replaced officer.

Section 7. Multiple Offices. The offices of President or Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

#### PRESIDENT

The President shall preside at all meetings of the Community Association and Board, sign all leases, mortgages, deeds and other written instruments and perform such other duties as may be required by the Board. The President shall be a member of the Board.

#### VICE-PRESIDENT

The Vice-President shall act in the place and stead of the President in the event of the absence, inability or refusal to act of the President, and perform such other duties as may be required by the Board.

#### SECRETARY

The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Community Association and the Board; keep the corporate seal of the Community Association and affix it on all papers required to be sealed; serve notice of meetings of the Board and of the Community Association; keep appropriate current records showing the names of the members of the Community Association together with their addresses; and perform such other duties as required by the Board.

#### TREASURER

The Treasurer shall cause to be received and deposited in appropriate bank accounts all monies of the Community Association and shall disburse such funds as directed by the Board; sign, or



cause to be signed, all checks, and promissory notes of the Community Association; cause to be kept proper books of account and accounting records required pursuant to the provisions of F.S. 617.303; cause an annual budget and a statement of income and expenditures to be prepared and presented to the membership at the annual meeting; and perform such other duties as required by the Board.

#### ARTICLE X COMMITTEES

Section 1. General. The Board may appoint such committees as deemed appropriate. The Board may fill any vacancies on all committees.

Section 2. Enforcement Committee. In addition to any other committees which may be established by the Board pursuant to Section 1 of this Article, the Board may appoint an Enforcement Committee to act, in accordance with the provisions of the Community Declaration, as the hearing tribunal of the Community Association.

Section 3. A.C.C. The Declarant shall have the sole right to appoint the members of the A.C.C. until such time as provided in the Community Declaration. Upon expiration of the right of Declarant to appoint members of the A.C.C. as provided in the Community Declaration, the Board shall appoint the members of the A.C.C. As provided under the Community Declaration, the Community Association shall have the authority and standing to seek enforcement in courts of competent jurisdiction any decisions of the A.C.C.

#### ARTICLE XI RECORDS

The official records of the Community Association shall be available for inspection by any member at the principal office of the Community Association. Copies may be purchased, by a member, at a reasonable cost.

#### ARTICLE XIII CORPORATE SEAL

The Community Association shall have an impression seal in circular form.

#### ARTICLE XIII AMENDMENTS

Section 1. Procedure: These By-Laws may be amended, altered or

rescinded at a regular or special meeting of the Board members, as appropriate. In order for an amendment to become effective, it must be approved at a duly called meeting, by an affirmative vote of: (i) until the sale of a Homesite in the Community to an Owner other than Declarant, only by a majority of the Board; and (ii) thereafter, while Class B memberships exist, by a majority of the Class B members only; and (iii) thereafter, by sixty-six (66%) percent of the votes of both the Class A members and Board.

Section 2. Limitation. No amendment, alteration or rescission of all or any part of these By-Laws, the Articles or Community Declaration, shall be made which shall affect the interests of Declarant, Club Owner, Class B member or Incorporator without the written consent of Declarant, Club Owner, Class B member or Incorporator being first obtained.

Section 3. Conflict. In the case of any conflict between the Articles and these By-Laws, the Articles shall control. In the case of any conflict between the Community Declaration and these By-Laws, the Community Declaration shall control.

ARTICLE XIV  
MISCELLANEOUS

The first fiscal year shall begin on the date of incorporation and end on December 31 of that year. Thereafter, the fiscal year of the Community Association shall begin on the first day of January and end on the 31st day of December of every year.

IN WITNESS WHEREOF, the foregoing were adopted as the By-Laws of KINGS RIDGE COMMUNITY ASSOCIATION, INC.

By: \_\_\_\_\_  
Secretary